

9th ANNUAL REPORT

ALKA SECURITIES LIMITED

Report  junction.com

2002-2003

Alka Securities Limited

DIRECTORS: ALKA PANDEY Chairperson & Managing Director
RAJKUMAR SHARMA
ANIL KUMAR KHAITAN
RAVI PANDEY
MANESH MUKHERJEE

AUDITORS : DEVENDRA BHANDARI & CO.
CHARTERED ACCOUNTANTS

**SOLICITORS AND
ADVOCATES :** M.P.VASHI & CO.

BANKERS: CANARA BANK
BANK OF INDIA
CITI BANK
ICICI BANK
INDUSIND BANK

**REGISTRARS AND SHARE
TRANSFER AGENTS:** PURVA SHAREGISTRY INDIA PVT. LTD.
33 PRINTING HOUSE
28-D POLICE COURT LANE
FORT, MUMBAI – 400 001.
TEL : 261 7957 / 263 2967
FAX : 262 6407

REGISTERED OFFICE: 602, MANGAL MURTI
ASHRAM ROAD
AHMEDABAD – 380 009

CORPORATE OFFICE: “MAITRI”, PLOT NO.10, ROAD NO.10,
NUTAN LAXMI CHS., JVPD SCHEME,
JUHU, VILE-PARLE (W), MUMBAI – 400 049.

Alka Securities Limited

NINTH ANNUAL REPORT 2002-2003

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The Annual General Meeting will be held on Tuesday the 30th September, 2003 at 4.00 P.M. at 602, Mangal Murti, Ashram Road, Ahmedabad – 380 009.

Shareholders are requested to bring their copy of Annual Report in the Annual General Meeting.

Alka Securities Limited

NOTICE

TO THE SHAREHOLDERS

Notice is hereby given that the Ninth Annual General Meeting of the Members of the Company will be held at 602, Mangal Murti, Ashram Road, Ahmedabad – 380 009 on Tuesday, 30th September, 2003 at 4.00 P.M. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet and the Profit & Loss Account for the year ended 31st March 2003 and the Directors' Report and Auditors' Reports thereon.
2. To appoint a Director in place of Mr. Anil Kumar Khaitan who retires by rotation and being eligible offers himself for re-election.
3. To appoint M/s Chitlangia & Co, Chartered Accountants as Auditors of the company and to fix their remuneration in place of M/s Devendra Bhandari & Co, Chartered Accountants who retire at the ensuing General Meeting.

Special Business:

4. To appoint a Director in place of Mr. Ravi Pandey, who was appointed as an Additional Director of the company by the Board and who holds office under Section 260 and other applicable provisions, if any, of the Companies Act, 1956 up to the date of this Annual General Meeting but being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing from a shareholder under section 257 of the Companies Act, 1956 signifying intention to propose his candidature for the office of Director.
5. To appoint a Director in place of Mr. Manesh Mukherjee, who was appointed as an Additional Director of the company by the Board and who holds office under Section 260 and other applicable provisions, if any, of the Companies Act, 1956 up to the date of this Annual General Meeting but being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing from a shareholder under section 257 of the Companies Act, 1956 signifying intention to propose his candidature for the office of Director.
6. To consider and, if thought fit, to pass with or without modification, the following Resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Sections 198, 269 and 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 the consent of the company be and is hereby accorded to the appointment of Mrs. Alka Pandey, as Chairperson and Managing Director of the Company, for a period of 5 (Five) years with effect from 4th September 2003, on the terms and conditions including remuneration as are set out in the agreement to be entered into between the company and Mrs. Alka Pandey, a draft whereof is placed before this meeting which agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration and/or agreement, subject to the same not exceeding the limits specified in Schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force or as may hereinafter be made by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Mrs. Alka Pandey.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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Explanatory statement as required by section 173 of the companies Act, 1956

Item No.3:

M/s. Devendra Bhandari & Co., Chartered Accountants, the retiring auditors have advised that they do not seek reappointment as the Company's Auditors at the forthcoming Annual General Meeting. The Board of Directors recommend that M/s Chitlangia & Co., Chartered Accountants, be appointed as Company's Auditors to hold office till the conclusion of the next Annual General Meeting. The said auditors have given their consent to their appointment as Auditors of the Company. Certificate has been obtained from the said Auditors that appointment, if made, will be in accordance with the limits specified in sub - section (1B) of the Companies Act, 1956.

