

~~MAJESTIC~~

~~For~~ *Majestic Securities Limited*

*Director*

BOOK POST

## **8TH ANNUAL REPORT**

**2002 - 2003**



# **MAJESTIC SECURITIES LIMITED**

## **MAJESTIC SECURITIES LIMITED**

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### **Board of Directors**

1. Sh. Kuldeep Sharma, Director
2. Sh. Suram Singh, Director
3. Sh. Bhawan Singh, Director

### **Auditors**

M/s Girotra & Co., Chartered Accountants  
Navrang, Main Bazar,  
Pathankot ( Punjab)

### **Regd. Office:**

Vill & P.O. : Barotiwala  
Teh. : Kasauli  
District : Solan (H.P.)

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## MAJESTIC SECURITIES LIMITED

### NOTICE

Notice is hereby given that the ensuing Annual general meeting of the members of the company has been convened to be held on Tuesday, the 30th September, 2003 at 09.00 AM at the Registered office of the company to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2003, and the Profit and Loss Account for the period ended at that date alongwith the Director's and Auditors report thereon.
2. To appoint a Director in place of Shri Bhawan Singh, who retires by rotation and being eligible offered himself for the re-appointment as the Director of the company.
3. To appoint Auditors and fix their remuneration.

#### TO CONSIDER AND IF THOUGHT FIT TO PASS WITH OR WITHOUT MODIFICATION, THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION :

RESOLVED THAT M/s. Girotra & Co., Chartered Accountants having office at Pathankot, as the statutory auditors of the company to hold office until the conclusion of the next Annual General Meeting.

RESOLVED FURTHER THAT the Board of directors of the company be and is hereby authorised to fix the remuneration plus all out of pocket expenses payable to M/s Girotra & Co., Chartered Accountants for auditing the accounts of the company for the year 2003-2004.

BY ORDER OF THE BOARD OF DIRECTORS

Sd/-  
Kuldeep Sharma  
Director

Dated : 1st September, 2003  
Place : Barotiwala

### 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 the proxy need not be a member of the company and the proxies in order to be effective should be deposited at the registered office of the company at least 24 hrs before the meeting.
2. The member desirous of obtaining any information concerning the accounts and the operations of the company are requested to send their queries to the company atleast seven days before the date of meeting so as to enable the company to make available the desired information at the meeting.
3. The members are requested to inform to the company regarding the change of their address if any.
4. The Register of Members and share transfer books of the company will remain closed from Friday, the 26th September - 30th September, 2003 (both days inclusive).

BY ORDER OF THE BOARD OF DIRECTORS

Sd/-  
Kuldeep Sharma  
Director

Dated : 1st September, 2003  
Place : Barotiwala

## MAJESTIC SECURITIES LIMITED

### DIRECTOR'S REPORT

To the Members,  
of MAJESTIC SECURITIES LIMITED  
Barotiwala, Distt : Solan  
(HP)

Your Directors have immense pleasure in presenting the Annual Report of the company for the year ended 31st March, 2003.

### Financial Results

	(In Rs.)	
	Current Year 31.03.2003	Previous Year 31.03.2002
Operating Income	0.00	0.00
Total Expenditure	66214.00	59832.00
Financial Charges	60.00	140.00
Miscellaneous Expenses	0.00	107702.00
Depreciation	0.00	0.00
Net Profit/ loss Before Tax	(66274.00)	(167674.00)
Provision for tax	0.00	0.00
Net/Profit	(66274.00)	(167674.00)
Paid up share capital	50732000.00	50732000.00
Face value per share (in Rs.)	10.00	10.00

### REVIEW OF OPERATIONS AND FUTURE PROSPECTS :

Due to non-registration of the company as the Non-Banking Finance Company with the Reserve Bank of India and its directions to liquidate the existing Non-Banking Finance Business, the company could not undertake any other commercial activity during the year under review. The accumulated losses have been increasing due to the disposal of investments held by the company at prices lower than their cost of acquisition as since the company is bound to comply the directions of the above said apex bank within a specified period. Now the company from this financial year onwards shall be able to formulate the plans for entering into any other ventures which may need marginal funds to start with. Therefore, the management hopes to revive the company in phases and within two to three years to come.

