



# 20TH ANNUAL REPORT

2013-2014



**MOONGIPA SECURITIES LIMITED**  
ENDURING VALUES NEW AGE THINKING



**BOARD OF DIRECTORS**

1. SH. SANJAY JAIN
2. SMT. POOJA JAIN
3. SH. AJAY PRAKASH NARAIN

**COMPANY SECRETARY**

SH. SANJEEV JAIN

**AUDITORS**

M/S SAXENA & SAXENA  
Chartered Accountants  
New Delhi - 110 001

**REGISTERED OFFICE**

18/14, W.E.A. Pusa Lane,  
Karol Bagh  
New Delhi-110 005  
Tel No. 011-41450121, Fax: 011-41450122  
E-mail ID-moongipas@gmail.com  
Website: www.moongipa.net  
CIN: L74899DL1994PLC057941

**COMPLIANCE OFFICER**

SH. SANJAY JAIN

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**NOTICE**

Notice is hereby given that the 20<sup>th</sup> Annual General Meeting of the members of **MOONGIPA SECURITIES LIMITED** will be held on Thursday, the 4<sup>th</sup> September, 2014 at 11.00 A.M. at Rajhans Banquet Hall, Qutab Garh, Delhi-110039 to transact the following business.

**ORDINARY BUSINESS**

1. To Receive, Consider, and Adopt Audited Balance Sheet of the company as at 31<sup>st</sup> March 2014 and Profit & Loss Account for the year ended on that date and alongwith Report of the Board of Directors and Auditors thereon.
2. To appoint director in place of Mr. Sanjay Jain (DIN: 00096938) who retires by rotation at this AGM and being eligible offers himself for re-appointment.
3. To appoint M/s Saxena & Saxena, Chartered Accountants, (Firm Registration Number-006103N), as Statutory Auditors of the company, to hold office from the conclusion of this Annual General Meeting (AGM) till conclusion of fourth AGM, with this AGM being counted as the first AGM to authorize the Board of Directors to fix their remuneration.

**SPECIAL BUSINESS**

4. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard 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 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

Resolved further that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. Payment of Remuneration to Sh. Sanjay Jain Whole-Time Director of the Company for Financial Year 2014-15.

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 196, 197, 198, Schedule V and other applicable provisions, if any of the Companies Act, 2013, (corresponding to erstwhile Sections 198, 269, 309, 310, Schedule XIII and other applicable provisions if any, of the Companies Act, 1956) and subject to the approval of the Central Government and such other necessary approval(s), consent(s) or permission(s), as may be required, the consent of the Members of the Company be and is hereby accorded to pay the remuneration as set out in the statement annexed hereto, Mr. Sanjay Jain (DIN: 00096938), Whole-Time Director of the Company, for the financial year 2014-15 in absence of adequate profits.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

6. Re-appointment of Sh. Sanjay Jain Whole-Time Director 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 Sections 196, 197, 198, Schedule V and other applicable provisions, if any of the Companies Act, 2013, (including any amendment/modification thereof) and subject to such other necessary approval(s), consent(s) or permission(s), as may be required, the consent of the Members of the Company be and is hereby accorded to re-appoint Mr. Sanjay Jain (DIN: 00096938), as Whole-Time Director of the Company, liable to retire by rotation, for a period of 5 years w.e.f. 01-04-2014 on the terms and remuneration as mentioned in the statement annexed hereto.

RESOLVED FURTHER pursuant to Section II of Part II of Schedule V and other applicable provisions, if any of the Companies Act, 2013, (including any amendment/modification thereof) and subject to such approval(s), as may be necessary, the Company is authorized to pay minimum remuneration Mr. Sanjay Jain (DIN: 00096938), Whole-Time Director of the Company, for the financial year in which there is inadequacy or absence of profits, during the period of three years commencing from April 1, 2014 till March 31, 2017.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to increase, vary or amend the remuneration (within the allocated grades) including salary, allowances, perquisites and benefits, minimum remuneration and other terms of his appointment, from time to time, as deemed expedient or necessary."

7. Appointment of Mr. Ajay Prakash Narain as an Independent Director of the Company.

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

"RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013, Mr. Ajay Prakash Narain (DIN: 02655527), whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose Mr. Ajay Prakash Narain as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 consecutive years upto March 31, 2019 not liable to retire by rotation."

8. To consider and if thought fit, to pass with or without modifications, the following resolution as a special resolution:

Resolved that subject to the provisions of the companies Act, 2013, Securities Contracts (Regulation) Act, 1956, and the rules framed thereunder, listing agreement, SEBI (Delisting of Securities) Guidelines, 2003, and such other applicable laws, rules, regulations and guidelines, and subject to such approvals, permission and sanctions, as may be necessary, the Board of directors of the company be and is hereby authorised to seek voluntarily delisting of its securities from The Delhi Stock Exchange Association Ltd, Jaipur Stock Exchange Ltd. & Ahmedabad Stock Exchange Ltd stock exchanges.