The Directors place on record their appreciation of the valuable services rendered by M/s. Devendra Bhandari & Co., Chartered Accountants, as Auditors.

Accordingly, it is proposed to appoint M/s Chitlangia & Co., Chartered Accountants, as the Statutory Auditors of the Company.

Item No. 4:

At the meeting of the Board of Directors held on 4th September 2003, Mr. Ravi Pandey was appointed as an Additional Director of the Company. Pursuant to Section 260 of the Companies Act, 1956 (hereinafter referred to as "the Act") read with Article 30 of the Articles of Association of the Company (hereinafter referred to as "the Articles") Mr. Ravi Pandey holds office up to the date of the forthcoming Annual General Meeting of the Company.

A notice has been received from a shareholder under section 257 of the Act alongwith a deposit of Rs.500/- signifying intention to propose Mr. Ravi Pandey as a candidate for appointment as a Director.

Mr. Ravi Pandey aged 29, has wide and varied experience in the field of Accountancy and General Administration. The Directors consider that the services of Mr. Ravi Pandey will be useful to the company having regard to his knowledge and experience and recommend he be appointed as Director of the Company.

Mr. Ravi Pandey is interested in the resolution at item no.4 of the Notice since it relates to his appointment. None of the other Directors are interested in the said resolution.

Item No. 5:

At the meeting of the Board of Directors held on 4th September 2003, Mr. Manesh Mukherjee was appointed as an Additional Director of the Company. Pursuant to Section 260 of the Companies Act, 1956 (hereinafter referred to as "the Act") read with Article 30 of the Articles of Association of the Company (hereinafter referred to as "the Articles") Mr. Manesh Mukherjee holds office up to the date of the forthcoming Annual General Meeting of the Company.

A notice has been received from a shareholder under section 257 of the Act alongwith a deposit of Rs.500/- signifying intention to propose Mr. Manesh Mukherjee as a candidate for appointment as a Director.

Mr. Manesh Mukherjee aged 29, is B. Com and has wide and varied experience in the field of accountancy and computer software. The Directors consider that the services of Mr. Manesh Mukherjee will be useful to the company having regard to his knowledge and experience and recommend he be appointed as Director of the Company.

Mr. Manesh Mukherjee is interested in the resolution at item no.5 of the Notice since it relates to his appointment. None of the other Directors are interested in the said resolution.

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Item No. 6:

Subject to the Shareholder's approval, the Board of Directors, at their meeting held on 4th September 2003, have appointed Mrs. Alka Pandey as the Chairperson and Managing Director of the Company for a period of 5 years from the date of appointment on the remuneration determined by the Remuneration Committee of the Board of Directors.

The remuneration payable to Mrs. Alka Pandey will be Rs.20,000/- per month.

The terms and conditions set out for appointment and payment of remuneration herein and or in the agreement may be altered and varied from time to time by the Board of Directors of the company as it may, at its discretion deem fit. The Board is also entitled to revise the salary at any time, such that the overall yearly remuneration payable to the said Managing Director shall not exceed the limits specified in Schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereto.

The respective agreements may be terminated by either party (the Company or the concerned Managing Director) by giving three months' prior notice in writing.

The draft Agreement to be entered into between the Company and Mrs. Alka Pandey incorporating the above particulars of remuneration are available for inspection at the Registered office of the company on all working days excluding Saturdays, upto the date of the ensuing Annual General Meeting between 11.00 A.M. and 1.00 P.M.

The above may also be treated as an abstract of the terms of the contract/agreement between the Company and Mrs. Alka Pandey pursuant to Section 302 of the Companies Act, 1956.

Mrs. Alka Pandey is interested in the said resolution as it relates to his appointment as Chairperson and Managing Director of the company. None of the other Directors are interested in this resolution.

Your Directors commend the resolutions set out at Item Nos. 3 to 6 of the Notice for your approval.

