



AMIT SECURITIES LIMITED



**11th ANNUAL REPORT
2002-2003**



Amit Securities Limited

ELEVENTH ANNUAL REPORT
AMIT SECURITIES LIMITED
2002-2003

BOARD OF DIRECTORS

SHRI ALOK GUPTA	Managing Director
SHRI VISHNU KUMAR GUPTA	Director
SHRI VINEET GUPTA	Director
SHRI SHIRISH AGRAWAL	Director

AUDIT COMMITTEE

SHRI SHIRISH AGRAWAL	Chairman
SHRI VISHNU KUMAR GUPTA	Member
SHRI VINEET GUPTA	Member

BANKERS

BANK OF INDIA
CANARA BANK

AUDITORS

M/s M.METHA & CO.
CHARTERED ACCOUNTANTS
11/5 SOUTH TUKOGANJ,
INDORE - 452 001

REGISTRAR & SHARE TRANSFER AGENT

Ankit Consultancy Pvt. Ltd.
2nd Floor, Alankar Point,
4, Rajgarh Kothi,
A.B. Road, INDORE-452 001

REGISTERED OFFICE

402, Meridian Apartments,
3rd Wing, Veera Desai Road,
Andheri (W),
MUMBAI - 400 058

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Amit Securities Limited

NOTICE

NOTICE IS HEREBY GIVEN THAT THE ELEVENTH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON 30TH SEPTEMBER, 2003 AT 4.00 P.M. AT REGISTERED OFFICE OF THE COMPANY AT 402, MERIDIAN APARTMENTS, 3RD WING, VEERA DESAI ROAD, ANDHERI (WEST), MUMBAI - 400 058, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2003 and Profit and Loss Account for the year 31st March, 2003 and the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint Director in place of Shri Vishnu Gupta who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

ITEM NO. 4

To consider and, if thought fit, to pass, with or without modifications(s), the following Resolution as a Ordinary Resolution:

"RESOLVED THAT Shri Shirish Agrawal be appointed as Director from the date of this Annual General Meeting, who was appointed as an Additional Director of the Company pursuant to Article 82 of the Articles of Association of the Company and who under section 260 of the Companies Act, 1956 holds office up to the date of this Annual General Meeting being eligible for appointment and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director under Section 257 of the Act."

ITEM NO. 5

To consider and, if thought fit, to pass, with or without modifications(s), the following Resolution as a Special Resolution:

"RESOLVED THAT subject to provisions of the Companies Act, 1956, Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003, listing agreement entered into by the company with the Stock Exchanges where the shares of the company are listed and guidelines, rules etc. framed by SEBI in this regard, and also subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, which may be agreed to or accepted by the Board of Directors of the Company (herein after referred to as the 'Board' which expression shall include a committee thereof), consent of the Company be and is hereby accorded to the Board to seek voluntary delisting of its equity shares from The Stock Exchange, Ahmedabad, The Delhi Stock Exchange Associates Limited, New Delhi and The Bangalore Stock Exchange, Bangalore for the reasons stated in the explanatory statement annexed to the notice of this Annual General Meeting."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to settle all questions, difficulties or doubts as may arise in regard to the aforesaid voluntary delisting of shares as it may in its absolute discretion deem fit and to take all necessary steps in this regard in order to comply with all the legal and procedural formalities."

By Order of the Board of Directors

Place: - Indore

Dated: - 25th August, 2003

Regd. Office: -402, Meridian Apartments,
3rd Wing, Veera Desai Road,
Andheri (West) MUMBAI- 400 058

Alok Gupta
Chairman



Amit Securities Limited

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and Proxy need not be a member. Proxies in order to be valid and effective must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Explanatory Statement setting out the material facts in respect of the business under Item No. 4 and 5 is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 27th September 2003 to 30th September 2003 (both days inclusive).
4. The shares of the Company are listed at the stock exchanges at Mumbai, Bangalore, Ahmedabad, Delhi and Indore.
5. Members are requested to send their queries, if any, at least ten days before the date of the meeting so as to enable the Company to keep the information ready.
6. Members are requested to notify to the Company immediately any change in their address.
7. The members/proxies should bring the attendance slip duly filled in and signed for attending the meeting.

