

ALLIANZ SECURITIES LIMITED



THE FINANCIAL POWERHOUSE

Report  junction.com

8th ANNUAL REPORT 2001-2002

**BOARD OF DIRECTORS**

Shri Kawaljit Singh	-	Chairman
Shri Ashwajit Singh	-	Vice Chairman
Shri Navjeet S Sobti	-	Managing Director
Shri M.L. Kampani	-	Non-Executive Director
Shri C.K. Tikku	-	Non-Executive Director
Shri Jagdeep Singh	-	Whole Time Director
Shri Rajan Sehgal	-	Whole Time Director

REGISTERED OFFICE

C-2, Green Park Extension,
New Delhi - 110 016

BRANCH OFFICES**MUMBAI**

1-B, EMCA House
289, Shaheed Bhagat Singh Road,
Fort, Mumbai - 400 001

KOLKATTA

23-A, Royd Street, 1st Floor
Room No. 101,
Kolkatta - 700 016

CHENNAI

12-A, Eldam Square, New No.12 (Old 167)
Eldams Road, Alwarpet,
Chennai - 600018

AHMEDABAD

S-5, 2nd Floor, Shroff Chambers
(Opp. Nachetan School,
Near Paldi Bus Stop)
Ahmedabad - 380 006

BANGALORE

No. S-219, 2nd Floor
South Block, Manipal Centre
Dickensen Road,
Bangalore - 560 042

BANKERS

Standard Chartered Bank
HDFC Bank

AUDITORS

H.K. Chhabra & Co.
324, Dakha Chambers,
2068/38 Naiwala Karol Bagh,
New Delhi - 110 005

MANAGER - SECRETARIAL

Ashok Kumar Gupta

TRANSFER AGENTS**(Physical Shares)**

Fintech Compu Systems Ltd.
WZ-1390/4, 3rd Floor,
Pankha Road, Nagal Raya,
New Delhi - 110 046
Phone No. 5556025

(Electronic Connectivity)

Beetal Financial & Computer Services (P) Ltd.
321-S, Chirag Delhi,
New Delhi - 110 017
Phone No. 6231990, 6232390

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NOTICE

NOTICE is hereby given that the 8th Annual General Meeting of the Members of ALLIANZ SECURITIES LTD. will be held on Monday, the 30th September, 2002 at 9.30 A.M, at Society Park, Gagan Vihar, Delhi to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as at 31st March, 2002, Profit & Loss Account for the year ending on that date and the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. C.K.Tikku who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit to pass, with or without modifications, the following resolution as an ordinary resolution :

“RESOLVED UNANIMOUSLY THAT pursuant to the provisions of Section 260,198,269,302,309&314 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 and subject to the approval of the shareholders in the Annual General Meeting, the remuneration payable to Mr. Navjeet S.Sobti, who is the Managing Director of the company, be and is hereby increased from Rs.40,000/- p.m. to Rs. 50,000/- p.m. (inclusive of all perquisites) with effect from 1st April, 2002”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution”.
5. To consider and if thought fit to pass, with or without modifications, the following resolution as an ordinary resolution :

“RESOLVED UNANIMOUSLY THAT pursuant to the provisions of Section 260,198,269,302,309&314 read with Schedule XIII and other applicable provisions of the Companies Act,1956 and subject to the approval of the shareholders in the Annual General Meeting ,the remuneration payable to Mr. Rajan Sehgal, who is the Wholetime Director of the company, be and is hereby increased from Rs. 40,000/- p.m. to Rs. 50,000/- p.m. (inclusive of all perquisites) with effect from 1st April, 2002”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution”.
6. To consider and if thought fit to pass, with or without modifications, the following resolution as an ordinary resolution :

“RESOLVED UNANIMOUSLY THAT pursuant to the provisions of Section 260,198,269,302,309&314 read with Schedule XIII and other applicable provisions of the Companies Act,1956 and subject to the approval of the shareholders in the Annual General Meeting ,the remuneration payable to Mr. Jagdeep Singh, who is the Wholetime Director of the company, be and is hereby increased from Rs. 35,000/- p.m. to Rs. 40,000/- p.m. (inclusive of all perquisites) with effect from 1st April, 2002”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution”.

