

BOSS SECURITIES LIMITED

MD	✓	BKC	✓
CS	NA	DDY	NA
RO	✓	DDY	NA
TRA	NA	AC	✓
AGM	✓	SLI	✓
YE	✓		

BOSS

3rd
ANNUAL REPORT
1997 - 98

BOARD OF DIRECTORS

SHRI M. SRINIVAS PRASAD	MANAGING DIRECTOR
SHRI Y.V. BHANUNARAYAN RO	DIRECTOR
SHRI B. SHANKAR	DIRECTOR
SHRI S.V. HANUMANTHA RAO	DIRECTOR

AUDITORS

M/s. K.P. & ASSOCIATES
Chartered Accountants
108, Maruthi Complex
Rajbhawan Road,
Somajiguda,
Hyderabad - 500 082.

BANKERS

STATE BANK OF HYDERABAD.
ANDHRA BANK

REGISTERED OFFICE

34/A/1, JOURNALIST'S COLONY
ROAD NO. 3, BANJARA HILLS,
HYDERABAD - 500 034.

BOSS SECURITIES LIMITED

NOTICE

Notice is hereby given that the Third Annual General Meeting of the members of the company will be held on Monday, 30th November, 1998 at FNC Centre, A-31, Road No. 5, Film Nagar, Hyderabad at 10.45 A.M. to transact the following business as :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Results for the company 31st March, 1998 together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sri B. Shankar, who being eligible offers appointment.
3. To appoint and fix the remuneration of the Auditors.

Date : 23-10-1998
Place : Hyderabad.

for and on behalf of the Board
For **BOSS SECURITIES LTD.,**

Sd/-
M. SRINIVAS PRASAD,
MANAGING DIRECTOR.

BOSS SECURITIES LIMITED

1. A member entitled to attend and vote at the meeting is entitled to appoint one more proxies to attend and vote in his instead and the proxy need not be a member of the company.
2. The proxy form duly completed and signed should be deposited at the Registered Office of the company not less 48 hours before the commencement of the meeting.
3. The Register of Members and the share transfer books of the company will remain closed from 27th November to 30th November, 1998 (both days inclusive)
4. Shareholders are requested to intimate immediately any change in their address registered with the Company.
5. Members are requested to bring their copy of the Annual Report at the ensuing Annual General Meeting.

DIRECTORS REPORT

To,

The Shareholders,
Boss Securities Limited.

Your Directors have pleasure in presenting their Third Annual Report of the company together with the Audited Financial Results of the Company for the year ended 31st March, 1998

OPERATIONS :

The commercial operations of the company commenced partially, due to non receipt of the allotment money by the company.

PROJECTION V/S PERFORMANCE :

	PROJECTIONS 31-03-1998 Rs.	31-03-1997 Rs.
Total Income	110000	322045
Profit after tax	(182612)	22800

CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO.

The disclosures relating to conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo as required under section 217 (1) (e) of the Companies Act, 1956 are not applicable since the company is not a manufacturing company.

DIRECTORS

Mr. B. Shankar retires by rotation and being eligible offers himself for re-appointment.

AUDITORS

M/s. K.P. & Associates, Chartered Accountants Hyderabad the Statutory Auditors of the company retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. They have signified their willingness to accept re-appointment and have further confirmed their eligibility under section 224 (IB) of the Companies Act, 1956

DEPOSITS

The Company has not accepted any deposits from the public during the year under review within the meaning of section 58A of the Companies Act, 1956 and the rules thereunder.

STATUTORY DISCLOSURES

Information pursuant to section 217 (1) (a) of the Companies Act, 1956 read with the companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is not given because the company has yet commenced the commercial production.

REPLY TO AUDITORS REPORT

Attention of the members is invited to Para No. 3 of the Auditors Report wherein the auditors have reported regarding non provision for debts. The Company expects to recover the entire loans & advances and shall encounter no problem whatsoever.

ACKNOWLEDGEMENTS

Your directors place on record their appreciation of the support received from the State and Central Governments and the Banks and the shareholders and the employees of the Company.

Place : Hyderabad.

Date : 23-10-1998

BY ORDER OF THE BOARD

Sd/-
Mr. SRINIVAS PRASAD
Managing Director

Sd/-
S.V. HANUMANTHA RAO
Director

AUDITORS REPORT

To
The Shareholders of
BOSS SECURITIES LIMITED

We have examined the attached Balance Sheet of BOSS SECURITIES LIMITED as at 31st March, 1998 and the Profit & Loss Account for the year ended 31st March, 1998 and report that :

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of these books.
3. The Balance Sheet and the Profit & Loss Account dealt with this Report are in agreement with the books of accounts.

