

# 2nd ANNUAL REPORT 1996-97

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CS	<input checked="" type="checkbox"/>		DPY	<input checked="" type="checkbox"/>
RO	<input checked="" type="checkbox"/>		DIV	<input checked="" type="checkbox"/>
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## MAJESTIC SECURITIES LIMITED



## MAJESTIC SECURITIES LIMITED

**Board of Directors****Managing Director**

Sh. Vinod Gupta

**Directors :**

Sh. Subash Gupta

Sh. N. K. Gupta

Sh. Gopal Krishan Gupta

Sh. Vidya Sagar Gupta

Sh. Harsharan Singh Gharaya

Sh. Kuldeep Sharma

Sh. Sanjeev Abrol

Sh. Rajneesh Jindal

**Secretary :**

Sh. Verinder K. Sood

**Auditors**

M/s Mohnesh &amp; Associates

SCO : 346-47, Sector 34-A

Chandigarh

**Bankers**

Punjab National Bank

Sector-9, Chandigarh

Bank of Rajasthan Ltd.

Sector-17, Chandigarh.

**Regd. Office :**

SCO : 216, Iron Market,

Sector 29-D, Chandigarh

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## MAJESTIC SECURITIES LIMITED

### NOTICE

Notice is hereby given that the Second Annual General Meeting of the Company will be held on Tuesday, the 30th December, 1997 at 9.00 A.M. at Chandigarh Club, Sector-1, Chandigarh to transact the following business :

### ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as at 31st March, 1997. Profit and Loss Account for the year ended on that date and the Reports of Board of Director's and Auditor's thereon.
2. To appoint a Director in place of Shri Gopal Krishan Gupta who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General and to fix their remuneration.

### SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s) if any, the following resolution as an Ordinary Resolution :

"RESOLVED that Shri Kuldeep Sharma, who was appointed as Additional Director in the meeting of the Board of Directors held on 28th November, 1996 and who holds office as such upto the conclusion of 2nd Annual General Meeting and in respect of whom the Company has received a Notice U/S 257 of the Companies Act, 1956 from a member proposing his candidature for the office of a Director of the Company be and is hereby appointed as a Director of the Company whose period of office will be liable to termination by retirement by rotation."

5. To consider and if thought fit, to pass with or without modification(s) if any, the following resolution as an Ordinary Resolution :

"RESOLVED that Sh. Harsharan Singh Gharaya, who was appointed as Additional Director in the meeting of the Board of Directors held on 20th January, 1997 and who holds office as such upto the conclusion of 2nd Annual General Meeting and in respect of whom the Company has received a Notice U/S 257 of the Companies Act, 1956 from a member proposing his candidature for the office of a Director of the Company be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement by rotation."

By order of the Board.,

For MAJESTIC SECURITIES LTD.,

Sd/-

Vinod Gupta  
Managing Director

Dated : 20th Nov, 1997  
Place : Chandigarh

### NOTES :

1. A Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself/herself and the proxy need not to be a member of the Company. The proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 24.12.1997 to 30.12.1997 (Both days inclusive)
3. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
4. The Members are requested to notify change in their address to the company, if any.

### EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

#### Item No. 4

Shri Kuldeep Sharma was appointed as Additional Director in the meeting of the Board of Directors held on 28th November, 1996 pursuant to Section 260 of the Companies Act, 1956. He has been in the field of Commerce and Industry for the past 26 years and it will be beneficial to the Company to utilise his professional expertise & guidance.

The Company has received a Notice pursuant to Section 257 of the Companies Act, 1956 from a member signifying his intention to propose his name for the office of the Director liable to determination by retirement by rotation. Accordingly, his appointment is commended for your approval.

None of the Directors except Shri Kuldeep Sharma himself is interested in the said resolution.

#### Item No. 5

Shri Harsharan Singh Gharaya was appointed as Additional Director in the meeting of the Board of Directors held on 20th January, 1997 pursuant to Section 260 of the Companies Act, 1956. Being a resourceful person having wide contacts and over 10 years of experience in the field of finance, investments and trading in securities etc. his appointment on the Board will be in the interest of the Company.

The Company has received a Notice pursuant to Section 257 of the Companies Act, 1956 from a member signifying his intention to propose his name for the office of the Director liable to determination by retirement by rotation. Accordingly his appointment is commended for your approval.

None of the Directors except Shri Harsharan Singh Gharaya himself is interested in the said resolution.

By order of the Board.,  
for MAJESTIC SECURITIES LTD.,

Sd/-

Vinod Gupta  
Managing Director

Dated : 20th Nov., 1997.  
Place : Chandigarh

## MAJESTIC SECURITIES LIMITED



## DIRECTOR'S REPORT

Your Directors feel immense pleasure in presenting the Second Annual Report and Audited Statement of Accounts for the Year ended 31st March, 1997.

