

**MEHTA SECURITIES LIMITED**

**AHMEDABAD**

24<sup>TH</sup>

**ANNUAL REPORT**

**2017-18**

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**GENERAL DETAILS**

**MEHTA SECURITIES LIMITED**

CIN: L67120GJ1994PLC022740

ISIN: INE241B01010

BSE SCRIP CODE: 511738

**Registered Office:**

02, Law Garden Apartment,  
Scheme-1, Opp. Law Garden,  
Ellisbridge, Ahmedabad- 380 006

**Board of Directors:**

Bhavna D. Mehta (DIN: 01590958)  
Chirag D. Mehta (DIN: 00484709)  
Upen P. Parekh (DIN: 01649900)  
Ramnik D. Sojitra (DIN: 00350946)

**Auditors:**

M/S P.P. Patel & Brothers  
Chartered Accountants  
Vakhariyavad, Near Dr. Arun Parikh Hospital,  
Dr. Gandhi Road, Himatnagar 383001  
Membership No.- 164080  
Firm Reg. No.- 107743W

**Practising Company Secretary:**

Rohit Bajpai & Associates  
507, Sangita Complex,  
B/h Claris Corporate House,  
Opp. Doctor House, Parimal Cross Road,  
Ahmedabad-380009  
Membership No-18490  
C.P. No-6559

**Bankers:**

HDFC Bank

**Registrar and Share Transfer Agent:**

M/s. PurvaSharegistry (India) Pvt. Ltd  
9 Shiv Shakti Industrial Estate  
J. R. Boricha Marg  
Lower Parel, Mumbai-400 011  
Tele. No. (022) 23016761, 23010771  
Fax No. (022) 23012517  
E-mail ID: busicomp@vsnl.net

**Listing of Equity Shares:**

BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400001

### **NOTICE**

Notice is hereby given that the 24<sup>th</sup> Annual General Meeting of the Members of Mehta Securities Limited (CIN- L67120GJ1994PLC022740) will be held on Saturday, 28<sup>th</sup> July, 2018 at 11:00 a.m. at 002, Law Garden Apartment, Scheme-I, opp. Law Garden, Ellisbridge, Ahmedabad-380006 to transact the following business:-

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements for the Financial Year ended 31st March, 2018 and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Chirag D. Mehta (DIN-00484709) who retires by rotation and being eligible offers himself for re-appointment.

3. **Ratification of Appointment of Auditors**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:  
“**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of **M/S. P.P. PATEL & BROTHERS** Chartered Accountants (Firm Registration No. 107743W), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of the twenty-fifth AGM of the Company to be held in the year 2019, to examine and audit the accounts of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

#### **SPECIAL BUSINESS:**

4. **APPOINTMENT OF AN INDEPENDENT DIRECTOR FOR SECOND TERM:**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable Provisions, if any, of the Companies Act, 2013 and the Rules framed there under, read with Schedule IV to the Act, as amended from time to time, and as also pursuant to Securities And Exchange Board Of India ( Listing Obligations And Disclosure Requirements) Regulations, 2015, and also subject to any other Laws as may be applicable to the Company from time to time, Mr. Ramnik D. Sojitra (DIN: 350946 ), a Non-Executive and independent director of the Company whose period of the office is not liable to determination by retirement of Directors by rotation and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, being eligible for re-appointment and whose first term of Appointment as an Independent Director not liable to retire by rotation for a period of Five years that commenced on 1st April ,2014 and that expires on 31st March ,2019, be and is hereby re appointed as an Independent Director of the Company to hold office on conclusion of initial appointment as an Independent Director w.e.f. 1st April, 2019 till the conclusion of 29th Annual General Meeting of the Company to be held in the year 2023.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

#### **5. APPOINTMENT OF AN INDEPENDENT DIRECTOR FOR SECOND TERM:**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable Provisions, if any, of the Companies Act, 2013 and the Rules framed there under, read with Schedule IV to the Act, as amended from time to time, and as also pursuant to SEBI(LODR) 2015, Mr. Upen P. Parekh (DIN: 1649900 ), a Non-Executive and independent director of the Company whose period of the office is not liable to determination by retirement of Directors by rotation and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, being eligible for re-appointment and whose first term of Appointment as an Independent Director for a period of Five years that commenced on 1st April ,2014 and that expires on 31st March ,2019, be and is hereby re appointed as an Independent Director of the Company to hold office on conclusion of initial appointment as an Independent Director w.e.f. 1st April, 2019 till the conclusion of 29th Annual General Meeting of the Company to be held in the year 2023.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

#### **6. LOANS TO DIRECTORS/INTERESTED PARTIES**

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

**RESOLVED THAT** Pursuant to the provisions of section 185 of the Companies Act, 2013 and any other applicable provisions of the said act as may be applicable, if any, from time to time and any amendments to the said act made effective from time to time and subject to any other Laws, Rules, Regulations, Circulars, Notifications thereto as may be applicable, from time to time, a company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the Director of the company is interested subject to the condition that the loans are utilized by the borrowing company for its principal business activities.