Further to the above, we report that :

1. The company has not made any provision in respect of debts aggregating to Rs. 34747000 which are long outstanding and included in loans and advances. Consequently, the loss for the year has been understood by Rs. 34747000 and the current assets are overstated to that extent.

Subject to the above.

4. In our opinion and to the best of our information and according to the explanations furnished to us, the accounts read in conjunction with the notes thereon give the information as required by the Companies Act, 1956, in the manner so required and give a true and fair view :

- i) In the case of Balance Sheet of the state of affairs of the Company as at 31st March, 1998
- ii) In the case of Profit and Loss Account, of the (Loss) for year ended on that date.

5. As required by the Manufacturing and Other Companies (Auditors Report) Order, 1988 issued by the Company Law Board in terms of section 227 (4-A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate we report hereunder on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable.

ANNEXURES TO THE AUDITORS REPORT :

- i). The Company has maintained adequate records showing full particulars including quantitative details and situation of fixed assets in respect of completed assets. There is a system of verification of fixed assets at periodical intervals spread over a period and during the year completed fixed assets have been verified by the management. No material discrepancies have been noticed on such verification.
- ii) None of the Fixed assets have been revalued during the year.
- iii) The Company has not taken any Loans Secured or un secured from companies firms and other Parties listed in the register maintained under section 301 of the Companies Act, 1956.
- iv) The Company has granted loan to a company listed in the register maintained under Section 301 of the company Act, 1956 namely M/s. BOSS INDUSTRIES LTD., which is a company under the same management as defined by section 370 (1B) of the Companies Act, 1956. This loan is an interest free loan aggregating to Rs. 5,14,865/- In absence of any interest and repayment stipulations, we are unable to comment on the same. The Company has also made interest free advances in the nature of loans aggregating to Rs. 3,57,41,950 In the absence of any interest and repayment stipulations, we are unable to comment on the same. The same is shown under the head current assets.
- v) According to the information and explanations given to us, there are no transactions of purchase of goods and services, made in pursuance of contract or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000 or more in respect of each party.
- vi) The Company has not accepted any deposits from the public during the year.
- vii) The Company did not have an internal audit system during the year.
- viii) In our opinion the Internal Control environment needs to be strengthened. So as to be commensurate with size of the company and the nature of its business. The company has to improve its Internal control procedures with regard to its operations, of and in respect of purchase of equipment and other assets and for the sale of assets.

BOSS SECURITIES LIMITED

- ix) As explained to us, the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the provisions of Employees State Insurance Act are not applicable to the Company for this year.
- x) In our opinion and according to the explanations given to us, no personal expenses have been charged to revenue accounts, other than those payable under contractual obligations or in accordance with the generally accepted business practices.
- xi) The Company is not a Sick Company as defined under the Sick Industrial Companies (Special Provisions) Act, 1985.
- xii) According to the information and explanations given to us, there are no undisputed amounts payable in respect of Income - Tax, Sales Tax, Customs duty and Excise duty which are outstanding for a period of more than six months from the date they became payable.
- xiii) In our opinion the service activities of the Company do not involve consumption of materials, allocation of man-hours for ascertainment of cost of individual jobs, consumption of stores, and hence the requirement of reporting under clause 4 (B) (ii), 4 (B) (iv) does not arise.
- xiv) The Company has not granted any loans and advances on the basis of security, by way of pledge of shares, debentures and other securities.
- xv) We are informed that the provisions of special statute applicable to Chit Fund, Nidhi Mutual Benefit Society are not applicable to the Company.
- xvi) In our opinion clauses (iii), (iv), (vi), (xi), (xii), (xiv), (xv), (xvi), (xvii) of paragraph 4 (AO) and clauses (iii) and (iv) of paragraph 4 (D) of the order are not applicable to the Company.

For **K.P. & ASSOCIATES**
CHARTERED ACCOUNTANTS

P.S. RANGANATH
PARTNER

PLACE : HYDERABAD.
DATE : 30-06-1998

BOSS SECURITIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 1998

PARTICULARS	Schedule No.	As at 31-3-98 Rs.	As at 31-3-97 Rs.
SOURCES OF FUNDES :			
Share capital	(1)	55447000	55447000
Reserves		22800	22800
LOAN FUNDS :			
Secured Loans		---	---
Unsecured loans		---	---
		<u>55469800</u>	<u>55469800</u>
APPLICATION OF FUNDS :			
Fixed assets :	(2)		
Gross Block		187650	
Less : Depreciation		<u>43439</u>	
Net block		144211	164108
Incidental Expenses before commercial operations	(3)	467189	467189
Investments	(4)	16646375	16646375
Current assets, Loans & Advances :	(5)		
Cash & Bank balances		58268	
Loans & Advance		<u>36396315</u>	
		36454583	
Less : Current liabilities & Provisions	(6)	<u>161255</u>	
		36293328	36456043
Miscellaneous expenditure (to the extent not written off or adjusted)	(7)	1736085	1736085
Profit & Loss Account		<u>182612</u>	
TOTAL		<u>55469800</u>	<u>55469800</u>

