

MADHUSUDAN SECURITIES LIMITED



26TH ANNUAL REPORT

2008 – 2009

26th ANNUAL REPORT AND ACCOUNTS 2008-2009**BOARD OF DIRECTORS**

Shri. K. Madhusudan Reddy – Chairperson
 Smt. K.Sujatha Reddy - Director
 Smt. Piya Reddy - Director

REGISTERED OFFICE

6/A-2, Court Chambers,
 35, New Marine Lines,
 Mumbai 400 020,
 Email: mslsecurities@yahoo.com

BANKERS

Axis Bank
 Canara Bank
 South Indian Bank

ADVOCATE & SOLIITORS

M/s. Kanga & Co,
 Advocates & Solicitors
 Mumbai,

AUDITORS

M/s. Vora & Associates,
 Chartered Accountants,
 Mumbai,

SECRETARIAL AUDITORS

M/s. VKM Associates,
 Company Secretaries,
 Mumbai,

SHARE TRANSFER DEPARTMENT

Link Intime India Private Limited,
 C-13, Pannalal Silk Mills Compound,
 L.B.S. Marg, Bhandup (West),
 Mumbai 400 078,
 Email: Mumbai@linkintime.co.in
 Telephone: (022) 2596 3838
 Fax No: (022) 2594 6969

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26TH
ANNUAL GENERAL MEETING

Date: 31st July 2009

Day: Friday

Time: 3.30 P.M.

Venue: Regd. Office:

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

BSE Code No. 511000

SIN No. INE856D01011 (NSDL)

**SHAREHOLDERS ARE REQUESTED
 TO BRING THEIR COPIES OF ANNUAL
 REPORT ALONG WITH THEM AT THE
 ANNUAL GENERAL MEETING.**

NOTICE TO MEMBERS

NOTICE is hereby given that the 26th *Annual General Meeting* of the Members of **MADHUSUDAN SECURITIES LIMITED** will be held on Friday, July 31, 2009 at Registered Office: 6/A-2, Court Chambers, 6th Floor, 35, New Marine Lines, Mumbai – 400 020 at 3.30 p.m to transact the following business

ORDINARY BUSINESS**Adoption of Directors' Report and Annual Accounts:**

1. To receive, consider and adopt the statement of Balance Sheet as at 31st March 2009 and Profit and Loss Account for the year ended 31st March 2009 of the Company and the Reports of the Directors and Auditors thereon.

Appointment of Director:

2. To appoint a Director in place of Smt. Piya Reddy, who retires by rotation and, being eligible, offers herself for reappointment.

Appointment of Auditors:

3. To appoint Auditors of the Company, M/s Vora & Associates, Chartered Accountants are retiring auditors of the Company and being eligible for reappointment. Members are requested to reappoint them as an Auditors until conclusion of the next Annual General Meeting and fixed their remuneration.

By order of the Board of Directors
MADHUSUDAN SECURITIES LIMITED



K.MADHUSUDAN REDDY
CHAIRMAN

Place: Mumbai
Dated: 1st July 2009

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, must be lodged at the registered office of the Company not less than 48 hours before the Annual General Meeting.
3. Members desiring any information about accounts at the meeting are requested to write to the Company not less than 48 hours before the Annual General Meeting, So as to enable the management to keep the information ready.
4. Members are requested to:
 - a. Immediately intimate change of address, if any, to the Company.
 - b. Produce the Attendance Slip, duly filled, at the entrance of the Meeting Venue.
 - c. Bring their copies of the Annual Report to the venue of the *Twenty Sixth Annual General Meeting*.
 - d. Convert their shares in Demat form for easy liquidity or trade on Bombay stock exchange.
 - e. Members holding shares in physical form can avail of the nomination facility by filing Form 2B with the Company at its Registered Office, which will made available on request and in the case of shares held in demat form the nomination has to be lodged with their respective Depository Participants (DP).
5. Members register shall remain close for transfer of shares on 28th July to 31st July 2009 (Both days inclusive).

By order of the Board of Directors
MADHUSUDAN SECURITIES LIMITED

K.MADHUSUDAN REDDY
CHAIRMAN

Place: Mumbai
Dated: 1st July 2009

DIRECTORS' REPORT

To the members,

MADHUSUDAN SECURITIES LIMITED

The Directors hereby present the 26th Annual Report on the business and operations of the company along with the audited Financial Statement of Accounts for the year ended March 31, 2009.