**FURTHER RESOLVED THAT** the meaning of the expression “any person in whom any of the directors of the company is interested” shall be as referred to in explanation to section 185(2) of the Companies Act, 2013 as amended vide The Companies (Amendment) Act, 2017 and to the extent notified as stated here under:

- (a) Any private company of which any such director is a director or member;
- (b) Any Body Corporate at a General Meeting of which not less than 25% of the total voting power may be exercised or controlled by any such director, or by two or more such director, together;

- (c) Any Body corporate, the board of directors, Managing Director or Manager, whereof is accustomed to the act in accordance with the directions or instructions of the board, or of any director or directors, of the lending company.

**RESOLVED FURTHER THAT** the board shall ensure that such transactions are in the ordinary course of business and on Arm's Length Basis and are not prejudicial to any of the parties as well as are fair and reasonable to the business needs of the company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters, and things as, in its absolute discretion, may be considered necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or otherwise considered by the Board of Directors to be in the interest of the Company.

## **7. RELATED PARTY TRANSACTIONS:**

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

**"RESOLVED THAT** pursuant to provision of Section 188 of the Companies Act, 2013 read with Rule 15 of Companies (Meeting of Board and its Power) Rule, 2014 and such other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) and subject to SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended time to time and any other regulations as may be applicable to the company from time to time and subject to any other applicable laws and regulations from time to time, the consent of members of the Company be and is hereby accorded to the Board of Directors to ratify existing contracts and further be authorized to enter into fresh contracts and/or arrangements with **MEHTA INTEGRATED FINANCE LTD** and **MEHTA HOUSING FINANCE LTD**, Directors, associates their relatives and associated companies/persons as defined under the Act, the details of which are mentioned in the Explanatory Statements of this resolution and as board of directors deems fit and the board be also authorized to enter into any contracts or arrangements with respect to clauses (a) to (e) of sub-section (1) of section 188 exceeding the criteria as mentioned under Rule 15(3) (a)(i) to (iv) or make appointment at a monthly remuneration exceeding the limits prescribed under rule 15(3)(b) of companies (Meeting of Board and its Powers) Rules, 2014 as amended from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, to sign and execute all deeds, applications, documents, and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this Resolution."

## **8. BORROWING LIMITS OF THE COMPANY.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 180(1) (a), (c), (d) and any other applicable provisions of the Companies Act, 2013 as amended, notified and made effective from time to time and the

rules made there under, or any other laws for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and in terms of Memorandum and Articles of Association of the Company, the Company hereby accords its consent to the Board of Directors.

- (a) To sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings,

Explanation.—For the purposes of this clause,—

(i) “undertaking” shall mean an undertaking in which the investment of the company exceeds Twenty percent. Of its net worth as per the audited balance sheet of the preceding financial Year or an undertaking which generates twenty per cent. of the total income of the company During the previous financial year;

(ii) the expression “substantially the whole of the undertaking” in any financial year shall mean twenty percent. or more of the value of the undertaking as per the audited balance sheet of the Preceding financial year;

- (b) To borrow any sum or sums of money from time to time, from any one or more of Company's bankers and/or from financial institutions, banks/Corporate or other acceptable source whether by way of advances, deposits, loans, non-convertible debentures, bonds or otherwise and whether unsecured or secured notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company will or may exceed the aggregate paid-up share capital of the Company, free reserves and Securities Premium, apart from temporary loans obtained from the company's bankers in the ordinary course of business provided that the total outstanding amount of such borrowings shall not exceed Rupees 250 Crore (Two Hundred and Fifty Crore Rupees) over and above the aggregate of the paid up capital of the company, its free reserves and Securities Premium at any time apart from temporary loans obtained from the company's bankers in the ordinary course of business.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required.”

- (C) To remit, or give time for the repayment of, any debt due from a director.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

#### **Creation of Charges on the assets of the Company:**

**“RESOLVED THAT** pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by

this Resolution) to ratify, accept, create such mortgages, charges and hypothecations/Pledge as may be necessary on such assets of the Company, both present and future, in such manner as the Board/Committee of the Board may think fit and proper, provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said loans, for which such charges, mortgages, pledge or hypothecations are created, shall not, at any time exceed the limit of Rs. 100 Crore (One Hundred Crore Rupees).