By Order of the Board of Directors

Place: New Delhi.
Date : 31.08.2002

(KAWALJIT SINGH)
CHAIRMAN

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. 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. and 1.00 P.M. up to the date of Annual General Meeting.
3. Members/ Proxies should bring the Attendance Slip duly filled in for attending the meeting.
4. The Register of Members shall remain closed from Friday the 27th September, 2002 to Saturday the 28th September, 2002.
5. Shareholders seeking any information or having any query with regard to accounts are requested to write to the Company early so as to enable the Management to keep the information ready.

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

Explanatory Statement for Item No. 4 to 6 set out herein above is as under :

ITEM NO. 4

Mr. Navjeet S.Sobti who was re-appointed as Managing Director in 2000. His remuneration has been increased from Rs. 40000/- to Rs. 50000/- w.e.f. 1st April, 2002. This increase is in conformity with Schedule XIII and other applicable provisions of the Companies Act, 1956 and needs the approval of Shareholders. Hence the Board recommends the resolution for your approval.

None of the Directors except Mr. Navjeet S.Sobti are interested or concerned in the proposed resolution.

ITEM NO. 5

Mr. Rajan Sehgal was appointed as Wholetime Director in 2001. His remuneration has been increased from Rs. 40000/- to Rs. 50000/- w.e.f. 1st April, 2002. This increase is in conformity with Schedule XIII and other applicable provisions of the Companies Act, 1956 and needs the approval of Shareholders. Hence the Board recommends the resolution for your approval.

None of the Directors except Mr. Rajan Sehgal are interested or concerned in the proposed resolution.

ITEM NO. 6

Mr. Jagdeep Singh was appointed as Wholetime Director in 2001. His remuneration has been increased from Rs. 35000/- to Rs. 40000/- w.e.f. 1st April, 2002. This increase is in conformity with Schedule XIII and other applicable provisions of the Companies Act, 1956 and needs the approval of Shareholders. Hence the Board recommends the resolution for your approval.

None of the Directors except Mr. Jagdeep Singh are interested or concerned in the proposed resolution.

By Order of the Board of Directors

Place : New Delhi.
Date : 31.08.2002

(KAWALJIT SINGH)
CHAIRMAN



DIRECTOR'S REPORT TO THE MEMBERS

To the Members,

Your Directors hereby present the 8th Annual Report together with Audited Accounts for the financial year ended 31st March, 2002.

FINANCIAL HIGHLIGHTS

Financial results of the Company for the year under review are summarised below:-

	Year ended 31.03.2002	(Rs.in lacs) Year ended 31-03-2001
Gross Income	821.43	669.64
Profit before interest, depreciation & tax	47.04	17.67
Less: Interest	0.43	3.31
Less: Depreciation	5.71	5.40
Less: Provision for Tax	2.12	0.84
Net Profit/Loss	38.78	8.12
Prior period adjustments/Provisions written back	(14.65)	0.18
Profit/(Loss) brought forward	(505.96)	(514.26)
Surplus/ (Deficit) carried to Balance Sheet	(481.83)	(505.51)

RESULTS OF OPERATIONS

Revenues : Total revenues for the year ended March 31, 2002 grew by 30% to Rs. 821.43 lacs over the previous reporting period.

Profits : Profit before taxes for the fiscal year 2001-02 grew by 199% as compared to the previous reporting period. The profit after tax for the fiscal year was Rs. 24.12 lacs as against Rs. 8.29 lacs in the previous fiscal period.

DIVIDEND

Since during the year under review, your company could not achieve the profits sufficient to wipe off the accumulated losses, your directors have not recommended any dividend for the current financial year.

FIXED DEPOSIT

The company has during the year under review reduced its fixed deposit liabilities from Rs. 17.68 lacs on March 31, 2001 to Rs. 15.10 lacs as on March 31, 2002.

LISTING

The company's shares are listed on the following stock exchanges and the annual listing fees has been paid to each such stock exchanges :

1. The Delhi Stock Exchange Association Ltd.
DSE House, 3/1 Asaf Ali Road
New Delhi -110 002.

2. The Stock Exchange, Mumbai
Phiroze Jejeebhoy Towers
Dalal Street, Mumbai-400 001.



DIRECTORS

Mr. C.K.Tikku, Director of the Company is due for retirement by rotation at the ensuing Annual General Meeting and offer himself for reappointment.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, it is hereby confirmed:

- that in preparation of the Balance Sheet and the Profit and Loss account of the Company, the applicable accounting standards have been followed along with the proper explanation relating to material departures:
- that the Directors have selected such Accounting Policies and applied them consistently and made judgements 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 and of the profit of the Company for that period :
- that the Directors have taken proper and sufficient care 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 had prepared the accounts for the year ended 31st March, 2002 on a "going concern" basis.

