

MADHUSUDAN SECURITIES LIMITED

37th ANNUAL REPORT

2019-2020

37th ANNUAL REPORT AND ACCOUNTS 2019-2020

BOARD OF DIRECTORS

Mr. Salim P Govani
Mrs. Sausan Bukhari
Mr. Harsh Javeri
Ms Isha Shekri
Mr. Abhilash Padmanabh Kamti

- Chairman
- Director
- Independent Director
- Independent Director (Resigned w.e.f. 14-01-2020)
- Independent Director (Appointed w.e.f. 27-01-2020)

REGISTERED OFFICE

37, National Storage Building,
Plot No, 424-B,
Nr. Johnson & Johnson Building,
S. B. Road, Mahim (West),
Mumbai - 400 016.
Email: mslsecurities@yahoo.com

BANKERS

Axis Bank

COMPANY SECRETARY

Ms. Rishika Puri

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AUDITORS

M/s. S.V. Bhat & Co.
Chartered Accountants,
Mumbai,

SHARE TRANSFER DEPARTMENT

M/s Link Intime India Private Limited
C 101, 247 Park,
L.B.S.Marg, Vikhroli (West),
Mumbai - 400083
Email: mumbai@linkintime.co.in
Tel No: 022 49186000

37th ANNUAL GENERAL MEETING

Date: 30th September 2020

Day: Wednesday

Time: 11.00 A.M.

Venue:

37, National Storage Building,
Plot No, 424-B, Nr. Johnson & Johnson Building,
S. B. Road, Mahim (West),
Mumbai - 400 016.

BSE Code No. 511000

SIN No. INE856D01011 (CDSL)

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 37th Annual General Meeting of the Members of **MADHUSUDAN SECURITIES LIMITED** will be held on 30th September, 2020, at 37, National Storage Building, Plot No, 424-B, Nr. Johnson & Johnson Building, S. B. Road, Mahim (West), Mumbai - 400 016 at 11.00 am 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 31st March 2020 and the Statement of Profit & Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.

2. To ratify the appointment of the auditors and to fix their remuneration and in this regard pass with or without modification(s), the following resolution as an ordinary resolution;

"RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re-enactment (s) thereof, for the time being in force, M/s. S. V. Bhat & Co., Chartered Accountants, FRNo.: 101298W be and is hereby ratified as auditors of the Company for a term of 5 consecutive years from the conclusion of this Annual General Meeting till the conclusion of the sixth Annual General Meeting from this Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:**3. Regularization of Additional Director, Mr. Abhilash Padmanabh Kamti (DIN: 01587117), by appointing him as Independent Director of the Company**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **ORDINARY RESOLUTION:**

"RESOLVED THAT Mr. Abhilash Padmanabh Kamti (DIN: 01587117), who was appointed as an Additional Director on the Board of Directors ('Board') of the Company with effect from 27th January, 2020 in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as Independent Director of the Company.

RESOLVED FURTHER THAT Directors/Company Secretary of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

4. Any other matter with the permission of the Chairman.

By order of the Board of Directors
MADHUSUDAN SECURITIES LIMITED

CHAIRMAN

PLACE: Mumbai

DATED: August 14, 2020

NOTES

1. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Special Business under item nos. 4 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 37th Annual General Meeting.
 - d) Register their Email addresses for receiving all communications including Annual Report, Notices, circulars etc. from the Company electronically.
 - 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 24.09.2020 to 30.09.2020 (Both days inclusive).

By order of the Board of Directors
For MADHUSUDAN SECURITIES LIMITED

DIRECTORS

PLACE: Mumbai
DATED: *August 14, 2020*

Instructions for the Voting through electronics means:

I) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the Listing Regulations, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than MADHUSUDAN SECURITIES LIMITED (CIN NO.: L18109MH1983PLC029929) venue of the AGM ("remote-e-voting") will be provided by National Securities Depository Limited. (NSDL).

II) The Facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e- voting shall be able to exercise their right at the meeting through ballot paper.

III) The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV) The remote e-voting period commences on 27th Sept. 2020 (9.00 am) and ends on 29th Sept. 2020 (5.00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd Sept. 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V) The process of the manner for remote e-voting is as under:

A) In case a Member receives an email from NSDL (for members whose email IDs are registered with the Company/Depository Participants):

i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

ii) Launch internet browser by typing the following URL: [https:// www.evoting.nsdl.com/](https://www.evoting.nsdl.com/)

iii) Click on Shareholder – Login.

iv) Put the user ID and password as initial password/PIN noted in step (i) above. Click Login.

v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

vii) Select "EVEN" of "MADHUSUDAN SECURTIES LTD."

viii) Now you are ready for remote e-voting as Cast Vote page opens.

ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

x) Upon confirmation, the message "Vote cast successfully" will be displayed.

xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

xii) Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the scrutinizer through e-mail to doshi.jenish@yahoo.com with a copy marked to evoting@nsdl.co.in.