As per report of even date

for K.P. & ASSOCIATES
Chartered Accountants

Sd/-

P.S. RANGANATH
Partner

Sd/-

M. SRINIVAS PRASAD
Managing DirectorFor and on behalf of the Board
for BOSS SECURITIES LIMITED

Sd/-

S.V. HANUMANTHA RAO
DirectorPlace : Hyderabad.
Date : 30-06-1998

BOSS SECURITIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDING 31-3-1998

PARTICULARS	31-3-1998		31-3-97
	AMOUNT Rs.	AMOUNT Rs.	Amount Rs.
INCOME :			
Income from operations commission		<u>110000</u>	<u>322045</u>
EXPENDITURE :			
Salaries & Wages			25000
Printing & Stationery	1680		480
Travelling expenses	99580		15122
Listing fee	28000		82500
Bank charges	2480		1798
Office & Miscellaneous expenses	5000		106000
Audit fee	10000		10000
Rent	42000		—
Advertisement	3840		—
Depreciation	19897		11908
Expenditure relating to previous year:			
Incometax	35135		
Postage	—		21887
Computer Maintenance	—		21550
Provison for Taxation	—		3000
		<u>292612</u>	<u>299245</u>
Profit / Loss after tax		<u><u>(-) 182612</u></u>	<u><u>22800</u></u>

SCHEDULE I

SHARE CAPITAL

PARTICULARS	As at 31-3-98 Rs.	As at 31-3-97 Rs.
Authorised share capital : 6250000 equity shares of Rs. 10/- each	62500000	62500000
Issued and Subscribed share capital: 6000100 equity shares of Rs. 10/- each fully paidup	60001000	60001000
Less : Allotment money due	4554000	4554000
	55447000	55447000

SCHEDULE 2

FIXED ASSETS

PARTICULARS	Gross Block			Depreciation			Net Block	
	As on 1-4-97 Rs.	Addns.	Total as on 31-3-98 Rs.	As on 31-3-97 Rs.	For the year Rs.	Total Rs.	As on 31-3-98 Rs.	As on 31-3-97 Rs.
1. Fax Machine	24000	-	24000	3274	3360	6634	17366	20726
2. Office equipment	86300	-	86300	10786	12241	23027	63273	75514
3. Furniture & Fittings	77350	-	77350	9482	4296	13778	63572	67868
	187650	-	187650	23542	19897	43439	144211	164108

BOSS SECURITIES LIMITED**SCHEDULE III****INCIDENTAL EXPENDITURE DURING CONSTRUCTION**

PARTICULARS	As at 31-3-98 Rs.	As at 31-3-97 Rs.
Salaries	—	60000
Bank Charges	—	15893
Postage & Courier charges	—	1850
Rent	—	6000
Telephone & Fax machine expenses	—	2250
Courier charges	—	1304
Miscellaneous expenditure	—	5000
Depreciation	—	11634
Professional charges	—	2500
Auditors Remuneration:		
Certification & Consultancy	—	5000
Statutory audit	—	5000
Travelling Conveyance & Press Conference	—	325000
Business promotion expenses	—	23650
Commission	—	59000
	—	524081
Less : Bank Interest on Deposits	—	56892
	—	467189

BOSS SECURITIES LIMITED**SCHEDULE 4****INVESTMENTS**

PARTICULARS	As at 31-3-98 Rs.	As at 31-3-97 Rs.
Satyakamal Agros Ltd.,	4146375	4146375
Boss Industries Ltd.,	12500000	12500000
	<u>16646375</u>	<u>16646375</u>

SCHEDULE : 5**A) CURRENT ASSETS**

PARTICULARS	As at 31-3-98 Rs.	As at 31-3-97 Rs.
Cash & Bank balances :		
Cash on hand	52433	202433
Balances with Schedule Banks :		
State Bank of Hyderabad	1690	167745
Andhra Bank	4145	4145
Citi Bank	--	46475
	<u>58268</u>	<u>420798</u>

B) LOANS & ADVANCES

(Unsecured considered good, Advance recoverable in cash or kind or for value to be received)

