

# MADHUSUDAN SECURITIES LIMITED

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32<sup>ND</sup> ANNUAL REPORT

**2014-2015**

## 32<sup>nd</sup> ANNUAL REPORT AND ACCOUNTS 2014-2015

### BOARD OF DIRECTORS

Mr. Salim Govani (w.e.f. 21/04/2015)  
Mrs. Sausan Bukhari (w.e.f. 21/04/2015)  
Mr. Madhusudan Reddy  
Mr. Harsh Javeri  
Mr. Abhilash Padmanabh

Chairman  
Director  
Director  
Independent Director  
Independent Director

### REGISTERED OFFICE

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

### BANKERS

Axis Bank

### ADVOCATE & SOLITORS

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

### AUDITORS

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

### SECRETARIAL AUDITORS

M/s Sachin Chhadawa,  
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@linktime.co.in](mailto:mumbai@linktime.co.in)  
Telephone: (022) 2596 3838  
Fax No: (022) 2594 6969

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### 32<sup>nd</sup> ANNUAL GENERAL MEETING

*Date:* June 20, 2015

*Day:* Saturday

*Time:* 2.00 P.M.

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

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BSE Code No. 511000

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ISIN No. INE856D01011 (CDSL)

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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 32<sup>nd</sup> Annual General Meeting of the Members of **MADHUSUDAN SECURITIES LIMITED** will be held on June 20, 2015, at the Registered Office: 6/A-2, Court Chambers, 6<sup>th</sup> Floor, 35, New Marine Lines, Mumbai – 400 020 at 02:00 P.M. to transact the following business

**ORDINARY BUSINESS:****1. Adoption of Directors' Report and Annual Accounts:**

To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March 2015 and the Statement of Profit & Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.

**2. Resignation of Director:**

Mr. Madhusudan Reddy, Director having Director Identification Number 00268630, retires by rotation and expressed his unwillingness for reappointment.

**3. Appointment of Auditors:**

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

**SPECIAL BUSINESS:****4. Appointment of Director:**

To appoint Mr. Salim P Govani as a Promoter Director of the Company who is appointed as additional director on 21/04/2015.

**5. Appointment of Director:**

To appoint Mrs. Sausan Bukhari as a Woman Director of the Company who is appointed as additional director on 21/04/2015.

**6. Re-issue of Forfeited Shares:**

The shares forfeited shall be re-issued in accordance with the SEBI guidelines and other statutory regulations.

**7. Any other matter with the permission of the Chairman.**

By order of the Board of Directors  
For MADHUSUDAN SECURITIES LIMITED

MR. SALIM P. GOVANI  
CHAIRMAN

PLACE: Mumbai

DATED: 25th May, 2015

NOTES

1. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Special Business under item nos. 4 to 7 as stated above is annexed hereto.
2. 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.
3. 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.
4. 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.
5. 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 32<sup>nd</sup> Annual General Meeting.
  - d) Members holding physical shares are requested to convert their shares into Demat Form for easy liquidity and trading facility on Stock Exchange.
  - e) Members can avail the facility of nominations by submitting the Form with the Company at its Registered Office.
6. Members register shall remain close for transfer of shares from 15<sup>th</sup> June 2015 to 20<sup>th</sup> June 2015 (Both days inclusive).

By order of the Board of Directors  
For MADHUSUDAN SECURITIES LIMITED

MR. SALIM P. GOVANI  
CHAIRMAN

PLACE: Mumbai  
DATED: 25<sup>th</sup> May, 2015

ANNEXURE TO THE NOTICE  
EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4 & 5:

The Board of Directors in their meeting held on 21<sup>st</sup> April, 2015 had appointed Mr. Salim P. Govani and Mrs. Sausan Bukhari as “Additional Director” of the Company, pursuant to Section 161 of the Companies Act, 2013 and are hereby appointed as directors of the Company.

Mrs. Sausan Bukhari be appointed as “Women Director” of the Company pursuant to Section 161 and Section 149(1) of the Companies Act, 2013 and Clause 49 of Listing Agreement.

Mr. Salim Govani and Mrs. Sausan Bukhari are not disqualified from being appointed as directors in terms of Section 164 of the Act and have given their consent to act as directors.

Brief resume of Mr. Salim Govani and Mrs. Sausan Bukhari, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se stipulated under clause 49 of the Listing Agreement with the stock exchanges, are provided herein below.

Name	Mr. Salim Govani	Mrs. Sausan Bukhari
Directors Identification number (DIN)	00364026	01375313
Age	51 years	45 years
Qualification	B.Com	High School
Area of Experience	Managing Financial Instruments Investments	Administration
Shareholding in Madhusudan Securities Ltd.	5,450 (0.21% of total shares)	NIL
List of Directorship held in other Companies	(1)Foresight Holdings Private Limited (2)Bloom Packaging Private Limited (3)Sadafuli Finvest Pvt Ltd (4)Sethi Funds Management Private Limited (5)Himalayan Ventures Private Limited (6)Arr Bath & Home Private Limited (7)Gowal Consulting Services Private Limited (8)Axsys Health Tech Limited (9)Entrepreneurs' Organization Mumbai (10)Aunde India Limited (11)Gifting Online India Private Limited (12)Swal Corporation Limited	(1)Foresight Holdings Private Limited (2)Himalayan Ventures Private Limited
Membership/ chairmanships of Audit and stakeholders relationship committees	-	-

ITEM NO. 6:

During the year, The Company has forfeited 61,42,847 Equity Shares of Rs. 10/- issued to Primus Retail (P) Ltd. pursuant to cancellation of BTA. The Board intends to reissue the shares as per Statutory regulations and SEBI guidelines after getting permission from the members for the same.

