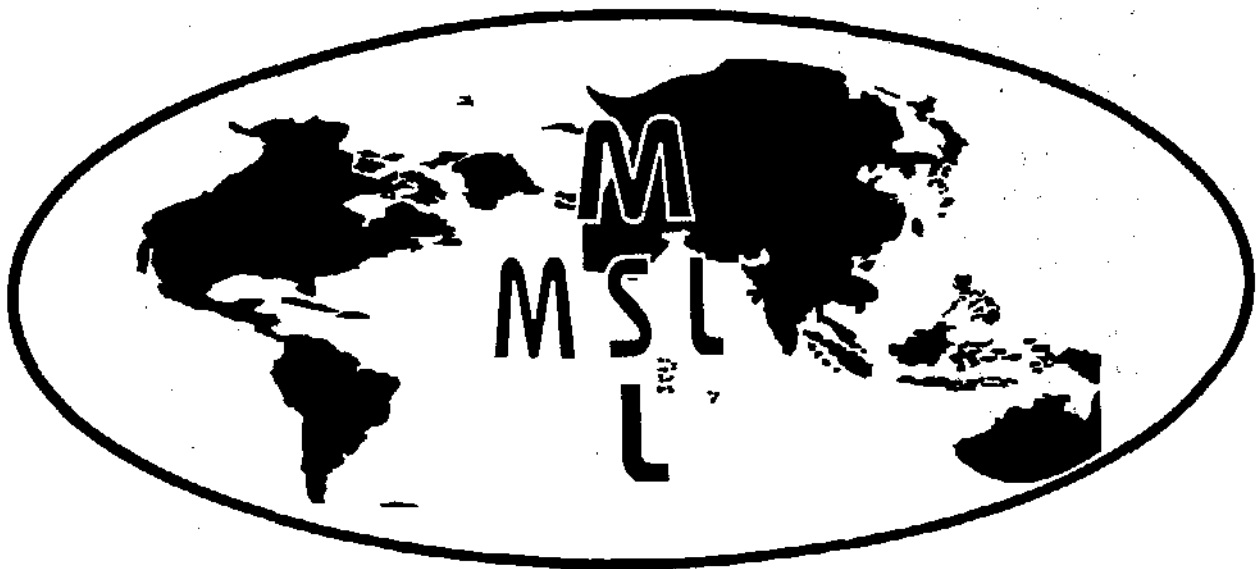


# **4TH ANNUAL REPORT** **1998-1999**



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**MAJESTIC SECURITIES LIMITED**

**Board of Directors****Directors :**

Sh. N.K. Gupta

Sh. Rajneesh Jindal

Sh. Kuldeep Sharma

**Auditors :**

Avnish Sharma &amp; Associates

47, Sector 20-C,

Chandigarh

**Bankers :**

Karnataka Bank Ltd.

Sector - 22C,

Chandigarh

**Regd. Office :**

Barotiwala, Teh. Kasauli,

Distt. Solan (H.P.)

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## MAJESTIC SECURITIES LIMITED

### NOTICE

Notice is hereby given that the Fourth Annual General Meeting of the Company will be held on Thursday the 30th September, 1999 at 12.30 P.M at the Registered Office of the Company at Barotiwala, Teh. Kesauli, Distt. Solan (HP) to transact the following :-

### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 1999; Profit and 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 N.K.Gupta who retires by rotation and being eligible offers himself for reappointment.

### 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 :-

To appoint Shri Bhawan Singh as a Director to retire by rotation.

"RESOLVED that Shri Bhawan Singh who has filed his consent to act as the Director if appointed and in respect of whom a notice u/s 257(1) of the Companies Act, 1956 proposing his appointment as Director of the Company having been received by the Company, be and is hereby appointed as the Director of the Company to hold office for a period liable to determination by retirement of Director by rotation."

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 M/s. Girotra & Co., Chartered Accountants, having address at Main Bazar, Pathankot, Distt. Gurdaspur (Punjab), be and are hereby appointed as Statutory Auditors of the Company in place of M/s. Avnish Sharma & Associates, Chartered Accountants for auditing the accounts for the year ending 31st March, 2000 and to hold office until the conclusion of next Annual General Meeting and to fix their remunerations plus all out of pocket expenses that may be incurred, in connection with the audit."