PARTICULARS	As at 31-3-98	As at 31-3-97
Depost with Hyderabad Stock Exchange	—	150000
Loans to Others	35741950	35647000
M/s. Boss Industries Ltd.	514865	300000
M.S. Prasad - Tour advance	136500	86500
Advance Tax	3000	3000
	<u>36396315</u>	<u>36186500</u>

SCHEDULE : 6**CURRENT LIABILITIES & PROVISIONS**

PARTICULARS	As at 31-3-98 Rs.	As at 31-3-97 Rs.
Liabilities for expenses & others	158255	148255
Provision for taxation	3000	3000
	<u>161255</u>	<u>151255</u>

SCHEDULE 7**MISCELLANEOUS EXPENSES****(To the extent not written off or adjusted)**

PARTICULARS	As at 31-3-98 Rs.	As at 31-3-97 Rs.
Preliminary expenses	230520	230520
Public issue expenses :		
Brokerage	326375	326375
Issue & Merchant Banking Exp.	75000	75000
Fees to the Registrar to the issue	40000	40000
Advertising & Publicity	244940	244940
Listing fee	37500	37500
Auditors fee for Public issue	5000	5000
Stamp duty	15000	15000
Printing & Stationery	315000	315000
Incentive-Public issue	400000	400000
Filing fee R.O.C.	46750	46750
	<u>1736085</u>	<u>1736085</u>

1. Significant Accounting Policies and Notes to Accounts

A. ACCOUNTING METHODOLOGY

The Company adopts accrual system of accounting under Historical Costs convention.

B. FIXED ASSETS

All Fixed Assets are valued at historical cost of acquisition, including incidental charges.

C. DEPRECIATION

In case of all Assets, depreciation is charged on straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

D. INVESTMENTS

Investments made in shares comprises of 12,50,000 Equity shares in M/s. Boss Industries Limited, which is a Company under same management as defined under section 370 (1B) of Companies Act, 1956, and 4,11,300 Equity shares in M/s. Sathya Kamal Agros Limited which is a company listed in Register maintained under section 301 of the Companies Act, 1956. The investments of the company are valued at cost inclusive of expenses incidental to acquisition where applicable. Provision for any permanent diminution, if any, in the value of investment is made to recognise a decline, other than temporary, for each investment individually.

II. NOTES TO ACCOUNTS

1. Expenses incurred during pre-incorporation period will be amortised over a period of ten years, once sufficient profits are available.
2. Contingent Liabilities not provided for - NIL.
3. Estimated amount of contracts remaining to be executed on Capital Accounts (Net Advances) - NIL.
4. Particulars of remuneration to Managing Director are as under :

Salary Basic	- NIL
Other Perks - HRA	- NIL
5. C.I.F. value of import in respect of capital goods - NIL
6. Expenditure / Earnings in foreign currency - NIL
7. No Provision for payment of Gratuity is made in the Accounts, as no employee qualifies for the same and this is only the 3rd year of the company coming into existence.
8. Net incidental expenses incurred prior to commencement of operations to the tune of Rs. 467189/- has been treated as Deferred Revenue Expenditure for being return off over a period of ten years.

In the absence of adequate profits, the company has not written off any proportionate expenditure during the year.
9. 105300 Shares purchased of M/s. Sathya Kamal Agros Ltd., are held with transfer deeds pending transfer in the name of the Company.
10. Balances under the head "Loans & Advances" are subject to confirmation from parties.
11. Additional information pursuant to Part IV of Schedule VI of the Companies Act, 1956

11. Figures of the previous year have been regrouped wherever necessary.

A. Registration Details

Registration No.	:	19867
State Code No.	:	01
Balance Sheet date	:	31-03-1998

B. Capital raised during the year

Public Issue	:	NIL
Rights Issue	:	NA
Bonus Issue	:	NA
Private Placement	:	NIL

(Firm Allotment to the Promoters and their Associates in Public Issues)

C. Position of Mobilisation and deployment of funds

Total Liabilities	:	Rs. 555 lacs (Rounded off)
Total Assets	:	Rs. 555 lacs (Rounded off)
Source of Funds		

Paid - up Capital

(including Share Application Money)

	:	Rs. 554 lacs (Rounded off)
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Reserves & Surplus	:	NIL
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Secured Loans	:	NIL
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Unsecured Loans	:	NIL
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Application of Funds

Net Fixed Assets

(including pre-operative expenditure)