B) In case of a member(s) receives a physical copy of notice of AGM for member(s) whose email ID is not registered with the Company/Depository Participants(s) may obtain a login ID and password for casting his /her vote by remote e-voting by sending a request at evoting@nsdl.co.in or by contacting NSDL at the toll free no.: 1800-222-990.

VI) In case of any queries, you may refer the frequently asked questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no. : 1800-222-990.

VII) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com. In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID + Client ID). In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No + Folio No).

VIII) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd Sept. 2020.

X) Any person, who acquires share of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd Sept, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA.

However, if you are already registered with NSDL for remote -e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using [“Forgot User Details/Password?”](#) or [“Physical User Reset Password?”](#) option available on www.evoting.nsdl.com or contact NSDL at the following toll free no. : 1800-222-990.

XI) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting/voting at the AGM through ballot paper.

XII) Mr. Jenish Doshi, Practicing Company Secretary (ACS No. 50447) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.

XIII) The Chairman shall, at the AGM, at the end of the discussion on the resolution on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper”/ “Poling Paper” for all those members who are present at the AGM, but have not cast their votes by availing the remote e-voting facility.

XIV) The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the results of the voting forthwith.

XV) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.findoc-ell.in and on the website of NSDL immediately after the declaration of results by the Chairman or as person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited, Mumbai, where the shares of the Company is listed.

As required by Section 102 of the Companies Act, 2013 (‘Act’), the following explanatory statement sets out material facts relating to the business mentioned under Item No. 4 of the Notice convening Annual General Meeting.

Item No. 4

- i. Mr. Abhilash Padmanabh Kamti (DIN: 01587117) was appointed as an Additional Independent Director of the Company with effect from 27/01/2020 in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of the ensuing Annual General Meeting of the Company.
- ii. The Board is of the view that the appointment of Mr. Abhilash Padmanabh Kamti (DIN: 01587117) on the Company’s Board as Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. 4 for approval by the members of the Company.
- iii. None of the Directors/Key Managerial Personnel of the Company/their relatives, except Mr. Abhilash Padmanabh Kamti himself, is in any way concerned or interested, in the said resolution. The Board recommends the said resolution to be passed as an ordinary resolution.

DIRECTORS' REPORT

To the Members,
MADHUSUDAN SECURITIES LIMITED

Your Directors have pleasure in presenting the 37th Annual Report on the business and operations of the company along with the Audited Financial Statement of Accounts for the year ended March 31, 2020.

1. Financial Result (Standalone)

Particulars	Current year 2019 - 2020 Rs.	Previous year 2018 - 2019 Rs.
Total Revenue	4,000	5,059
Total Expense	17,64,963	10,92,796
Profit/ (Loss) before tax	(17,60,963)	(10,87,737)
Tax expense	-	(106)
Profit/ (Loss) for the year	(17,60,963)	(10,87,631)
Other Comprehensive Income	2,229	40,472
Total Profit for the Year	(17,63,192)	(10,47,159)
Earnings per share	(0.69)	(0.41)

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 Management are looking forward for better business avenues and hence, have not carried any trading activities. Hence, it has suffered losses due to statutory compliance expenses & administrative expenses incurred by the Company. The net loss suffered by the Company is of Rs. 17,63,192/-.

The 61,42,847 equity Shares of Rs. 10/- each were issued as part consideration other than cash to Primus Retail Pvt. Ltd. pursuant to Business Transfer Agreement (BTA) dated 04/02/2011 for transfer of its Brand & Business.

However, Karnataka High Court has declined Primus Retail Pvt. Ltd. to transfer the Brand & Business. Hence, due to non-performance by Primus Retail Pvt. Ltd. of their obligation, BTA Agreement stands cancelled. Therefore, equity shares issued in lieu of BTA stands null and void by the Board of Directors and consequently the said shares has been revoked / forfeited (to be reissued) by the Company pending statutory approvals from the appropriate authorities.

Further the face values of such shares of Rs. 10/- are accounted as Forfeited Shares (to be reissued) through Scheme of arrangement under the Companies Act, in due course for further re-allotment.

In view of the above, the securities premium charged to 61,42,847 equity shares at the time of allotment has been reversed from the premium account to give effect of such forfeited equity shares by the Board for fair presentation of the financial statements.

The 61,42,847 Equity Shares considered as forfeited by the Company are yet to be repossessed from the Primus Retail Pvt. Ltd. and are to be allotted / reissued as per requisite statutory approvals from the authorities and Stock Exchange for trade purposes. Therefore, the effective capital of the company is reduced to Rs. 2,55,26,400.

The Company had paid Rs. 12 Crores to Primus Retail (P) Ltd. pursuant to the BTA and Shares were issued for consideration other than cash prior to transfer of Brand & Business assets. However, the Primus Retail Pvt. Ltd. could not honour the Agreement due to Court order. Therefore, amount of Rs. 12 Crores paid for the contract stands recoverable which is treated as Advance to be recovered in cash or kind and the shares are revoked & forfeited.