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to finalize with the Lending Agencies/Trustees, the documents for creating the aforesaid mortgages, charges, pledge and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

**9. PRIVATE PLACEMENT OF NON-CONVERTIBLE DEBENTURE (NCD):**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed there under, as may be amended from time to time, consent of the members be and is hereby accorded for making offer(s) or invitation(s) to subscribe to Non-Convertible Debentures (“NCDs”) (whether secured or unsecured) on a private placement basis to Banks/Financial Institutions/Trusts/Other eligible Investors, in one or more tranches up to an amount not exceeding overall borrowing limits of the Company, as approved by the Members, from time to time.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof formed for this purpose), be and is hereby authorised to do all such acts, deeds and things and give such directions as may be deemed necessary or expedient to give effect to the above Resolution, including determining the terms and conditions of the NCDs.”

**10. ADVANCE LOANS, PROVIDE GUARANTEE/SECURITY AND MAKE INVESTMENT IN EXCESS OF THE PRESCRIBED LIMIT:**

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

“**RESOLVED THAT** pursuant to provisions of section 186 of Companies Act, 2013 as amended by The Companies (Amendment) Act, 2017 and made effective by commencement notification issued by Central Government from time to time and other applicable provisions, if any and subject to any other Laws as may be applicable to the company from time to time, the consent of the members of the company be and is hereby accorded to existing transactions and further to give loans, provide guarantee/security and make investments in excess of the prescribed limit of a sum not exceeding Rupees 100 crores (Rupees One

Hundred Crores) by way of giving loans, guarantees to associate Companies and/or other Body Corporate, providing guarantee/security for and/on behalf of its Associate Companies and invest by way of subscription and/or purchase of Shares /Debentures/Bonds, notwithstanding that such investments or such investments together with the Company's existing investments in all other body corporate shall be in excess of the limits prescribed under section 186 of the Act.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters, and things as, in its absolute discretion, may be considered necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or otherwise considered by the Board of Directors to be in the interest of the Company."

#### **11. CONTRIBUTION TO BONA FIDE AND CHARITABLE FUNDS:**

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

**"RESOLVED THAT** pursuant to the provisions of Section 181 and any other applicable provisions, if any, of the Companies Act, 2013 read with rules, circulars and notifications thereto and any amendments as may be made from time to time and any other laws as may be applicable to the Company, permission be and is hereby accorded to the Board of Directors of the Company ("**the Board**") to contribute, in one or more tranches, in any financial year, either directly or through a non-profit organization, or in any other manner as considered appropriate by the Board, to such bona fide charitable and other funds as may be deemed fit and appropriate by the Board which in any financial year may exceed 5% of average net profits for the three immediately preceding financial years of the Company or such other percentage as may be prescribed under law from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters and things and take all such other steps as may be considered, necessary, proper or expedient to give effect to this Resolution."

Place: Ahmedabad  
Date: 30<sup>th</sup> May, 2018

By order of Board of Directors:  
Sd/-  
Mrs. Bhavna D. Mehta  
Managing Director  
(DIN: 01590958)

### NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER. IN CASE OF JOINT HOLDERS ATTENDING THE MEETING, ONLY SUCH JOINT HOLDER WHO IS HIGHER IN THE ORDER OF NAMES WILL BE ENTITLED TO VOTE.
2. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business to be transacted at the meeting, is annexed hereto.
4. Members are requested to bring the admission slips along with their copy of the Annual Report at the Meeting.
5. The Company has notified closure of Register of Members and Share Transfer books on **28<sup>th</sup> July, 2018** for the purpose of **24<sup>th</sup> Annual General Meeting**.
6. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the Registered Office of Company on all working days between **11.00 a.m. to 1.00 p.m. prior to date of AGM**.
7. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
8. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to individual shareholders holding shares in the physical form. The shareholders, who are desirous of availing this facility, may kindly write to Company's R & T Agent –M/s. Purva Sharegistry (India) Pvt. Ltd., 9 Shiv Shakti Industrial Estate, Lower Parel, Mumbai-400011. Tele. No. (022) 23016761, 23010771, E-mail ID: busicompany@vsnl.net for nomination form by quoting their folio number.
9. Electronic copy of the Annual Report for 2017-18 is being sent to all the members whose email IDs are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017-18 is being sent in the permitted mode.
10. The copies of the Annual Report will also be made available on Company's website and at the registered office of the company for inspection during normal business hours on working days and also on the