Resolved Further that the securities of the company is proposed to be listed on the stock exchange having nation wide trading terminals viz The Bombay Stock Exchange Ltd. and therefore as per the said guidelines issued by the Securities and Exchange Board of India, (SEBI) no exit opportunity need to be given to the shareholders 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 it may in its absolute discretion deem necessary or



desirable and to execute all such deeds and documents as may be considered necessary and expedient to give effect to the above said resolution.

#### 9. Increase in Limit of Investment:

To consider and if thought fit, to pass with or without modifications, the following resolution as a special resolution:-

**"RESOLVED THAT** pursuant to the provisions of section 186 and other applicable provisions if any of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions of the appropriate authorities, departments or bodies as may be necessary, the Board of Directors of the Company be and are hereby severally authorized to make investments of such amount(s) **by way of subscription, purchase or otherwise the securities of any other body corporate** from time to time, on such terms and conditions as the Board may deem fit notwithstanding, that the investments made may exceed the limits prescribed under the said section."

**"RESOLVED FURTHER THAT** the aggregate of such investments made shall not exceed the amount of Rs. 100,000,000/- [Rupees Ten Crores Only] over and above the limit prescribed under Section 186 of the Companies Act, 2013."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized 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 and sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

By order of the Board

Place: New Delhi  
Date: 29<sup>th</sup> May, 2014

Sanjay Jain  
Whole-Time Director

#### NOTES:

- The relevant statement to be annexed to the notice pursuant to Section 102(1) of the Companies Act, 2013, which set out details relating to Special Business at Item No. 4 to 9 and of the notice set out above are annexed hereto and forms part of this Notice.
- A MEMBER ENTITLED TO ATTEND & VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND & VOTE INSTEAD OF HIM/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT 18/14, W.E.A PUSA LANE, KAROL BAGH, NEW DELHI -110005, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ATTACHED WITH THE ANNUAL REPORT. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY(50) AND HOLDING IN AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
- Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- All documents referred to in the accompanying Notice are open for inspection at the Registered office of the company during the office

hours on all working days between 11.00 A.M. to 1.00 P.M. before the date of Annual General Meeting

- The Members desirous of appointing their nominees for the shares held by them may apply in the Nomination Form (Form SH.13).
- Pursuant to the provisions of the Companies Act, 2013 read with the Rules framed thereunder, the Company may send notice of general meeting, director's report, auditor's report, audited financial statements and other documents through electronic mode. Further, pursuant to the first provisions to the Rule 18 of the Companies (Management & Administration) Rule, 2014, the Company shall provide an advance opportunity atleast once in a financial year to the members to register their e-mail address and changes therein. In view of the same, Members are requested to kindly update their e-mail address with depository participants in case of holding shares in demat form. If holding shares in physical form, Members are requested to inform their e-mail ID to the Company.
- Members/ Proxies should bring the attendance slip duly filled in for attending the meeting.
- The Register of Members shall remain closed from 28<sup>th</sup> August, 2014 to 4<sup>th</sup> September, 2014. (Both days inclusive)
- Shareholders seeking any information and having any query with regard to accounts are requested to write the company early so as to enable the Management to keep the information ready.
- Members are requested to bring their own copies of Annual Report; no spare copies will be available at the venue of meeting.
- THE COMPANY WHOLE-HEARTEDLY WELCOMES MEMBERS/ PROXIES AT THE ANNUAL GENERAL MEETING OF THE COMPANY. THE MEMBERS/PROXIES MAY PLEASE NOTE THAT NO GIFTS/GIFT COUPONS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING.
- Details of Directors seeking re-appointment in the ensuing Annual General Meeting pursuant to clause 49 of the listing agreement.

Name of the Director	Mr. Sanjay Jain
Age	48 Years
Qualification	B.Com., L.L.B. M.B.A
Profile/Expertise in Specific functional Areas	He has got a wide experience in the field of finance and Capital Markets.
List of other Public Limited Company in which the Director Holds Directorship as on 31-03-2014.	Moongipa Capital Finance Ltd.
Chairman/Member of the Committees of the Board of Companies in which he is a Director as on 31-03-2014.	Member Share Transfer and investors grievance committee, Member Remuneration and Compensation committee Moongipa Securities Ltd.
Share holding as on 31-03-2014.	4.97%

- In compliance with provisions of section 108 of the Companies Act, 2013 and Rules of the Companies (Management & Administration) Rules, 2014. The company is pleased to provide E-voting facility through Central Depository Services (India) Limited (CDSL) as an alternative, for all members of the company to enable them to cast their votes electronically on the resolutions mentioned in the notice of 20<sup>th</sup> Annual General Meeting of the company dated 29<sup>th</sup> May 2014 (the AGM Notice). The company has appointed Mr. Amit Agrawal, Practicing Company Secretaries as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. E-voting is optional. The E-voting rights of the shareholders/beneficial owners



shall be reckoned on the equity shares held by them as on August 1, 2014. The instructions for E-voting are as under:

**Instructions for members for voting electronically are as under:**

**In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "MOONGIPA SECURITIES LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
  - (a) For CDSL: 16 digits beneficiary ID.
  - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
  - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (xi) Click on the EVSN for the relevant Moongipa Securities Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the Image verification code and click on Forgot Password & enter the details as prompted by the system.
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
  - (B) The voting period begins on August 28th 2014 at 9.00 A.M. and ends on August 29, 2014 at 6.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 1, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be available on the Company's website within two (2) days of passing of the resolution at the AGM of the Company and communicated to the stock exchange.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT 2013.**

**ITEM 4**

The Articles of Association ("AoA") of the Company as presently in force were replaced in January 1984 from what they were when the Company was incorporated in 1973. The existing AoA are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956



and some regulations in the existing AoA are no longer in conformity with the Act.