Report

For and on Behalf of the Board of Directors

Place: Mumbai
Dated: 4th September 2003

Alka Pandey
Chairperson

Registered Office:
602, Mangal Murti
Ashram Road
Ahmedabad - 380 009

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NOTES: -

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY -EIGHT HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING IN DEFAULT, THE INSTRUMENT OF PROXY SHALL NOT BE TREATED AS VALID.
2. The relative explanatory statements, pursuant to Section 173 of the Company Act 1956 in respect of the business at item no. 3 to 6 are,annexed hereto.
3. The Company had already notified closure of Register of Members and Share Transfer Books of the Company from Friday, September 26, 2003 to Monday, September 29, 2003 (both days inclusive).
4. M/s. Purva Sharegistry India Pvt. Ltd., 33 Printing House, 28-D Police Court Lane, Fort, Mumbai 400 001has been appointed as Registrar and Share Transfer Agents (STA) of the company. All communications in respect of share transfer and change in the address of the members may be communicated to them.
5. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificate to the STA/Company.
6. Consequent upon the introduction of Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form 2B (which shall be made available on request) to the STA, M/s. Purva Sharegistry India Pvt. Ltd.

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DIRECTORS' REPORT

To
THE SHAREHOLDERS

Your Directors submit their Report and the Audited Accounts of the Company for the year ended 31st March 2003

1. FINANCIAL RESULTS

The result for the current year and those for the previous year are set out in this paragraph

	2002-2003 (Amt. in Rs.)	2001-2002 (Amt. in Rs)
Profit before Depreciation and Interest	2,88,977	6,14,685
Less:- Provision for Depreciation	2,12,554	2,98,087
Interest	33,038	74,354
Profit / (Loss) before Tax	43,385	2,42,244
Provision for Tax – Current	47,000	4,000
Deferred	(13,378)	(16,321)
Profit / (Loss) after Tax	9,763	2,54,565
Prior Period Adjustment	NIL	54,940
Balance brought forward from previous year	18,28,799	16,29,174
Profit / (Loss) carried to Balance Sheet	18,38,563	18,28,799

DIVIDEND

To conserve the resources of the Company, Directors do not recommend any dividend on Equity shares for the year under consideration.

OPERATIONS

During the year under consideration your company has managed to generate sufficient revenue to meet its operational costs. The overall business scenario during the year under consideration was not much encouraging. Stock Market remained volatile and continued its downward trend. As you are aware that presently your company is operating only in WDM segment.

BUSINESS

During the year under consideration performance of your company was satisfactory keeping in view the adverse business conditions. in view of the improvement shown by the Stock Market and general business environment, your Directors are considering the option of restarting the Stock Market operations. Also company is looking at the option of starting operations of Future & Option Segment, which will be a major activity in the stock market in times to come. Your Directors are confident that as a result of these activities performance of your company will improve.

FINANCIAL

During the year under consideration your company had repaid secured loans resulting in saving in interest cost.

OUTLOOK FOR THE COMPANY

Keeping in view the current improvement in the share market and recovery trend shown by industry in general, your Directors are confident that in coming year company's performance will improve. Your

Alka Securities Limited

Directors are confident that starting up of Stock market Segment & Future & Option Segment will further improve the performance of the Company.

LISTING

The Equity Shares of the Company are listed on Mumbai, Ahmedabad and Baroda Stock Exchanges. The Company has paid the Annual Listing Fees Rs.15,000/- to the Mumbai Stock Exchange for the year 2002-2003.

DIRECTORS

Mr. Ravi Pandey and Mr. Manesh Mukherjee were appointed as Additional Directors of the Company during the year. By virtue of Section 260 of the Companies Act, 1956 they would cease to hold office at the ensuing Annual General Meeting and are eligible for appointment.

Mr. Anil Kumar Khaitan would retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

As specifically required under the Companies Act, 1956, your Directors state:

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii. that such accounting policies have been selected which have been applied consistently and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company in the Balance Sheet as at the end of the financial year ended 31st March, 2003 and of the Profit and Loss Account for the said financial year, i.e. April 1, 2002 to March 31, 2003.
- iii. that proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities have been taken.
- iv. that the Annual Accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE

A Report on Corporate Governance in compliance with the Mumbai Stock Exchange Listing Agreement is attached and forms part of this Report.

PARTICULARS OF EMPLOYEES

The Company does not have any employee whose particulars are required to be given pursuant to the provisions of section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

PARTICULARS UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956

Company takes adequate steps to avoid wasteful consumption and conservation of energy.
The Company does not require any technology for its existing business.
There were no Earnings and Outgo in Foreign Exchange.