

**18th  
Annual Report  
2009-2010**



**NDA SECURITIES LIMITED**



BOARD OF DIRECTORS

Sh. Sanjay Agarwal, Managing Director  
Smt. Deepti Agarwal, Wholetime Director  
Sh. U.S. Gupta, Director  
Sh. Lalit Gupta, Director  
Sh. Ram Kishan Sanghi, Director

CHIEF FINANCE OFFICER

Sh. Ashutosh Gupta

AUDITORS

Gupta Rustagi & Aggarwal  
Chartered Accountants, New Delhi

BANKERS

HDFC Bank  
ABN Amro Bank  
Punjab National Bank  
Bank of Baroda

Registered Office Address

906, Arunachal,  
19, Barakhamba Road,  
New Delhi – 110 001

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**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE EIGHTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF NDA SECURITIES LIMITED WILL BE HELD ON WEDNESDAY, 29<sup>TH</sup> SEPTEMBER, 2010 AT 4.00 P.M. AT AGARWAL DHARMSHALA, OCF POCKET 104, KALKAJI VISTAR, NEAR PUNJSONS FACTORY, NEW DELHI-110019 TO TRANSACT THE FOLLOWING BUSINESS:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2010 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Smt. Deepti Agarwal, who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General meeting of the company and to authorize the Board of Directors to fix their remuneration. M/s Gupta, Rustagi & Agarwal, Chartered Accountants, are the retiring Auditors and being eligible have offered themselves for re-appointment.

**SPECIAL BUSINESS:**

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS ORDINARY RESOLUTION:-

4. **"RESOLVED THAT** Sh. Ram Kishan Sanghi who was appointed as an Additional Director in terms of Section 260 of the Companies Act, 1956 and Article 93 of the Articles of Association of the Company and who holds office as such upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing and also a deposit of Rs. 500/- (Rupees Five Hundred only) U/s 257 of the Companies Act, 1956 from him signifying his intention to propose himself as a candidate for the office of Director of the Company, be and is hereby appointed as Director of the Company".
5. **RESOLVED THAT**, in accordance with the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment thereof) for the time being in force, the consent of the Company be and is hereby granted for the increase in salary of Sh. Sanjay Agarwal, Managing Director of the Company from Rs. One Lac per month to Rs. One Lac Twenty Five Thousand per month w.e.f. 1<sup>st</sup> May 2010 on such terms and conditions, as detailed below:
  - a) The perquisites and allowances being paid shall remain unchanged.
  - b) He shall be paid the increased remuneration for the remaining period of his tenure i.e. upto 30<sup>th</sup> April, 2012.
  - c) In the event of absence or inadequacy of profits in any year comprised in the period of appointment, the above remuneration will be deemed to be minimum remuneration. However, such minimum remuneration shall not exceed the limits prescribed under schedule –XIII of the Companies Act, 1956 and the rules made there under or any statutory modifications or reenactment thereof.
6. **"RESOLVED THAT** in accordance with the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof) for the time being in force, the consent of the company be and is



## **NDA SECURITIES LTD.**

hereby granted for the increase in salary of Smt. Deepti Agarwal, Wholetime Director of the Company from Rs. Fifty Thousand per month to Rs. Seventy Five Thousand per month w. e. f 1<sup>st</sup> May, 2010 on such terms and conditions as detailed below:

- a) The perquisites and allowances being paid shall remain unchanged.
- b) She shall be paid the increased remuneration for the remaining period of her tenure i.e. upto 30<sup>th</sup> April, 2011.
- c) In the event of absence or inadequacy of profits in any year comprised in the period of appointment, the above remuneration will be deemed to be minimum remuneration. However, such minimum remuneration shall not exceed the limits prescribed under schedule –XIII of the Companies Act, 1956 and the rules made there under or any statutory modifications or reenactment thereof.

