



AMIT SECURITIES LIMITED

Report  junction.com

18th.
~~15th~~ ANNUAL REPORT
2007-2008


Amit Securities Limited

AMIT SECURITIES LIMITED

SIXTEENTH ANNUAL REPORT

2007-2008

BOARD OF DIRECTORS

Shri Alok Gupta	Managing Director
Shri Vishnu Kumar Gupta	Director
Shri Vineet Gupta	Director
Shri Shirish Agrawal	Director

AUDIT COMMITTEE

Shri Vishnu Kumar Gupta	Chairman
Shri Shirish Agrawal	Member
Shri Vineet Gupta	Member

BANKERS

Bank of India
HDFC 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

Flat No. 304, 3rd Floor, Noble Tower
Veer Santaji Marg, Fergusson Road, Lower Parel (W)
Mumbai 400013.

CONTENTS

Notice
Director's Report
Auditor's Report
Balance Sheet
Profit and Loss Account
Schedules
Cash Flow Statement



Amit Securities Limited

NOTICE IS HEREBY GIVEN THAT THE SIXTEENTH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON 30TH SEPTEMBER, 2008 AT 3.00 P.M. AT REGISTERED OFFICE OF THE COMPANY AT FLAT NO. 304, 3RD FLOOR, NOBLE TOWER, VEER SANTAJI MARG, FERGUSSON ROAD, LOWER PAREL (W), MUMBAI 400013.

TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2008 and Profit and Loss Account for the year 31st March, 2008 and the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint Director in place of Shri Alok 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.

By Order of the Board of Directors

Alok Gupta
(Chairman)

Place: - Indore

Dated: - 30th August, 2008

Regd. Office: -

Flat No. 304, 3rd Floor, Noble Tower

Veer Santaji Marg, Fergusson Road, Lower Parel (W)

Mumbai 400013.

NOTE:

1. A MEMBER ENTITLED TO ATTAIN 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 Register of Members and Share Transfer Books of the Company will remain closed from 25th September 2008 to 30th September 2008 (both days inclusive).
3. The shares of the Company are listed at the stock exchanges at Mumbai and Indore.
4. 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.
5. Members are requested to notify to the Company immediately any change in their address.
6. The members/proxies should bring the attendance slip duly filled in and signed for attending the meeting.
7. Shri Alok Gupta is a B.A.M.S. and having a rich experience of over 30 years in the field of manufacturing, trading of engineering goods, commodities and investment/finance functions and working of the Company.


Amit Securities Limited

DIRECTORS REPORT

TO,

THE MEMBERS,

Your Directors have pleasure in presenting herewith the Sixteenth Annual Report of your Company together with the Audited Accounts for the year ended 31st March 2008.

1. FINANCIAL RESULTS:

Particulars	Year	Year
	2007-08	2006-07
GROSS INCOME	5972209	36,74,859
PROFIT BEFORE DEPRECIATION	1174195	25,28,848
DEPRECIATION	255920	1,99,860
PROVISIONS FOR TAXATION	286239	3,73,986
NET PROFIT AFTER TAXATION	624328	19,65,480
ADD PROFIT/LOSS BROUGHT FORWARD	12293544	103,28,063
SURPLUS CARRIED TO BALANCE SHEET	129,17,872	122,93,544

2. DIVIDEND:

In the Absence of sufficient profits, your Directors regret their inability to propose any Dividend.

3. DIRECTORS:

Shri Alok Gupta retires by rotation at the ensuing Annual General Meeting, being eligible offers himself for re-appointment.

4. FIXED DEPOSIT:

The Company has not accepted any Deposits under the provisions of section 58A of The Companies Act, 1956 and the Rules made there under.

5. STATEMENT UNDER SECTION 217 OF THE COMPANIES ACT 1956:

There were no employees in the Company who if employed through out the Financial Year, were in receipt of remuneration, whose particulars, if so employed, are require to be included in the Report of Directors in accordance with the provisions of section 217(2A) of The Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

6. DISCLOSURE OF INFORMATION PURSUANT TO SECTION 217 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.



Amit Securities Limited

7. AUDITORS:

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

8. DIRECTORS RESPONSIBILITY STATEMENT:

Your Directors hereby report:

- a. That in 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, 2008 and of profit and loss account of the profit for the year ended 31st March, 2008.
- 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 deleting 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. ACKNOWLEDGEMENTS:

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

By Order of the Board

Alok Gupta
Chairman

Place: Indore

Date: 30th, August, 2008

Regd. Office:

Flat No 304, 3rd Floor,
Noble Tower Veer Santaji Marg,
Fergusson Road, Lower parel (W),
Mumbai 400013.



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Overall review of the economy

The Indian economy continued the high rate of growth for the third year in succession. The last three financial years in India saw growth rates of 9.4%, 9.6% and 8.7% (2007-08). There has been a deceleration in the growth rate in 2007-08 as compared to the last two financial years owing to the slowing down of the economy and inflationary pressures within India. For the current year, despite slowdown in the major economies of the world, the Indian Economy continues to grow a 8-8.5% driven by investment.

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. Interest rates are highly sensitive to many factors beyond the Company's control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. As a result, interest rates in India have historically experienced a relatively high degree of volatility. The Company seeks, to match its interest rate positions of assets & liabilities to minimize interest rate risk. However, there can be no assurance that significant interest rate movements will not have an adverse effect on its financial position.

The discussion on the financial performance of the Company is covered in the Director's report.