**DIRECTORS' REPORT**

To the Members,  
**MADHUSUDAN SECURITIES LIMITED**

Your Directors have pleasure in presenting the 32<sup>nd</sup> Annual Report on the business and operations of the company along with the Audited Financial Statement of Accounts for the year ended March 31, 2015.

**1. Financial Result (Standalone)**

Particulars	Current year 2014-2015 Rs.	Previous year 2013-2014 Rs.
Total Revenue	30,63,544	9,36,907
Total Expense	(41,41,779)	(17,18,511)
<b>Profit/ (Loss) before tax</b>	<b>(10,78,236)</b>	<b>(7,81,604)</b>
Tax expense	NIL	NIL
Profit/ (Loss) after tax	(10,78,236)	(7,81,604)
<b>Profit/ (Loss) for the year</b>	<b>(10,78,236)</b>	<b>(7,81,604)</b>
Add: Balance brought forward of the previous year	56,33,997	64,15,600
Balance carried to balance sheet	45,55,760	56,33,997
Earnings per share	(0.18)	(0.09)

**2. Dividend**

Due to losses incurred during the year by the Company, the Board regrets its inability to recommend any dividend to strengthen the financial resources of the Company.

**3. Operations and Future Prospects**

During the year under review, the Company has made meagre surplus by trading in Securities. However, it has suffered losses due to high fixed administrative expenses related to the Company. The net loss suffered by the Company is of Rs. 10,78,236/-.

The Company has paid Rs. 12 Crores to Primus Retail P. L. pursuant to the BTA agreement dated 04/02/2011 which stands cancelled due to non-performance of the obligation by the party, hence, the said amount is due and recoverable, treated as doubtful advances.

61,42,847 equity Shares of Rs. 10/- each were issued without any cash consideration to Primus Retail (P) Ltd. pursuant to BTA for transfer of its Brand & Business. High Court has declined Primus Retail (P) Ltd. to transfer the Brand & Business. Therefore, equity shares issued in lieu of BTA has not materialized, consequently the said shares stands as cancelled & subsequently forfeited by the Company. The securities premium account is adjusted to give effect of cancellation and forfeiture of own shares. The face value of such shares are accounted as Forfeited Shares (to be reissued), pending statutory approval / consideration.

**4. Number of meetings of the board**

The Board of Directors have conducted quarterly Board Meetings during the Financial Year 2014-15 on various dates namely,

I. August 09, 2014; II. October 17, 2014; III. February 13, 2015; IV. May 25, 2015

**5. Equity Share Capital**

The Equity Share Capital as on March 31, 2015 was Rs.8,69,54,870/-, of which the Company has forfeited shares of Rs.6,14,28,470/- during the year.

**6. Extract of annual return****(a) Registration and Other Details:**

CIN No	LI8109MH1983PLC029929
Registration Date	06 <sup>th</sup> May 1983
Name of The Company	Madhusudan Securities Limited
Category	Public Limited Company
Address	6/A-2, Court Chambers, 35 New Marine Lines, Mumbai 400 020, Email ID: <a href="mailto:mslsecurities@yahoo.com">mslsecurities@yahoo.com</a> Tel No. 022 22009290
Listed	Bombay Stock Exchange, Mumbai.
Registrar and Transfer Agents	M/s Link Intime India Private Limited

	C-13, Pannalal Silk Mills Compound L.B.S Marg, Bhandup (w), Mumbai 400 078 Email : <a href="mailto:mumbai@linkintime.co.in">mumbai@linkintime.co.in</a> Tel No: 022 25963838
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**(b) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

Name and Description of Main Product/ Services	NIC Code of the Product/ Service	% of total turnover to the Company
Trading	64990	99.98%

**(c) Particulars of Holding, Subsidiary & Associate Companies:**

S. No.	Name And Address Of The Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	N.A	N.A	N.A	N.A	N.A

**i. Its Shares, Debentures and Other Securities and Shareholding Pattern;**

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Shareholding of Promoter and Promoter Group:									
(1) Indian	OLD PROMOTERS				NEW PROMOTERS				
Individuals/ Hindu Undivided Family	63,500	-	63,500	0.73	5,450	-	5,450	0.21	(0.52)
Central Government / State Government (s)	-	-	-	-	-	-	-	-	-
Bodies Corporate	1,34,800	-	1,34,800	1.55	14,34,973	-	14,34,973	56.22	54.67
Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
Any Others (Specify)	-	-	-	-	-	-	-	-	-
Sub Total(A) (1)	1,98,300	-	1,98,300	2.28	14,40,423	-	14,40,423	56.43	54.15
(2) Foreign									
Individuals (Non-Residents Individuals/ Foreign Individual)	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-