By order of the Board

Date: 18/08/2010  
Place: New Delhi

Sd/-  
**SANJAY AGARWAL**  
MANAGING DIRECTOR

### **NOTES:**

1. The relevant explanatory statement, pursuant to Section 173(2) of the Companies Act, 1956 in respect of items nos. 4 to 6 is annexed herewith.
2. A member who is entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and to vote instead of himself/herself and a proxy need not be a member of the company. Proxies in order to be effective must be received at the registered office of the company not less than 48 hours before the meeting.
3. The Register of members and the Share transfer books of the Company shall remain closed from 21.09.2010 to 29.09.2010 (both days inclusive).
4. All the Members who are still holding their shares in physical form are requested to get their shares converted into dematerialized Form.
5. Members are advised not to ask for any gift coupons at the AGM, as the same shall not be distributed.
6. Members/Proxies should bring the attendance slip sent herewith, duly filled in and signed and handover the same at the entrance of the meeting hall.
7. Shareholders are requested to bring their copies of the Annual Report for the meeting.



## NDA SECURITIES LTD.

### EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

#### ITEM NO. 4

The Board in their meeting held on 11<sup>th</sup> May, 2010 co-opted Sh. Ram Kishan Sanghi as an Additional Director, liable to retire by rotation. Sh. Ram Kishan Sanghi ceases to hold office from the date of Annual General Meeting in terms of section 260 of the Companies Act, 1956 and Articles 93 of the Articles of Association of the Company. Notice under Section 257 of the Companies Act, 1956 has been received along with a security deposit of Rs. 500/- from a member of the Company signifying his intention to move the resolution as set out in Item No. 4 of this notice.

Your Directors recommend the resolution for approval

None of the Directors of the Company are interested in this resolution.

#### ITEM NO. 5 AND 6

Sh. Sanjay Agarwal is the Managing Director of the Company since 1<sup>st</sup> May, 2003. Earlier he was the Wholetime Director of the Company. Sh. Sanjay Agarwal was reappointed as Managing Director of the Company with effect from 1<sup>st</sup> May, 2009, for a period of three years at a salary of Rupees One Lac per month, along with other perquisites and allowances, as approved by the Company in the Annual General Meeting held on 24<sup>th</sup> September, 2009. The salary of Sh. Sanjay Agarwal has not been revised since 1<sup>st</sup> April, 2004. Keeping in consideration, the increase in work load being handled by the Managing Director, the last revision in salary and price index, it is desirable that Managing Director should be given a raise in salary.

Smt. Deepti Agarwal was appointed as Wholetime Director of the company with effect from 1<sup>st</sup> May, 2008, for a period of three years. Wholetime Director is being paid a salary of Rs. 50000/- per month along with other perquisites and allowances. The said salary, perquisites and allowances were approved by the Company in the Annual General Meeting held on 29<sup>th</sup> September, 2008. The salary, perquisites and allowances being paid to the Wholetime Director have not been revised since 1<sup>st</sup> May, 2008. Keeping in consideration, the increase in work load being handled by the Wholetime Director and price index, it is desirable that Wholetime Director should be given a raise in salary.

The Board of Directors and the Remuneration Committee of the Board granted its approval to the increase in salary of the Managing Director and Wholetime Director, in their meetings held on 11<sup>th</sup> May, 2010.

This increase in salary of the Managing Director and Wholetime Director requires the consent of the Members of the Company in the General Meeting.

Your Directors recommend the resolutions at Sl. Nos. 5 and 6 for approval

None of the Directors of the Company, except Sh. Sanjay Agarwal and Smt. Deepti Agarwal, are interested in these resolutions.

#### Details of Directors seeking Appointment/Re-appointment in ensuing annual general meeting (Pursuant to clause 49 of the listing agreement)

|                      |                            |                           |
|----------------------|----------------------------|---------------------------|
| Name                 | Sh. Ram Kishan Sanghi      | Smt. Deepti Agarwal       |
| Category             | Independent, Non Executive | Non promoter, Executive   |
| Interse Relationship | N.A                        | Wife of Managing Director |
| Date of Appointment  | 11 <sup>th</sup> May, 2010 | 1 <sup>st</sup> May, 2008 |