### 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. During the period under review, the said capital has not been raised by the company. The Issued, Subscribed & Paid Up Capital remains at Rs.

5,07,32,000/- divided into 50,73,200 equity shares of Rs. 10 each.

### CORPORATE GOVERNANCE

#### Company's Philosophy on Code of Governance

Your Company has implemented the provisions of Corporate Governance even before the same could become applicable. The principles of Corporate Governance practised by the Company are as under :

#### - BOARD OF DIRECTORS

##### Composition of Board of Directors

The Board of Directors has an appropriate mix of Directors which comprises of only independent Directors. Accordingly, the composition of the Board is in conformity with the listing agreement. The present composition of the Board is as follows :

1. Sh. Kuldeep Sharma
2. Sh. Bhawan Singh
3. Sh. Suram Singh

#### Board Meetings

During the year Board meeting were held on 17th April, 2002, 30th April, 2002, 31st July, 2002, 31st October, 2002, 31st January, 2003 and 31st March, 2003.

#### Remuneration of Directors

The Company has no pecuniary relationship with its Directors. The company has no stock Option scheme and also has not constituted any remuneration Committee as there had been no possibility of paying any pecuniary benefits to its directors.

#### AUDIT COMMITTEE

The Board of Directors had constituted an Audit Committee pursuant to the provisions of Section 292A of the Companies Act, 1956 and those of the listing agreement. The members of the Committee are well versed in finance, accounts & company law matters.

#### Terms of reference

##### The terms of reference of the Audit Committee include :

- a) To review financial statement and pre-publication announcements before submission to the Board.

## MAJESTIC SECURITIES LIMITED

- 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.

### - SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The Shareholders Committee comprising of Sh. Kuldip Sharma as Chairman, Sh. Bhawan Sharma and Sh. Kamal Malhotra as its members has been dealing with all the matters relating to the share transfers, investors complaints etc while meeting at set intervals. There was no unresolved complaint at the end of the period under report.

### - GENERAL SHAREHOLDERS INFORMATION

#### Annual General Meeting

Date and Time : 30th September, 2003 at 09.00 A.M.

Venue : Barotiwala, Teh. Kasauli, Distt. Solan. (HP)

#### Listing on Stock Exchanges

The company's shares are listed at Bombay, Delhi and Ludhiana Stock Exchanges.

#### Share Transfer System

The company has constituted a Share Transfer committee consisting of Sh. Kuldeep Sharma, Sh. Kamal Malhotra and Sh. Bhawan Singh. Due to the financial constraints and non-receipt of any transfer of shares, the company had been handling the activity in house. However, now in order to ensure the compliance of SEBI, directions for appointing common agency to deal with transfer of shares and dematerialisation thereof by a single agency, the company has decided to engage the Share Transfer agent having electronic connectivity and adequate infrastructures to handle the said matters. Alternately, the company has all arrangements to deal with share transfers, investors complaints relating thereto. There is no shareholder's / investors's complaint pending for settlement till the date of issue of this report.

### -MEANS OF COMMUNICATION

The Company has been regularly providing Quarterly Financial Results to all the Stock Exchanges whereat the shares of the Company are listed.

### -DISCLOSURES

Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the Directors or the Management, their relatives etc. that may have potential conflict with the interests of the company at large. There are no materially significant related party transactions that may have potential conflict with the interests of the company at large.

### DIRECTORS

During the period under review, there has been no change in the Directorship of the Company. Further as per the provisions of section 256 of the Companies Act, 1956, Shri. Bhawan Singh retires by rotation and being eligible, offers himself for re-appointment.

### DIRECTORS'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of sub section (2AA) of section 217 of the Companies Act, 1956 the Directors confirm that :

- i. In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. The Directors have prepared the annual accounts on a going concern basis.