	:	Rs. 529 lacs (Rounded) off)
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Investment	:	Rs. 166.46 lacs (Rounded) off)
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Net Current Assets	:	Rs. 362.93 lacs (Rounded) off)
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Miscellaneous Expenditure	:	Rs. 17.36 lacs (Rounded) off)
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Accumulated Losses	:	NIL
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Schedule to the Balance Sheet

D.	Performance of the Company	:	
	Turnover	:	Rs. 1,10,000
	Total Expenditure	:	Rs. 2,92,612
	Profit/Loss before Tax	:	Rs. 1,82,612
	Profit/Loss after in Rs.	:	NIL
	Earning per share in Rs.	:	NIL
	Dividend Rate %	:	NIL
E.	Generic Name of Principal	:	
	product of Company	:	
	Item Code No.	:	
	Product Description	:	Investments & Loans

16. Figures have been rounded off to the nearest rupee.
Schedule 1-7- form integral part of Balance Sheet and have been duly authenticated.

As per report of even date
for K.P. & ASSOCIATES
Chartered Accountants

Sd/-
P.S. RANGANATH
Partner

For and on behalf of the Board
for BOSS SECURITIES LIMITED

Sd/-
M. SRINIVAS PRASAD
Managing Director

Sd/-
S.V. HANUMANTHA RAO
Director

Place : Hyderabad.
Date : 30-06-1998

BOSS SECURITIES LIMITED

Regd. Office : 34/A/1, Journalist's Colony, Road No. 3, Banjara Hills,
Hyderabad - 500 034. (A.P.)

ATTENDANCE SLIP

I hereby record my presence at the Third Annual General Meeting of the Company at F.N.C. Centre, A-31, Road No. 5, Film Nagar, Hyderabad - 33 at 10-45 A.M. on Monday the 30th November 1998.

Name of the Attending Member.....

(In block letters)

Member's Folio Number.....

Name of proxy (In block letters, to be filled
in if proxy attends instead of the Member)

No. of Shares held.....

Signature of the attending Member/Proxy.....

NOTES :

1. If you intend to appoint a proxy, please complete the proxy Form and deposit it at the Company's Registered Office, atleast 48 hours before the meeting.
2. Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand it over at the entrance duly signed.

BOSS SECURITIES LIMITED

Regd. Office : 34/A/1, Journalist's Colony, Road No. 3, Banjara Hills,
Hyderabad - 500 034. (A.P.)

PROXY FORM

I/We.....
of.....being a
member of Boss Securities Limited holding.....Ordinary
Share (s) hereby appoint.....
of.....or failing him/her
.....of.....as my/our
Proxy to vote me/us on my/our behalf at the Third Annual General Meeting of the Company to be held
on Monday the 30th November 1998 and at any adjournment thereof.

As witness my/our hand (s) thisday of.....1998

Signed by the said.....Affix 1/-

Folio No.....Rev. Stamp

Affix 1/- Rev. Stamp

NOTE : The proxy in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

1. *Chlorophyll a* and *b* content

2. *Chlorophyll a* and *b* content

3. *Chlorophyll a* and *b* content

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13. *Chlorophyll a* and *b* content

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15. *Chlorophyll a* and *b* content

16. *Chlorophyll a* and *b* content

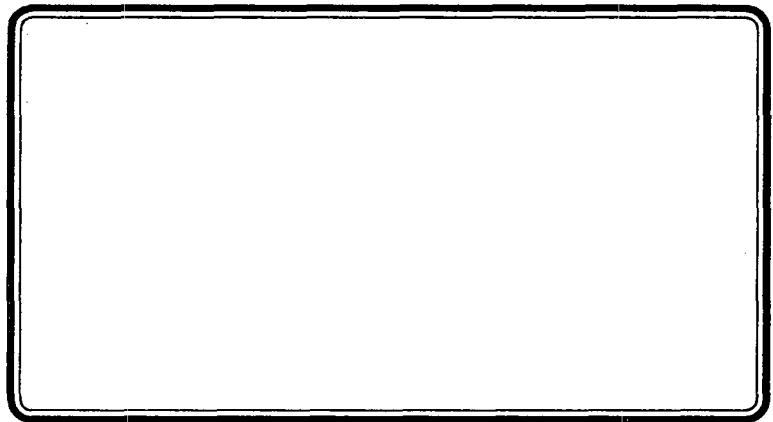
17. *Chlorophyll a* and *b* content

18. *Chlorophyll a* and *b* content

19. *Chlorophyll a* and *b* content

BOOK - POST

To



IF UNDELIVERED PLEASE RETURN TO

**BOSS SECURITIES LIMITED
34/A/1, JOURNALIST'S COLONY,
ROAD NO. 3, BANJARA HILLS,
HYDERABAD - 500 034.**