## Financial Results (Rs. in Lacs)

	Current Year 1996-97	Previous Year 1995-96
Total Income	42.36	44.48
Gross Operating Profit/(Loss)	(98.84)	7.07
Depreciation	3.03	1.34
Profit/(Loss) before Taxes	(101.87)	5.72
Provision for Taxation	0.00	1.20
Net Profit/(Loss) after tax	(101.87)	4.52
	Projected Performance	
	Actual 1996-97	Projected 1996-97
Total Income	42.36	254.54
Profit/(Loss) after tax	(101.87)	133.68
Earning per share (in Rs.)	0.00	2.67

## Operational Review and Prospects

The sluggish market conditions and the recessionary trend at all the stock exchanges throughout the country due to the dismal performance of securities both in primary as well as secondary market lead to the losses in your Company as compared to the projections. However, inspite of this trend being continuing, it is opined that the stock markets are bound to revive and your Director's by adopting cautious approach are hopeful of meeting their targets as projected, to your entire satisfaction.

## Share Capital

The authorised share capital of the Company is Rs. 6,00,00,000/- (Rupees Six crores) divided into 60,00,000 equity shares of Rs. 10/- each. The issued, subscribed and paid up capital stood at Rs. 5,07,32,000/- (Rupees Five crore seven lacs thirty two thousand) divided into 50,73,200 equity shares of Rs. 10/- each fully paid up.

## Depreciation

Depreciation on the Fixed Assets of the Company has been provided on the straight line method, pro-rata on monthly balances, as per the rates specified in Schedule XIV of the Companies Act, 1956.

## Dividend

The losses in the Company do not warrant the recommendation of any dividend, during the period under review.

## Public Deposits

The Company has not accepted any deposits from Public within the meaning of Section 58A of the Companies Act, 1956 and the rules framed thereunder, during the year under review.

## Directors

Shri Gopal Krishan Gupta, Director of the Company retires by rotation and being eligible offers himself for re-appointment.

Shri Mohnesh Kohli who was appointed as Additional Director by the Board w.e.f. 28.11.96 pursuant to Section 260 of the Companies Act, 1956 resigned w.e.f. 17th June, 1997 and the same was accepted by the

Board in their meeting held on 7th July, 1997. Shri Vidya Sagar Gupta, Shri Subhash Gupta, Shri Nand Kishore Gupta, Shri Rajnish Jindal & Shri Sanjeev Abrol were appointed as Additional Directors pursuant to Section 260 of the Companies Act, 1956 and the tenure of offices of these Directors expires at the conclusion of the ensuing Annual General Meeting. The Board of Directors place on record their sincere appreciation to the valuable services and counsel provided by the outgoing Directors to the Company.

Prof. R. K. Gupta, Director vacates his office as such pursuant to the provisions of Section 283(1)(g) of the Companies Act, 1956, w.e.f. 6th September, 1997.

Shri Kuldeep Sharma and Shri Harsharan Singh Gharaya were appointed as Additional Directors in the meeting of the Board of Directors held on 28th November, 1996 and 20th January, 1997, respectively pursuant to Section 260 of the Companies Act, 1956. A Notice u/s 257 of the Act ibid has been received by the Company from a member proposing their names to the office of the Directors, liable to determination by retirement by rotation. In the interest of the Company, their appointment is recommended for your approval.

## Auditors Reports

The Auditors Report being without any qualifications or adverse remarks is self explanatory and therefore, do not call for any further comments.

## Auditors

M/s. Mohnesh & Associates, Chartered Accountants, Chandigarh, the Statutory Auditors of the Company retires at the ensuing Annual General Meeting and being eligible offers themselves for reappointment. The provisions of Section 224(1B) of the Companies Act, 1956 in this regard have already been compiled with.

## Human Resources

The Industrial relations remained cordial throughout the year under review. Information pursuant to the provisions of Section 217(2)(A) of the Companies Act, 1956, read with Companies (Particulars of employees) Rules, 1975 as amended, is not applicable as none of the employees was coverable under the provisions of the said Act.

## Conservation of energy, technology absorption, foreign exchange earnings and outgo.

The particulars regarding energy conservation, technology absorption, foreign exchange earnings and outgo as prescribed under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are not applicable.

## Acknowledgement

Your Directors wish to place on record their sincere thanks to all concerned for their continuing support, co-operation and assistance.

for and on behalf of the Board  
Sd/-

(Vinod Gupta)

Managing Director

Sd/-

(Gopal Gupta)

Director

Dated : 20th Nov., 1997  
Place : Chandigarh