

**CERTIFIED TRUE COPY**

**For Madhusudan Securities Ltd.,**

**Director**

**MADHUSUDAN SECURITIES LIMITED  
(FORM. MADHUSUDAN INVESTMENT LTD)**

**16TH ANNUAL REPORT**

**1998-99**

16TH ANNUAL REPORT  
-----1998-99  
-----BOARD OF DIRECTORS  
-----

Shri K. Sanjeava Reddy	Chairman
Shri.K.Madhusudan Reddy	Director
Mrs. Vanaja Reddy	Director
Shri.Govind L.Keshwani	Director

REGISTERED OFFICE  
-----

6/A-2, Court Chambers,  
35, New Marine Lines,  
Mumbai 400 020. INDIA

C O N T E N T S	Page NO
Notice	
Director's Report	
Auditor's Report	
Balance Sheet	
Profit & Loss Account	
Schedules to Balance Sheet	
Schedules to Profit & Loss Account	
Notes to Accounts	
Cash Flow Statement	
Balance Sheet Extract, Company's General Business Profile	
Proxy Form & Attendance Slip	

BANKERS  
-----

Andhra Bank  
Dena Bank  
South Indian Bank  
Canara Bank

LEGAL ADVISOR  
-----

M/S. Kanga & Co.,  
Solicitors & Advocates.

AUDITORS  
-----

M/S. Vora & Associates.  
Chartered Accountants,  
Mumbai-4000 20.

SHARE TRANSFER OFFICE  
-----

Madhusudan Securities Ltd.,  
6/A-2, Court Chambers, 6th Floor,  
35, New Marine Lines,  
Mumbai-4000 20.

**MADHUSUDAN SECURITIES LIMITED**  
(Formerly Madhusudan Investment Ltd.)  
=====

**NOTICE OF ANNUAL GENERAL MEETING**  
-----

NOTICE IS HEREBY GIVEN THAT the 16th Annual General Meeting of the Shareholders of Madhusudan Securities Limited will be held on Thursday, the 30th September, 1999 at 3.00 P.M. at the Registered Office of the Company at 6/A-2, Court Chambers, 35, New Marine Lines, Mumbai 400 001 to transact the following business :

**ORDINARY BUSINESS :**  
-----

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 1999 and the Profit and Loss Account for the year ended on that date with the Report of the Directors and Auditors thereon.

2. To appoint a Director in place of Shri Govind L. Keswani who retires by rotation and being eligible offers himself for reappointment.

3. To appoint Auditors of the Company and to fix their remuneration.

FOR AND ON BEHALF OF THE BOARD



K. SANJEEVA REDDY  
CHAIRMAN.

Place: Mumbai

Dated: **31 AUG 1999** *Sawir white date*

**Registered Office**  
-----

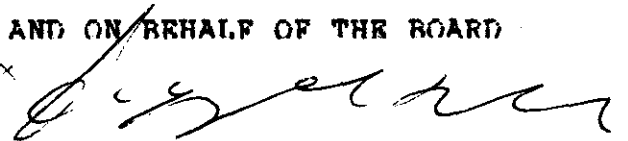
6/A-2, Court Chambers,  
35, New Marine Lines,  
MUMBAI 400 020.

Telephone No : 200 1703, 200 5758  
Fax No : 091 (022) 200 9290

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 and such proxy need not be a member of the Company. The proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the scheduled time of the meeting.
2. Members desiring any information as regards to Accounts of the Company, are requested to write to the Company at least one week before the meeting so as to enable the Management to keep the information ready and for the same being furnished at the time of the meeting.
3. Members & Proxies should bring the attendance slip duly filled in for attending the meeting.
5. The Register of Members of the Company will remain closed from 27th August, 1999 to 31st August, 1999 both days inclusive.

FOR AND ON BEHALF OF THE BOARD



K. SANJERVA REDDY  
CHAIRMAN.

Place: Mumbai

Dated: 31 AUG 1999





# madhusudan securities ltd.

(Formerly Madhusudan Investment Ltd. & Member of Bhubaneswar Stock Exchange)

6/A-2, Court Chambers, 6th Floor, 35 New Marine Lines, Bombay-400 020.  
Telephone : 200 5758 - 200 6610 Fax: (91-22) 200 9290

## DIRECTORS' REPORT

To  
The Members,

The Directors have pleasure in presenting herewith the 16th Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 1999.