AUDITORS

M/s H.K.Chhabra & Co., Chartered Accountants, Auditors of the Company are liable for retirement at the ensuing Annual General Meeting, and being eligible offered themselves for reappointment.

STATUTORY STATEMENTS

The statement pursuant to Section 217 (1) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 and pursuant to Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 is not applicable as the Company does not have any employee drawing remuneration exceeding the sum prescribed therein.

CONSERVATION OF ENERGY

Your Company, being in the business of financial services, has not consumed energy of any significant level and accordingly no comments are necessary in respect of energy conservation and reduction of energy consumption.

TECHNOLOGY ABSORPTION

No comment is necessary considering the nature of activities undertaken by your company during the year under review.

FOREIGN EXCHANGE INCOME/OUTFLOW

There has been no foreign exchange income/outflow during the year under review.

CORPORATE GOVERNANCE

The corporate governance report as prescribed under the amended provisions of listing agreements, forms part of this Annual Report.

ACKNOWLEDGEMENTS

Your Directors place on record due appreciation of the trust reposed in your Company by the Investors, Depositors, Banks, Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges and other government agencies. Your Directors also thank its Depositors, Clients and young team of professionals for their support.

Your Directors also place on record their sense of appreciation of the valuable contribution made by the staff of the Company.

On behalf of the Board

Place : New Delhi
Date : 31.08.2002

(KAWALJIT SINGH)
CHAIRMAN



CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY

The Management of the Company recognizes the importance of Corporate Governance for better transparency as well protection of Shareholder's interest.

The code of Corporate Governance, as introduced by the SEBI, is to be complied with under the provisions of the Stock Exchange listing agreement by the Company during the year 2001-2002, but, not later than 31st March, 2002. The Company in pursuance to the Stock Exchange requirements has confirmed its compliance to the applicable guidelines.

2. BOARD OF DIRECTORS

The Board of Directors of the Company comprises of an optimum combination of Executive & Non-Executive Directors) headed by Non-Executive Chairman. The present strength of the board is 7 (seven) and out of which 2 (two) are independent Directors. The Independent Directors do not have any material pecuniary relationship or transactions with the Company, promoters, management which may affect their judgements in any manner. The Board meets at least once in a quarter to consider amongst other matters, the quarterly unaudited financial results of the Company.

Sr. No.	Name	Category	No. of Directorship in Companies		No. of Member-ship in other Board Committees
			Public	Private	
1	Kawaljit Singh	Non Executive Chairman	1	2	2
2	Ashwajit Singh	Non Executive Vice chairman	—	4	—
3	Navjeet S. Sobti	Managing Director		2	
4	C.K. Tikku	Non Executive Director	7	—	—
5	M.L.Kampani	Non Executive Director	—	—	—
6	Jagdeep Singh	Wholetime Director	—	2	—
7	Rajan Sehgal	Wholetime Director	2	1	—

During the year under review, 5 Board Meetings were held on 28th April 2001, 28th July 2001, 25th August 2001, 27th October 2001 & 28th January 2002. The last Annual General Meeting for the Financial year ending 31st March, 2001 was held on 29th September 2001.

The attendance of the individual directors in the aforesaid meeting was as follows :

Name of Director			Meeting Date & Attendance				
			28.04.01	28.07.01	25.08.01	27.10.01	28.01.02
Kawaljit Singh	Chairman		✓	X	✓	✓	✓
Ashwajit Singh	Vice Chairman		X	✓	✓	✓	✓
Navjeet S. Sobti	Managing Director		✓	✓	✓	✓	✓
C.K. Tikku	Director		✓	✓	✓	✓	✓
M.L.Kampani	Director		✓	✓	✓	✓	✓
Jagdeep Singh	Wholetime Director		X	✓	✓	✓	✓
Rajan Sehgal	Wholetime Director		X	X	✓	✓	X