By order of the Board  
For MAJESTIC SECURITIES LIMITED

Sd/-

Dated : 04.09.1999  
Place : Barotiwala

(Kuldeep Sharma)  
Director

### 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 Tuesday, the 21st September, 1999 to Thursday, the 30th September, 1999 (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

Sh Bhawan Singh, a graduate and having a rich experience in the discipline of finance and other related fields, has consented to act as a Director of the Company. The Company has also received a notice under section 257 (1) of the Companies Act, 1956 signifying his candidature for the appointment as the Director at the ensuing Annual General Meeting from one of the members of the company. The Board of Directors recommends that the proposed resolution as set out in the notice be passed as an ordinary resolution by the Shareholders of the Company.

None of the Directors is interested or concerned directly or indirectly in the proposed resolution.

#### Item No.4

M/s. Avnish Sharma & Associates, Chartered Accountants the Statutory Auditors of the Company vide their letter dated 02.09.99 submitted their Resignation which was accepted by the Board in their meeting held on 4th September, 1999. In that very meeting the Board appointed M/s. Girotra & Company, Chartered Accountants, C/o. Navrang Saree House, Main Bazar, Pathankot, Distt. Gurdaspur (Pb) 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. Girotra & Co., Chartered Accountants is a partnership firm established in the year 06.11.1990 with Mr. Rajesh Girotra & Mr. Arun Kumar Goel, 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. Girotra & Company, 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. Avnish Sharma & Associates, Chartered Accountants, the resume of M/s. Girotra & Company, 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 LIMITED

Sd/-

Dated : 04.09.1999  
Place : Barotiwala

(Kuldeep Sharma)  
Director



## MAJESTIC SECURITIES LIMITED

### DIRECTOR'S REPORT

Your Directors feel pleasure in presenting the Fourth Annual Report and Audited Statements of Accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS	(Rs.in lacs)	
	Current Year 1998-99	Previous Year 1997-98
Total Income	4.54	24.40
Gross Operating Profit/(Loss)	(296.29)	(14.24)
Depreciation	0.39	0.37
Profit/(Loss) before tax	(296.67)	(14.61)
Provision for Taxation	0.00	0.00
Net Profit/(Loss) after tax	(296.67)	(14.61)
	(Performance)	
	Projected 1998-99	Actual 1998-99
Total Income	470.20	4.54
Profit/(Loss) after tax	195.07	(296.67)
Earning per Share(in Rs.)	3.90	0.00

### OPERATIONAL REVIEW AND FUTURE PROSPECTS

The Securities both in primary as well as secondary market witness another consecutive year of full recession & down trend. Your Company incurred losses to the tune of Rs.296.67 lacs during the year under review as compared to the loss of Rs.14.61 lacs in the previous year. The total income of the Company fell from Rs.24.40 lacs in the previous year to Rs.4.54 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. 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 1999-2000 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

Your Directors regret the non recommendation of dividend for the year under review.

### 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 N.K Gupta, Director retires by rotation and being eligible, offer himself for reappointment. Your Board recommends his appointment as Director of the Company. Further pursuant to the receipt of notice U/S 257 of the Companies Act, 1956 from one of the members of the Company, your Board recommends the appointment of Sh. Bhawan Singh as a Director to hold office subject to retirement by rotation.

### AUDITORS

The casual vacancy has been caused due to the resignation of M/s. Avnish Sharma & Associates, Chartered Accountants, the Statutory Auditors of the Company. A Notice U/S 224(1B) of the Companies Act, 1956 has been received from M/s. Girotra & Co., Chartered Accountants having office at Pathankot for the appointment as the Statutory Auditor of the Company for the year ending 31st March, 2000. The Board of Directors has accepted the resignation of M/s. Avnish Sharma & Associates and recommend the appointment of M/s. Girotra & Co., as the Statutory Auditors of the Company.

### AUDITORS REPORT

The Auditors Report being self explanatory do not call for any further comments.

### Y2K COMPLIANCE

The Company has already upgraded Software/ Hardware Systems so as to be Y2K compliant.

### LISTING

The issued and subscribed capital of the Company is listed at Bombay, Delhi & Ludhiana Stock Exchanges.

### HUMAN RESOURCES

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) Rule, 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 etc. 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

Your 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/-  
(Kuldeep Sharma)  
Director

Sd/-  
(Rajneesh Jindal)  
Director

Place: Barotiwala  
Dated: 4th September, 1999