**NDA SECURITIES LTD.**

|   |  |                               |
|---|--|-------------------------------|
| Date of Birth   | 31 <sup>st</sup> October, 1968   | 17 <sup>th</sup> August, 1973 |
| Qualification   | B.Com, FCA   | B.Com(H)                      |
| Expertise   | Finance and other matters related to Capital Market  | Capital Market and Marketing  |
| No. of shares held in the Co.   | Nil  | 28451                         |
| List of Companies in which he/she Director as on 31/03/2010             | Aabhi Fincap Ltd<br>Radharani Buildtech Pvt. Ltd<br>Sanghi Chit Fund Pvt. Ltd<br>Swan Computech Pvt. Ltd | NDA Realities Pvt. Ltd.       |
| Chairman/member of committee of the Board of Directors as on 31/03/2010 | Nil  | Nil                           |

By order of the Board

Date: 18/08/2010  
Place: New Delhi

Sd/-  
**SANJAY AGARWAL**  
MANAGING DIRECTOR



## NDA SECURITIES LTD.

### DIRECTORS' REPORT

#### TO THE MEMBERS

Your Directors have pleasure in presenting the Eighteenth Annual Report alongwith the Audited Accounts for the year ended 31<sup>st</sup> March 2010.

#### FINANCIAL RESULTS

The Financial results for the year ended 31<sup>st</sup> March, 2010 are as under:

| Particulars  | Rs. In Lacs |            |
|--|-------------|------------|
|  | 31.03.2010  | 31.03.2009 |
| Income from Operations   | 721.68      | 491.09     |
| Other Income   | 47.10       | 48.84      |
| Total Income   | 768.78      | 539.93     |
| Expenditure (before interest & Depreciation)                       | 725.69      | 582.57     |
| Interest   | 8.72        | 8.33       |
| Gross Profit (loss) after interest but before Depreciation and Tax | 34.37       | (50.98)    |
| Depreciation   | 29.64       | 25.92      |
| Profit (loss) before Tax   | 4.73        | (76.90)    |
| Income Tax for earlier years                                       | -           | 0.66       |
| Provision for Tax  | -           | 0.00       |
| Deferred Tax Asset/(Liabilities)                                   | 2.41        | 0.49       |
| Fringe Benefit Tax   | -           | 2.12       |
| Net Profit (loss)  | 2.32        | (79.19)    |
| Paid up Equity Capital   | 509.22      | 509.22     |
| Reserves   | 254.46      | 252.14     |

#### COMPANY'S PERFORMANCE

The Company earned a profit of Rs. 231700/- in the current year, against a loss of Rs. 7919085/- in the previous year. Your company expects a better future.

#### DIVIDEND

Due to small profit in the Current Year, Your Directors have not recommended any dividend for the Current Year.

**DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association Smt. Deepti Agarwal, Wholetime Director, retire by rotation and being eligible, offer herself for re-appointment. Sh. Ram Kishan Sanghi was appointed as Additional Director with effect from 11<sup>th</sup> May, 2010, liable to retire by rotation.

Subject to the approval of Members, the Board of Directors has increased the Salary of Sh. Sanjay Agarwal, Managing Director and Smt. Deepti Agarwal, Wholetime Director of the Company. The approval of Members is being sought by means of ordinary resolutions, which are elsewhere in the notice of the Annual General Meeting.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to section 217 (2AA) of the Companies Act, 1956, the Directors hereby confirm:

- That in the preparation of the Annual Accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures.
- That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended 31<sup>st</sup> March, 2010 and of the Profit of the Company for that year.
- That the Directors have taken proper and sufficient care to the best of their knowledge and capacity for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for Preventing and detecting fraud and other irregularities.
- That the Directors have prepared the Annual Accounts on a going concern basis.

**CORPORATE GOVERNANCE**

As required by Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited, Corporate Governance Report, Management Discussion and Analysis Report, and Auditor's Certificate regarding compliance of conditions of Corporate Governance are attached and form a part of this Annual Report.

**LISTING ON STOCK EXCHANGES**

The Equity Shares of the Company continue to be listed on The Bombay Stock Exchange Limited.