EXPLANATORY STATEMENT: -

(Pursuant to section 173(2) of the Companies Act, 1956)

ITEM NO. 4

Shri Shirish Agrawal was appointed by the Board of Directors of the company as an additional director w.e.f 3rd October 2002. He will hold office up to ensuing Annual General Meeting and is eligible for reappointment. The company has received a notice u/s 257 of the Companies Act, 1956 proposing his candidature for the directorship on the Board of the Company.

Shri Shirish Agrawal has a wide experience of over 15 years in the field of marketing.

The Directors recommend the appointment of Shri Shirish Agrawal on the Board of the Company.

None of the Directors except Shri Shirish Agrawal are interested in the said resolution.

ITEM NO. 5

As the members are aware that the equity shares of the company are listed with The Stock Exchange, Mumbai (BSE), The M.P.Stock Exchange, Indore, The Delhi Stock Exchange Association Limited, New Delhi, The Bangalore Stock Exchange, Bangalore and The Stock Exchange, Ahmedabad. It has been observed that since last few years trading of shares of your company on The M.P.Stock Exchange, Indore, The Delhi Stock Exchange Association Limited, New Delhi, The Bangalore Stock Exchange, Bangalore and The Stock Exchange, Ahmedabad has been very rare and of very low volume and /or no trading. Your company has been spending considerable amount of money on listing fees, and communication expenses in the form of fax charges and registered letters for compliance of various provisions of listing agreement like Board Meeting notices, AGM and EGM notices, Book closures notices, quarterly results etc. Investors/ Shareholders do not get any benefit despite company spending these amounts.

With the extensive networking of BSE terminals to other cities, the investors have access to trade and deal in the company's securities across the country, and delisting from these stock exchanges will not hamper the investors/shareholders in these region. Therefore, it has been considered that the listing on The Delhi Stock Exchange Association Limited, New Delhi, The Bangalore Stock Exchange, Bangalore and The Stock Exchange, Ahmedabad be discontinued.

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Considering the facts, your Board of Directors has proposed delisting of equity shares of your company from The Delhi Stock Exchange Association Limited, New Delhi, The Bangalore Stock Exchange, Bangalore and The Stock Exchange, Ahmedabad and has put before you the Special Resolution for your approval. Your company will continue to be listed on The Stock Exchange, Mumbai and The M. P. Stock Exchange, Indore.

The Directors recommend the resolution for approval of the shareholders.

None of the Directors are interested in the said resolution.

By Order of the Board of Directors

Alok Gupta

Chairman

Place: - Indore

Dated: - 25th August, 2003

Regd. Office: -

402, Meridian Apartment,
3rd Wing, Veera Desai Road,
Andheri (West) Mumbai - 400 058

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DIRECTORS REPORT

TO,

THE MEMBERS,

Your Directors have pleasure in presenting herewith the Eleventh Annual Report of your Company together with the Audited Account for the year ended 31st March 2003.

1. FINANCIAL RESULTS :

	Current Year	Previous Year
GROSS INCOME	6,85,70,583	6,09,44,412
PROFIT BEFORE DEPRECIATION	15,23,825	25,83,638
DEPRECIATION	57,932	15,614
PROVISIONS FOR TAXATION	7,48,618	5,99,211
NET PROFIT AFTER TAXATION	7,17,274	19,68,813
SURPLUS CARRIED TO BALANCE SHEET	64,65,748	57,48,473

2. DIVIDEND:

In the absence of sufficient profits, your Directors regret their inability to proposed any dividend.

3. DIRECTORS:

Shri Shirish Agrawal was appointed as additional director of the company w.e.f. 03/10/2002, he will hold office upto the date of Annual General Meeting. Notice has been received from one of the members along with requisite deposit signifying their intention to propose him as the candidate for the office of the director at the said annual general meeting. Shri Vishnu Gupta retire by rotation at the ensuing Annual General Meeting, being eligible, offer himself for re-appointment.