The Act is now largely in force. On September 12, 2013, the ministry of corporate affairs ("MCA") had notified 98 Section for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction/confirmation of the National Company Law Tribunal ("Tribunal") such as variation of Rights of Holders of different classes of Shares (Section 48), reduction of Share Capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick Companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, inter alia, relating to investor Education And Protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive Section of the Act which deal with the general working of Companies stand notified.

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletion in several Articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on table 'F' of the Act which sets out the model Articles of Association for a Company limited by shares. Share holder's attention is invited to certain salient provisions in the new draft AoA of the Company viz:

- (a) Company's lien now extends also to bonuses declared from time to time in respect of shares over which lien exist;
- (b) The nominee(s) of deceased sole member are recognized as having title to the deceased's interest in the shares;
- (c) New provisions regarding application of funds from reverse accounts when amounts in reverse accounts are to be capitalized;
- (d) New provisions relating to appointment of Chief Executive Officer and Chief Financial Officer, in addition to manager and Company Secretary;
- (e) Existing Articles have been streamlined and aligned with the Act;
- (f) The Statutory provisions of the Act which permit a Company to do some Acts "if so authorised by its Articles" or provisions which require a company to do Acts in a prescribed manner "unless the Articles otherwise provide" have been specifically included; and
- (g) Provisions of the existing AoA which are already part of statute in the Act have not been reproduced in the new draft AoA as they would only lead to duplication-their non-inclusion make the new AoA crisp, concise and clear and aids easy of reading and understanding.

The proposed new draft AoA is being uploaded on the Company's website for perusal by the Shareholders.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned over interested, financially or otherwise, in the Special Resolution set out at Item No. 4 of the Notice.

The Board commands the Special Resolution set out at Item No. 4 of the Notice for approval by the Shareholders.

#### ITEM 5

The Members of the Company at the Annual General Meeting held on July 14, 2011 had approved the remuneration payable to the Executive Director of the Company and the Board of Directors was authorized to revise the same within the overall limits prescribed in this regard.

Mr. Sanjay Jain is associated with the Company since inception and has contributed towards the growth of Company.

The Compensation/Remuneration Committee appreciated the contributions made by Mr. Sanjay Jain towards the growth and recognition of the Company and considering the same, approved the payment of the entire remuneration, as approved by the Compensation/ Remuneration Committee in its meeting held on May 29, 2013, the following remuneration as minimum remuneration to Mr. Sanjay Jain for the financial year 2014-15.

#### SALARY

Rupees 45,000/- per month and there will be increase of Rs. 5000/- per year

#### PERQUISITES

Perquisites shall be allowed in addition to salary. These are classified into three categories 'A' 'B' 'C' as given

#### CATEGORIES A

1. Medical Reimbursement: - Expenses incurred for self and the family subject to ceiling of one month's salary in a year.
2. Leave Travel Concession: - For self and these family ones in a year incurred in accordance with rules Specified by the company.
3. Club Fees: - Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fee.

#### CATEGORIES B

1. Encashment of leave as per the Company's policies.

#### CATEGORIES C

1. Car: Use of Company's car with driver.
2. Telephone: Free Telephone facility at Residence.

Personal long distance calls on Telephone for private purposes shall be billed by the company.

The information as required under Section II of part II of Schedule V of the Companies Act, 2013: Refer the statement in item No. 5

The payment of remuneration to Mr. Sanjay Jain as stated above is subject to the approval of the Members and Central Government and the same shall be paid after making the adjustment of remuneration already paid to him.

Except Mr Sanjay Jain and his relatives, none of the Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the resolution set out at the no. 5.

The Board recommends the resolution for your approval.

#### ITEM 6

The members of the Company had appointed Mr Sanjay Jain as Whole-time Director of the Company w.e.f. March 18, 1994. As the Companies Act, 1956 does not mandate any limitation on the term of Whole-Time Director, thus, there was no limit assigned to the term of Mr. Sanjay Jain Whole-Time Director of the Company.

The Ministry of Corporate Affairs, Government of India had notified the new Companies Act, 2013 ("The Act") on August 29, 2013 and notified many of its provisions w.e.f April 1, 2014, thereby replacing the corresponding provisions of the Companies Act, 1956.

In terms of Section 196(2) of the Act, the term of the Managing Director, Whole-Time Director or Manager shall not exceed 5 years at a time