**SUBSIDIARY COMPANIES**

The Audited Statements of Accounts of NDA Share Brokers Limited and NDA Commodity Brokers Private Limited alongwith the reports of Directors and Auditors for the year ended 31<sup>st</sup> March, 2010 and the statement as required under Section 212 of the Companies Act, 1956 are attached.

NDA Share Brokers Ltd. is a Member of the Delhi Stock Exchange Association Limited. The DSE has had no business for the last few years. The Company incurred a loss of Rs. 732592/- after taxation during the year NDA Commodity Brokers Pvt. Ltd. has earned a Profit of Rs. 501876/- after taxation during the year.





## **NDA SECURITIES LTD.**

### **CONSOLIDATED FINANCIAL STATEMENTS**

As required under clause 32 of the Listing Agreement with the Bombay Stock Exchange Limited, Audited consolidated financial statements form part of Annual Report.

### **AUDITORS**

The Statutory Auditors of the Company, M/s Gupta, Rustagi and Agarwal, Chartered Accountants, retire at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A certificate has been received from them to the effect that their re-appointment, if made, shall be in accordance with the limits specified in sub-section (1B) of Section 224 of the Companies Act, 1956.

### **AUDITORS' REPORT**

The Auditors Report read together with the Notes to Accounts is self explanatory and do not call for any further explanations under Section 217(3) of the Companies Act, 1956.

### **PARTICULARS OF EMPLOYEES**

No employee is covered under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

### **OTHER PARTICULARS**

The provisions relating to the conservation of energy and technology absorption as required to be disclosed by section 217(1)(e) of the Companies Act, 1956 do not apply to the Company. The Company had no foreign Exchange earning / outgo during the year under review.

### **FIXED DEPOSIT**

The company has neither accepted fresh Fixed Deposit nor renewed any Fixed Deposit during the year ended 31/03/2010.

### **ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation for the co-operation and support extended by the Company's Bankers, Stock Exchanges, other Regulatory Bodies, Share Holders & members of the staff at all levels.

For and on behalf of the Board

Date: 18/08/2010  
Place: New Delhi

Sd/-  
**SANJAY AGARWAL**  
MANAGING DIRECTOR

Sd/-  
**DEEPTI AGARWAL**  
WHOLETIME DIRECTOR

**CORPORATE GOVERNANCE REPORT**
**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Your Company believes in transparency in all its dealings and emphasizes on integrity and compliance. NDA Group considers proper Corporate Governance as a prerequisite for meeting the needs of shareholders and customers of the Company. With this in mind, the Management has observed complete transparency and made adequate disclosures in this Report.

**2. BOARD OF DIRECTORS**

The Board of Directors comprises of 4 Directors. Composition, Category of Directors and other Directorship details are as follows:

| Category                           | Name & Designation                      | No. of other Directorships & Committee Membership / Chairmanship |                        |                  |
|------------------------------------|---|--|------------------------|------------------|
|                                    |   | Directorship (including Pvt. Ltd.)                               | Committee Chairmanship | Committee Member |
| Promoter Executive Director        | Sh. Sanjay Agarwal Managing Director    | 4  | -                      | 3                |
| Executive Director                 | Smt. Deepti Agarwal Whole Time Director | 1  | -                      | -                |
| Independent Non Executive Director | Sh. U. S. Gupta Director                | 4  | 2                      | 1                |
| Independent Non Executive Director | Sh. Lalit Gupta, Director               | 2  | 1                      | 2                |

The attendance of the Directors of the Company at the Board meetings & Annual General Meetings are as follows:

| Directors           | No. of Board Meetings Held During the year | No. of Board Meetings Attended | Attended Last AGM on 24/09/2009 |
|---------------------|--|--------------------------------|---------------------------------|
| Sh. Sanjay Agarwal  | 12   | 12                             | Yes                             |
| Smt. Deepti Agarwal | 12   | 12                             | Yes                             |
| Sh. U.S. Gupta      | 12   | 12                             | Yes                             |
| Sh. Lalit Gupta     | 12   | 12                             | Yes                             |