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3rd ANNUAL REPORT 1997-98



MAJESTIC SECURITIES LIMITED


MAJESTIC SECURITIES LIMITED
Board of Directors

Managing Director :
Sh. Vinod Gupta

Directors :
Sh. Gopal Krishan Gupta
Sh. Harsharan Singh Gharaya
Sh. Kuldeep Sharma

Secretary :
Sh. Verinder K. Sood

Auditors :
M/s Mohnesh & Associates
1173, Sector 44-B,
Chandigarh.

Bankers :
Punjab National Bank
Sector - 9, 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 3rd Annual General Meeting of the Company will be held on Wednesday the 30th September, 1998 at 09.30 A.M. at The Chandigarh Club Ltd. Sector 1, Chandigarh to transact the following :

ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as at 31st March, 1998, Profit & Loss Account for the year ended on that date and the reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Vinod Gupta, who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

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

'RESOLVED that M/s. Avnish Sharma & Associates, Chartered Accountants, SCO 47, Sector 20-C, IInd Floor, Dakshin Marg, Chandigarh be and are hereby appointed as Auditors of the Company to fill up the vacancy caused by the Resignation of M/s. Mohnesh & Associates, Chartered Accountants until the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed up by the Managing Director, plus reimbursement of any out of pocket expenses that may be incurred, in connection with the audit.'

By order of the Board
for MAJESTIC SECURITIES LIMITED

Dated : 28th July, 1998
Place : Chandigarh.

V.K. SOOD
Company Secretary

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 24th September, 1998 to 30 September, 1998 (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 any change in their address to the Company.

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

Item No. 3

M/s. Mohnesh & Associates, Chartered Accountants the Statutory Auditors of the Company vide their letter dated 18.06.1998 submitted their Resignation which was accepted by the Board in their meeting held on 28th July, 1998. In that very meeting the Board appointed M/s. Avnish Sharma & Associates, Chartered Accountants, SCO 47, Sector 20-C, IInd Floor, Dakshin Marg, Chandigarh to fill up the vacancy, subject however to the approval of the same by the Members in the ensuing Annual General Meeting to hold office upto the conclusion of the next Annual General Meeting.

M/s. Avnish Sharma & Associates, Chartered Accountants is a partnership firm established in the year 1989 with Mr. Avnish Sharma & Mr. Sanjay Jain, Chartered Accountants as partners. The said firm is having affiliation as Statutory Auditors/Internal Auditors/Tax Auditors/ Consultants with various reputed Govt. Sector and Private Sector, Corporations and Companies.

The Company has already received a Certificate from M/s. Avnish Sharma & Associates, Chartered Accountants pursuant to Section 224 (1B) of the Companies Act, 1956, that their appointment if made will be within the specified limits.

The relevant documents viz. the Resignation letter of M/s. Mohnesh & Associates, Chartered Accountants, the resume of M/s. Avnish Sharma & Associates, Chartered Accountants and the Certificate pursuant to Section 224 (1B) of the Companies Act, 1956 are available for inspection at the Registered Office of the Company during usual business hours from 9.30 a.m. to 6.00 p.m. Accordingly, the said resolution is commended for your approval.

None of the Directors is interested in the said resolution.

By order of the Board
For MAJESTIC SECURITIES LTD

Sd/-
Dated : 28th July, 1998
Place : Chandigarh

V.K. SOOD
Company Secretary



MAJESTIC SECURITIES LIMITED

DIRECTORS' REPORT

Your Directors are pleased to present the 3rd Annual Report and Audited Statements of Accounts for the year ended 31st March, 1998.

FINANCIAL RESULTS (Rs. in lacs)		
	Current year 1997-98	Previous Year 1996-97
Total Income	24.40	42.36
Gross Operating Profit/(Loss)	(14.24)	(98.84)
Depreciation	0.37	3.03
Profit/(Loss) before tax	(14.61)	(101.87)
Provision for Taxation	0.00	0.00
Net Profit/(Loss) after tax	(14.61)	(101.87)

Performance		
	Projected 1997-98	Actual 1997-98
Total Income	332.00	24.40
Profit/(Loss) after tax	168.92	(14.61)
Earning per Share (in Rs.)	3.30	0.00

OPERATIONAL REVIEW AND FUTURE PROSPECTS

The Securities both in primary as well as secondary market witnessed another year full of recession & down trend. Your Company incurred losses to the tune of Rs. 14.61 lacs during the year under review as compared to the loss of Rs. 101.87 lacs in the previous year. The total income of the Company fell from Rs. 42.36 lacs in the previous year to Rs. 24.40 lacs in the year under review. However, the Stock Monitoring Authorities at the National level are already involved in the tireless efforts of reviving the Stock Markets by framing and implementing new and innovative policies and your Directors are hopeful of achieving the desired results in the future.

SHARE CAPITAL

The Authorised Share Capital of the company consists of Rs. 6,00,00,000/- divided into 60,00,000 Equity Shares of Rs. 10/- each. The issued, subscribed and paid up capital is Rs. 5,07,32,000/- divided into 50,73,200 Equity Shares of Rs. 10/- each fully paid up.

The equity shares of the Company are listed on the Delhi Stock Exchange Association Ltd., New Delhi, The Ludhiana Stock Exchange Association Ltd, Ludhiana and The Stock Exchange Mumbai, Mumbai. The annual listing fee of all the above Stock Exchanges for the year 1998-99 has been duly paid.

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

In view of the losses, the non recommendation of the dividend for the year under review is regretted.

PUBLIC DEPOSIT

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 Vinod Gupta, Director retires by rotation and being eligible, offers himself for reappointment.

AUDITORS REPORT

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

AUDITORS

M/s. Mohnesh & Associates, Chartered Accountants, the Statutory Auditors resigned and the resignation was accepted by the Board in their meeting held on 28th July, 1998. The vacancy thus caused was filled by the Board in the same meeting appointing M/s. Avnish Sharma & Associates, Chartered Accountants, Chandigarh as Statutory Auditors subject to the approval of the same by the Members in the ensuing Annual General Meeting to hold office upto the conclusion of the next Annual General Meeting.

The provisions of Section 224 (1B) of the Companies Act, 1956 in this regard having already been complied with, the said appointment is commended for your approval.

HUMAN RESOURCES

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

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

ACKNOWLEDGEMENT

Yours Directors offer their sincere thanks to all concerned for their support & Co-operation and appreciation to the employees at all levels.

FOR AND ON BEHALF OF THE BOARD

Sd/-
VINOD GUPTA
Managing Director

Dated : 28th July, 1998
Place : Chandigarh

Sd/-
GOPAL GUPTA
Director