The Primus Retail P. L. has been declared under liquidation, hence, the advance of Rs. 12 Crores has become doubtful in nature and Equity shares are revoked & forfeited. No provision of doubtful advances is made in the books of accounts since Management is putting efforts for recovery or settlement with the concerned persons on account of liquidation of Primus Retail Pvt. Ltd.

The Ministry of Home Affairs on March 24, 2020 notified a nation wise lockdown in India to contain the outbreak of the COVID-19 pandemic due to which there have been several restrictions imposed by the Government across the globe on the travel, movement of goods and transportation considering public health and safety measures. As per the management, no significant impact on carrying amounts of receivables and other financial assets is expected and the management continue to monitor changes in future economic conditions.

The Directors are looking forward for better Professional avenues and Investment opportunities for the company. Barring unforeseen circumstances, your Directors are hopeful to have better performance in the year to follow.

4. Number of meetings of the board

The Board of Directors have conducted quarterly Board Meetings during the Financial Year 2019 – 2020 on various dates namely,

I. May 05, 2019 II. August 08, 2019 III. November 12, 2019 IV. January 14, 2020 V. January 27, 2020

5. Equity Share Capital

The Equity Share Capital as on March 31, 2020 is Rs. 8,69,54,870/-, including forfeited shares of Rs. 6,14,28,470/- which results into effective Equity Capital of Rs.2,55,26,400/- until forfeited shares are reissued through the Scheme of Arrangement or otherwise after obtaining statutory approvals under the Companies Act.

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

CIN No	L18109MH1983PLC029929
Registration Date	06 th May 1983
Name of The Company	Madhusudan Securities Limited
Category	Public Limited Company
Address	37, National Storage Building, Plot No, 424-B, Nr. Johnson & Johnson Building, S. B. Road, Mahim (West), Mumbai - 400 016. Email: mslsecurities@yahoo.com Tel:
Listed	Bombay Stock Exchange, Mumbai.
Registrar and Transfer Agents	M/s Link Intime India Private Limited C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083 Email: mumbai@linkintime.co.in Tel No: 022 49186270

(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	99.69%

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

S. No.	Name & 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. i. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

The Equity Share Capital as on March 31, 2020 is Rs. 8,69,54,870/-, including forfeited shares of Rs. 6,14,28,470/- which results into effective Equity Capital of Rs. 2,55,26,400/- until forfeited shares are reissued through the Scheme of Arrangement or otherwise after obtaining statutory approvals under the Companies Act.

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	%	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	5450		5,450	0.21	5450		5450	0.21	-
b) Central Govt									

c) State Govt(s)									
d) Bodies Corp.	14,33,999		14,33,999	56.17	14,33,999	1,550	14,35,549	56.24	0.07
e) Banks / FI									
f) Any other									
Total shareholding of Promoter (A) (1)	14,39,449		14,39,449	56.38	14,39,449	1,550	14,40,999	56.45	0.07
(2) Foreign	-	-	-	-	-	-	-	-	-
Total Shareholding of new Promoter and Promoter Group (A)= (A)(1)+(A)(2)	14,39,449	-	14,39,449	56.38	14,39,449	1,550	14,40,999	56.45	0.07
B. Public Shareholding (B1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	7,96,793	-	7,96,793	31.22	7,96,793	-	7,96,793	31.22	-
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	22,769	3,350	26,119	1.03	23,110	1,800	24,910	0.98	(0.05)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2,88,578	-	2,88,578	11.31	2,88,237	-	2,88,237	11.29	(0.02)
c) Others (specify)									
Hindu Undivided Family	1201	-	1201	0.04	1201	-	1201	0.04	-
Non-Resident Indians	200	-	200	0.01	200	-	200	0.01	-
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members	300	-	300	0.01	300	-	300	0.01	-
Trusts									
Foreign Bodies - D R									
Sub-total (B)(2):-	11,09,841	3350	11,13,191	43.61	11,05,741	1,800	11,07,541	43.61	(0.07)

Total Public Shareholding (B)=(B)(1) + (B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	2549290	3350	2552640	100	2549290	3350	2552640	100	NIL

(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	
1	Mr. Salim Govani	5450	0.21	-	5450	0.21		
2.	Foresight Holding P. L.	972973	38.11		974523	38.18		0.07
3.	Growsafe Securities Pvt Ltd	230026	9.01		230026	9.01		
4.	Indusage Advisors Ltd	231000	9.05		231000	9.05		-
	Total	1439449	56.38		1439449	56.38		-

(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				
1. Mr. Salim Govani	5450	0.21%		
2. Foresight Holdings Pvt. Ltd	972973	38.11%		
3. Growsafe Securities Pvt Ltd	230026	9.01%		
4. Indusage Advisors Ltd	231000	9.05%	1439449	56.38%
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease	(5)	0.00%		
At the end of the year				
1. Mr. Salim Govani	5450	0.21%		
2. Foresight Holdings Pvt. Ltd	974523	38.18%		
3. Growsafe Securities Pvt Ltd	230026	9.01%		
4. Indusage Advisors Ltd	231000	9.05%	1440999	56.45%

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

Sr.No	Shareholding at the beginning of the year	Shareholding at the end of the year
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