### FINANCIAL RESULTS

The financial results of the company are as under :

	For the year ended on 31.03.99 Rs.	For the Year ended on 31.03.98 Rs.
Gross Receipts	60,37,855	105,05,051
Profit/(Loss) before depreciation	2,12,761	3,03,708
Profit/(Loss) before Taxes	2,03,408	2,96,255
Profit/(Loss) after Taxes	1,88,408	2,81,455
Balance brought forward	(58,54,397)	(61,35,852)
Balance carried To Balance Sheet	(56,65,989)	(58,54,397)
	=====	=====

### OPERATIONS AND PROSPECTS

The company has continued to make little profit during the year. The recession of last year has reversed the direction and the economy of the country has indicated the revival of the market during the year. The stock market has stabilised and shown the improvements during the year. Many finance companies had to face strict restrictions from the RBI and SEBI. The company has opened the branch at Hyderabad.

The company has reduced the carried forward losses and erosion in the book value of the shares has also been reduced and the present trend in the stockmarket may wipe off fully in the current year. Your company has applied for RBI registration certificate and it is in the process by the RBI.

...2



# madhusudan securities ltd.

(Formerly Madhusudan Investment Ltd. & Member of Bhubaneswar Stock Exchange)

6/A-2, Court Chambers, 6th Floor, 35 New Marine Lines, Bombay-400 020.  
Telephone : 200 5758 - 200 6610 Fax: (91-22) 200 9290

// 2 //

The Bhubneshwar Stock exchange has become member of Inter connected stock exchange Mumbai which has started activity recently. The company has been invited to become the member of the new stock exchange which is under active consideration by your company. This will benefit the company in the long run once the said exchange becomes operational full fledged in future at Mumbai.

The directors are also looking out for new avenues of income to increase the profitability of the company. Baring unforeseen circumstances the directors are confident of achieving good performance in the current year.

## DIVIDEND

Due to meagre profit in the current year and accumulated loss of earlier year, the Board regret their inability to recommend dividend during the year.

## DIRECTORS

In accordance with the provisions of Companies Act, 1956 and Articles of Association of the Company, Shri Govind L. Keshwani retires by rotation and is being eligible for re-appointment.

## FIXED DEPOSITS

The company has not accepted Fixed deposit U/s 58A of The Companies Act, 1956 as on 31st March, 1999.

## AUDITORS

The Auditors, M/S. VORA & ASSOCIATES, Chartered Accountants, retire and being eligible, offers themselves for re-appointment.

...3



# madhusudan securities ltd.

(Formerly Madhusudan Investment Ltd. & Member of Bhubaneswar Stock Exchange)

6/A-2, Court Chambers, 6th Floor, 35 New Marine Lines, Bombay-400 020.  
Telephone : 200 5758 - 200 6610 Fax: (91-22) 200 9290

//3//

## AUDITORS REPORT

The observation of the Auditors in the Report have been dealt with in the Notes forming part of the Accounts which is self explanatory.

## PERSONNEL

Particulars of Employees in accordance with the provisions of Section 217(2A) of The Companies Act, 1956, read with The Companies (Particulars of Employees) Rules, 1975 are not given as your company has not paid any remuneration attracting these provisions.

## CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION & FOREIGN EX-CHANGE EARNING

Your company being in financial services and therefore the provision of section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is not applicable.

## ACKNOWLEDGEMENTS

The Directors wish to place on record their deep appreciation for the services rendered by all the employees of the Company for their contribution and loyalty during the year.

FOR AND ON BEHALF OF THE BOARD

  
K. SANJEEVA REDDY  
CHAIRMAN.

PLACE : MUMBAI

DATED : 31 AUG 1999

**VORA & ASSOCIATES**  
CHARTERED ACCOUNTANTS

103, REWA CHAMBERS,  
31, NEW MARINE LINES,  
BOMBAY - 400 020. (INDIA)  
TEL.: 203 11 10, 200 59 34  
FAX : (+ 91-022) 206 32 89

### AUDITOR'S REPORT

To

**THE MEMBERS OF  
MADHUSUDAN SECURITIES LIMITED.**

We have audited the attached Balance Sheet of **Madhusudan Securities Ltd** as on 31st March, 1999 and also the annexed Profit and Loss Account of the company for the year ended on that date and report that :

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order 1988, issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we enclose in the annexure a statement on the matter specified in paragraphs 4 and 5 of the said order:
2. Further to our comments in the Annexure referred to in paragraph 1 above :
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of the books.
  - c. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
  - d. In our opinion, the Profit & Loss Account and Balance Sheet comply with the Accounting Standards referred to in Sub-section 3(c) of Section 211 of Companies Act, 1956.
  - e. In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and subject to Note No. 4 in relation to Advances of Rs.3.92 Lacs are considered to be doubtful for which no provision is made in accounts and note no.5 for non provision of diminution in the value of shares held as stock in trade of Rs.17.88 Lacs, give a true and fair view :



OTHER OFFICE: 42 CHURCHGATE CHAMBERS, 5, NEW MARINE LINES, BOMBAY 400 020. TEL.: 2623262, 2624262 FAX : (91-22) 2624847

...2.