Opportunities and Threats

The main business of the company is investment and the Capital Market is providing promising return. The company is endeavored for making investments, which maximizes returns and ensures safety of fund. The company is consolidating its resources, which would be used for committing capital for future business activities. The company will keep examining and pursuing these new opportunities for growth. The company is aimed at improving the asset resolution 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.

The company, with its integrations of operations is ideally positioned to benefit from the growing capital market.

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 has in place adequate internal control systems commensurate with the size and nature of its business. These ensure that all corporate policies are strictly adhered to an absolute transparency is followed in accounting and all its business dealings.

*Amit Securities Limited*

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 Companies (Auditor's Report) Order, 2003. 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.

Report  junction.com


Amit Securities Limited

CORPORATE GOVERNANCE REPORT

For the Year 2007-2008

1. Company's philosophy on Code of Governance

Good governance facilitates effective management and control of business, maintaining a high level of business ethics and optimizing the value for all its stakeholders. The ultimate objective of the Corporate Governance at Amit Securities Limited is to enhance Shareholders' value in the long term. A good governance process aims to achieve this by providing long-term visibility of its businesses, ensuring effective relationship with stakeholders, establishing systems that help the Board in understanding risk appetite and monitoring risk at every stage of the corporate evolution process.

Board Composition and particulars of Directors

Board Composition

The Company's policy is to maintain optimum combination of Executive and Non- Executive Directors. The Board consists of 4 Directors, out of which three are independent Directors. The Board believes that its current composition is appropriate. Composition of the Board and category of Directors are as follows:

Name of Director	Category	No. Of Directorships held in other public companies	No. of memberships of Board Committees held in other Public Companies	No. of other Board Committees of which Director is a Chairperson
Shri Alok Gupta	Managing Director	—	—	—
Shri Vishnu Gupta	Independent non-executive Director	—	—	—
Shri Vincet Gupta	Independent non- executive Director	—	—	—
Shri Shirish Agrawal	Independent non executive Director	—	—	—

DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT

Shri Alok Gupta liable to retire by rotation and being eligible offer himself for reappointment. Shri Alok Gupta is a B.A.M.S. and having a rich experience of over 30 years in the field of manufacturing trading of engineering goods, commodities and investment/finance functions and working of the Company and he has significantly contributed towards the development and progress of the Company.

2. ATTENDANCE OF EACH DIRECTOR AT BOARD MEETINGS AND LAST ANNUAL GENERAL MEETING:

During the year 2007-2008, 11 (Eleven) Board Meetings were held on 30/04/2007, 30/06/2007, 30/07/2007, 21/08/2007, 30/08/2007, 30/08/2007, 30/09/2007, 31/10/2007, 31/01/2008, 08/02/2008, 25/02/2008 and 14/03/2008.

Name of Director	No. of Board Meeting held.	No. Of Board Meeting attended	Attendance at last Annual General Meeting
Shri Alok Gupta	11	11	Yes
Shri Vishnu Gupta	11	9	Yes
Shri Vincet Gupta	11	9	Yes
Shri Shirish Agrawal	11	11	Yes


Amit Securities Limited

CODE OF CONDUCT

The company has laid down the Code of Conduct for Directors and senior personnel, annual affirmation from each of the Directors with regard to the adherence to the said Code of Conduct drawn are being received on a yearly basis and placed before the Board.

3. AUDIT COMMITTEE

The Audit Committee consists of three independent Non-executive Directors. The Members of the Committee are well versed in finance matters, accounts, company law and general business practices.

The composition of the Audit Committee is as under:

- A) Mr. Vishnu Gupta -Chairman
- B) Mr. Vineet Gupta -Member
- C) Mr. Shirish Agrawal -Member

The terms of reference of the Audit Committee include:

- a) To review financial statements and pre-publication announcements before submission to the Board.
- b) To ensure compliance of internal control systems and action taken on internal audit reports.
- c) To apprise the Board on the impact of accounting policies, accounting standards and legislation.
- d) To hold periodical discussions with statutory auditors on the scope and content of the audit.
- e) To review the Company's financial and risk management policies.

During the financial year 2007-2008, 5 (Five), Audit Committee Meetings were held on 24/04/2007, 24/07/2007, 25/08/2007, 08/10/2007, 16/01/2008.

Name of Director	No. of committee Meetings held	No. of committee Meetings attended
Shri Vishnu Gupta	5	5
Shri Vineet Gupta	5	4
Shri Shirish Agrawal	5	2

4. REMUNERATION COMMITTEE

The Remuneration Committee consist of three independent, Non-executive Directors viz Mr. Vishnu Gupta (Chairman), Mr. Vineet Gupta and Mr. Shirish Agrawal.

The Remuneration Committee has been constituted to recommend/ review the remuneration package of the Managing/ whole time Directors, based on performance and defined criteria.

The remuneration policy is directed towards rewarding performance based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing Industry practice.

During the year on 19th November, 2007 meeting of the remuneration committee was held, which is attended by all the member of the committee. There is no remuneration and setting fee paid to any Directors of the Company during the year ended March 31, 2008.

Name of Director	No. of committee Meetings held	No. of committee Meetings attended
Shri Shirish Agrawal	1	1
Shri Vineet Gupta	1	1
Shri Vishnu Gupta	1	1

5. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The Committee consists of three independent, Non-executive Directors, Viz. Mr. Vishnu Gupta (Chairman and Non-executive Independent Director), Mr. Shirish Agrawal and Mr. Vineet Gupta.

The Company has acted upon all valid share transfers received during the year 2007-2008. The Company has not received any complaints during the year.