4. FIXED DEPOSIT :

The Company has not accepted any deposits under the provisions of Sec. 58A of the Companies Act, 1956 and the rules made there under.

5. STATEMENT UNDER SECTION 217 OF COMPAINES ACT, 1956 :

During the year under review, there was no employee employed to whom, salary more than prescribed Limit was paid hence, information pursuant to Section 217 (2A) of the Companies Act, 1956, read with the Companies (particulars of the employees) Rules, 1988, as amended is not given.

6. DISCLOSURE OF INFORMATION PURSUANT TO SECTION 217(E) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988.

The Company is not a manufacturing Company and as such the requirement under the aforesaid rules for disclosure of information as regards conservation of energy and technology absorption is not applicable to the Company. The Company has not carried on, during the year under Review, any activity relating to exports and has not used or earned any foreign exchange.

7. AUDITORS :

M/s M.MEHTA & CO., Chartered Accountants the retiring auditors eligible and offer themselves for reappointment. The Board recommends for their reappointment.



Amit Securities Limited

8. DIRECTORS RESPONSIBILITY STATEMENT

Your Directors hereby report:

- a) That in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to purchase and sales.
- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2003 and of profit and loss account of the profit for the year ended 31st March, 2003.
- c) That the Directors have taken 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.
- d) That the Directors have prepared the annual accounts on a going concern basis.

9. CORPORATE GOVERNANCE

A separate report on Corporate Governance along with Auditors' Certificate on its compliance is attached to this report.

10. DELISTING OF SHARES FROM STOCK EXCHANGES

In view of negligible/no trading and to save cost, it is proposed to get shares delisted voluntarily from stock exchanges at Bangalore, Delhi and Ahmedabad as per the provisions of SEBI Guidelines.

11. ACKNOWLEDGEMENTS

The Board wishes to place on record their gratitude for the co-operation being received from the Banks, Share Transfer Agent, Stock Exchanges, Shareholders and thank them for their continued support.

By order of the Board

Alok Gupta
Chairman

Place: Indore

Date: 25-08-2003

Regd. Office:

402, Meridian Apartments,
3rd Wing, Veera Desai Road,
Andheri (W), Mumbai - 400058

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Developments

Non Banking Finance Company's are the important entities engaged in the field of finance and investment, which is the primary business of your company. During the year, there was a continuation of the downtrend in interest rates with the policy preference of RBI being for a softer interest rate environment.

The discussion on the financial performance of the Company is covered in the Director's report. During the year profit of the company is decreased due to lower income from share trading.

Opportunities and Threats

The process of financial sector reforms that began a decade ago received further momentum in fiscal 2003. The reforms were aimed at improving the asset resolution and recovery environment, strengthening the regulatory mechanism and increasing operational efficiency. However, the successful conversion of this opportunity depends to a large extent on its ability of your company to improve capital adequacy and debt-equity ratios and raise new financial resources at a competitive cost in the future.

Risk is an integral part of the financing business and your company aims at the delivery of superior trade-off between risk and returns.

Segment wise Performance

Investment and loans is the main business activity of your Company. Segment reporting as required under Accounting Standards-17 is not applicable as all the revenue income comes from a single segment.

Internal Control

The Company maintains a system of internal control, including suitable monitoring procedures and the adequacy of the same has been reported by its auditors in their report as required under the Manufacturing & Other Companies [Auditor's Report] Order, 1988. The Internal Audit Department regularly conducts a review to assess the financial and operating controls of the Company. Any significant issue is required to be brought to the attention of the audit Committee of the board. The statutory Auditors and the Head of Internal Audit are invited to attend the Audit Committee meetings.

Human Resources/ Industrial Relations Front

The Company continued to have the cordial and harmonious relations with its employees and there has been no material development on the Human resource/Industrial Relations front during the year. The Company considers the quality of its human resources to be most important asset and constantly endeavors to attract and recruit best possible talent.

Cautionary Statement

Statements in the Management Discussion Analysis Report describing the Company's objectives and predictions may be forward looking within the meaning of applicable rules and regulations. Actual results may differ materially from those either expressed or implied in the statement depending on circumstances.