FINANCIAL RESULTS:

The financial results for the year under review are as follows:

<u>Particulars</u>	<u>Current Year</u> <u>2008 – 2009</u> <u>(in Rs.)</u>	<u>Previous Year</u> <u>2007 – 2008</u> <u>(in Rs.)</u>
Business Income	33,53,638	2,29,31,030
Profit before Interest, & Tax	16,86,708	51,02,380
Less:		
a. Interest	6,33,812	7,14,824
b. tax	-	-
Profit before tax	10,52,896	43,87,556
Provision for Tax (including FBT)	2,99,500	4,96,450
Profit after tax but before Extraordinary items	7,53,396	38,91,106
Profit available for appropriation	7,70,415	38,82,617
Transfer to Special Reserve u/s. 45IC as per The Reserve Bank of India (Amendment) Act, 1997	4,50,000	7,15,000
	3,20,415	31,67,617
Balance brought forward from Previous Year	1,10,35,663	78,68,047
Balance carried to Balance Sheet	1,13,56,078	1,10,35,663

DIVIDEND:

The board recommends strengthening the working capital to augment the financial resources no dividend has been proposed for the year.

CURRENT YEAR'S OPERATIONS:

The Company has progressively improved its business activity and share portfolio investments. The present capital market is very volatile and unpredictable due to international financial crises. The liquidity shall result better bargain deal in due course. Therefore company has cash rich resources for better prospects of future opportunity. The company shall deploy fund for better yield on fundamentally good company. The company policy coupled with professional advice on share investment policy shall achieve good returns on investment in shares in future. Barring unforeseen circumstances your Directors are hopeful to have better performance in the year to follow.

OUTLOOK AND FUTURE PROSPECTS:

The stability in Central government financial policy and inflation control measure shall bring better prospectus in years to come. Your Company shall look into the possibility of exploring new venture of business including participation by others having similar object like our company, to augment resources to meet the funding requirements of venturing into new business activities your Company may mobilise the fund by borrowings as the case may be viable for the new business activities in the due course.

REGISTRARS AND TRANSFER AGENTS:

In compliance with directives of SEBI, requiring companies to provide single point service to shareholders of all work relating to share registry, in terms of both physical and electronics, your Company has appointed LINK INTIME INDIA PRIVATE LIMITED, C – 13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (w), Mumbai 400 078, as the Registrars and Transfer Agents. All your requests for dematerialisation, transfer of physical shares, etc., (and grievances related thereto) may be sent to the above address of the Registrars and Transfer agents.

FIXED DEPOSITS:

The Company has not accepted any Fixed Deposits from public.

PRUDENTIAL NORMS:

Your Company has, during the year under review, have complied with guidelines of Reserve Bank of India/ Government of India, as may be applicable. Reviews on the level of compliance have been made and reports were submitted to the Board.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mrs. Piya Reddy, Director, retire by rotation in the forthcoming Annual General Meeting and is eligible for reappointment. Mrs. Piya Reddy offers herself for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors confirm:

1. That in the preparation of the annual accounts for the financial year ended 31st March 2009, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
2. That they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent to maintain the matching revenue concept, 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 for that period;
3. That they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 1956. They confirm that there are adequate systems and controls for safeguarding the assets of the organisation and for preventing and detecting fraud and other irregularities; and
4. That the annual accounts for the financial year ended 31st March 2009 is prepared on a 'going concern' basis.

MATERIAL CHANGES AFTER THE DATE OF BALANCE SHEET

Pursuant to provisions of section 217 (1) (d) of the Companies Act, 1956, there has been no material change and commitment affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the Report.

CORPORATE GOVERNANCE:

The Company has been practicing the principles of good corporate governance over the years voluntarily though not applicable being the equity paid up capital is below Rs. 300 Lacs, However a separate section of voluntary compliance has been included as separate section of this annual report.

PARTICULARS OF EMPLOYEES:

There are no employees in receipt of remuneration exceeding the limit as prescribed under the provisions of Section 217(2A) of the Companies Act, 1956, and rules framed there under read with the Companies (Particulars of Employees) Rules, 1975.

PARTICULARS UNDER SECTION 217(1)(e) OF THE COMPANIES ACT 1956:

Additional information required under the provisions of the above section read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, regarding conservation of Energy, Technology Absorption are not applicable as the company is not carrying out any manufacturing operation.

FOREIGN EXCHANGE EARNINGS AND GO OUT:

During the year under review the Company has not earned or incurred any amount of foreign exchange.

AUDITORS' REPORT:

The observation of the Auditors in the Report have been dealt with in the Notes forming part of the Accounts which are self explanatory in nature and requires no further explanation.

AUDITORS:

M/s. Vora & Associates, Chartered Accountants, Mumbai retires at the ensuing Annual General Meeting, being eligible offers themselves for reappointment as Auditors of the Company. Members are requested to appoint the auditors and fix their remuneration.

ACKNOWLEDGMENTS:

Your Directors would like to express their grateful appreciation for assistance and co-operation received from Banks, Brokers, Business Associates, Customers and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services of the Employees of the Company.

For AND ON BEHALF OF THE BOARD OF DIRECTORS

K. MADHUSUDAN REDDY
CHAIRMAN

Place: Mumbai
Dated: July 1, 2009