Institutions	-	-	-	-	-	-	-	-	-
Any Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub Total(A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholdi ng of new Promoter and Promoter Group (A)= (A)(1)+(A)( 2)</b>	<b>1,98,300</b>	<b>-</b>	<b>1,98,300</b>	<b>2.28</b>	<b>14,40,423</b>	<b>-</b>	<b>14,40,423</b>	<b>56.43</b>	<b>54.15</b>
<b>B. Public shareholding</b>									
<b>(1) Institutions</b>									
Mutual Funds/ UTI	-	-	-	-	-	-	-	-	-
Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
Central Government / State Government (s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
Any Other (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1)</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non- institutions</b>									
Bodies Corporate	78,54,945	-	78,54,945	90.33	7,98,479	-	7,98,479	31.28	(59.1)
Individuals									
Individuals - i. Individual shareholders holding nominal share capital up to Rs 1 lakh	93,892	3,350	97,242	1.11	22,102	3350	25,452	0.99	(0.12)
ii. Individual shareholders holding nominal share capital	5,02,795	-	5,02,795	5.78	2,86,266	-	2,86,266	11.21	(5.43)



in excess of Rs. 1 lakh.									
Any Other (specify)	-	-	-	-	-	-	-	-	-
Hindu Undivided Family	-	-	-	-	-	-	-	-	-
Non Resident Indian	39,500	-	39,500	0.45	200	-	200	0.01	0.44
Clearing Member	2,705	-	2,705	0.05	1820	-	1820	0.08	(0.03)
<b>Sub-Total (B)(2)</b>	<b>84,93,837</b>	<b>3,350</b>	<b>84,97,187</b>	<b>97.72</b>	<b>11,08,867</b>	<b>3,350</b>	<b>11,12,217</b>	<b>43.57</b>	<b>(54.1)</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>84,93,837</b>	<b>3,350</b>	<b>84,97,187</b>	<b>97.72</b>	<b>11,08,867</b>	<b>3,350</b>	<b>11,12,217</b>	<b>43.57</b>	<b>(54.1)</b>
<b>TOTAL (A)+(B)</b>	<b>86,92,137</b>	<b>3,350</b>	<b>86,95,487</b>	<b>100.00</b>	<b>25,49,290</b>	<b>3,350</b>	<b>25,52,640</b>	<b>100.0</b>	<b>0.00</b>
<b>C. Shares held by Custodians and against which Depository Receipts have been issued</b>	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>86,92,137</b>	<b>3,350</b>	<b>86,95,487</b>	<b>100.00</b>	<b>25,49,290</b>	<b>3,350</b>	<b>25,52,640</b>	<b>100.0</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	
	Old Promoter							
1	Madhusudan Reddy	63500	0.73	-	-	-	-	-
2	Exemplar International P. L.	134800	1.55	-	-	-	-	-
	New Promoter							
3.	Mr. Salim Govani	-	-	-	5450	0.21	-	-
4.	Foresight Holding P. L.	-	-	-	972973	38.11		
5.	Growsafe	-	-	-	231000	9.05		

	Securities Pvt Ltd							
6.	Indusage Advisors Ltd	-	-	-	231000	9.05	9.05	
	Total	198300	2.28	-	1440423	56.42	9.05	-

**(iii) Change in Promoters' Shareholding**

Sl. No	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year (Old Promoter)				
1. Mr. Madhusudan Reddy	63500	0.73%		
2. Exemplar International P. L.	134800	1.55%	198300	2.28
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease				
At the closing of the year (New Promoter)				
Mr. Salim Govani	5450	0.21	1440423	56.42
Foresight Holding P. L.	972973	38.11		
Growsafe Securities P. L.	231000	9.05		
Indusage Advisors Ltd	231000	9.05		

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADR):**

Sr. No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
1	Primus Retail Private Limited	6142847	70.64		
2	Foresight Holdings Pvt Ltd	539286	6.20		
3	Dewsoft Overseas Private Limited	394737	4.54	394737	15.46
4	Acme Investments Consultants Pvt Ltd	263157	3.03	263157	10.31
5	Growsafe Securities Private Limited	231000	2.66		
6	Indusage Advisors Limited	231000	2.66		
7	Mr. Shravan Shyam Shroff	149995	1.73	-	-
8	Mr. Prasad Kancharla	140768	1.62	-	-
9	Mr. Sidharth Ratanlal Bafna	50950	0.59	50950	1.99
10	Mr. Ramesh Bhogilal Vora	37000	0.43	-	-
11	Mr. Shyam G Shroff	-	-	146826	5.75
12	Exemplar International P. L.	-	-	134800	5.28
13	Mr. Madhusudan Reddy	-	-	63500	2.48
14	Mr. Vipul Priyakant Dalal	-	-	24990	0.97
15	Mr. Raghvendra Mohta	-	-	4650	0.18
16	VSL Securities P. L.	-	-	4000	0.15
17	Ms. Kanta Rajendra Shah	-	-	2700	0.11