



report **ALLIANZ** .com

THE FINANCIAL POWERHOUSE

9th ANNUAL REPORT 2002-2003

ALLIANZ SECURITIES LIMITED

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

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-416, 2nd Floor
 South Block, Manipal Centre
 Dickens Road,
 Bangalore - 560 042

HYDERABAD

'Manideep' 8-2-696/1/K/A,
 Plot No. 172 Road No. 12,
 Banjara Hills,
 Hyderabad-500034.

BANKERS

Standard Chartered Bank
 HDFC Bank
 UTI Bank
 Bank of Punjab

AUDITORS

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

MANAGER - SECRETARIAL

Ashok Kumar Gupta

TRANSFER AGENTS

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 9th Annual General Meeting of the Members of ALLIANZ SECURITIES LTD. will be held on Tuesday, the 30th September, 2003 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, 2003, 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. M.L. Kampani 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.

By Order of the Board of Directors

Place: New Delhi.

Date : 29.07.2003

(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 Tuesday the 16th September, 2003 to Tuesday the 30th September, 2003.
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.

By Order of the Board of Directors

Place: New Delhi.

Date.: 29.07.2003

(KAWALJIT SINGH)

CHAIRMAN



DIRECTOR'S REPORT TO THE MEMBERS

To the Members,

Your Directors hereby present the 9th Annual Report together with Audited Accounts for the financial year ended 31st March, 2003.

FINANCIAL HIGHLIGHTS

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

	(Rs.in lacs)	
	Year ended 31.03.2003	Year ended 31-03-2002
Gross Income	882.49	804.99
Profit before interest, depreciation & tax	124.43	47.04
Less: Interest	0.07	0.43
Less: Depreciation	7.48	5.71
Less: Provision for Tax	7.25	2.12
Prior period adjustments/Extra ordinary items	(26.87)	(14.65)
Net Profit after Tax	82.76	24.13
Profit/(Loss) brought forward	(481.83)	(505.96)
Surplus/ (Deficit) carried to Balance Sheet	(399.07)	(481.83)

RESULTS OF OPERATIONS

Revenues : Total revenues for the year ended March 31, 2003 grew by 9.62% over the previous reporting period.

Profits : Profit before taxes for the fiscal year 2002-03 grew by 243% as compared to the previous reporting period. The profit after tax for the fiscal year was Rs. 82.76 lacs as against Rs. 24.13 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

All the seventy eight deposits totalling Rs. 13.39 lacs due for repayment on or before 31st March, 2003 were not claimed by the depositors on that date.

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

During the year Mr. Rajan Seghal resigned as Director of your Company. The board place on record the valuable services rendered by him during their tenure as Wholtime Director of the Company.

Mr. M.L. Kampani, 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, 2003 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, Banks, Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges and other government agencies. Your Directors also thank its 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 : 29.07.2003

(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.

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 6 (six) 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		3	
4	C.K. Tikku	Non Executive Director	6	1	—
5	M.L.Kampani	Non Executive Director	—	—	—
6	Jagdeep Singh	Wholetime Director	—	3	—

During the year under review, 5 Board Meetings were held on 27th April 2002, 29th July 2002, 31st August 2002, 26th October 2002 & 30th January 2003. The last Annual General Meeting for the Financial year ending 31st March, 2002 was held on 30th September 2002.

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

Name of Director		Meeting Date & Attendance				
		27.04.02	29.07.02	31.08.02	26.10.02	30.01.03
Kawaljit Singh	Chairman	✓	✓	✓	✓	✓
Ashwajit Singh	Vice Chairman	X	✓	✓	✓	X
Navjeet S. Sobti	Managing Director	✓	✓	✓	✓	✓
C.K. Tikku	Director	✓	✓	✓	✓	✓
M.L.Kampani	Director	✓	X	✓	✓	✓
Jagdeep Singh	Wholetime Director	✓	✓	✓	✓	✓
Rajan Sehgal	Wholetime Director	X	X	✓	✓	---



3. Remuneration of Directors

Name	Category	Salary & perquisites (Rs.)	Sitting Fees (Rs.)
Kawaljit Singh	Chairman		10000
Ashwajit Singh	Vice Chairman	—	—
Navjeet Singh Sobti	Managing Director	50,000 per month with perquisites	
C.K. Tikku	Director	—	10000
M.L.Kampani	Director	—	8000
Jagdeep Singh	Director	40,000 per month with perquisites	—

4. AUDIT COMMITTEE

The Audit Committee of the Board was constituted on 25th August 2001. The present composition of the Audit Committee is as under :

Sl.No.	Name	Category
1.	Mr. M.L.Kampani	Non - Executive
2.	Mr. Ashwajit Singh	Non - Executive
3.	Mr. Kawaljit Singh	Non - Executive

The quorum of the Committee is 1/3 of the total strength or 2 whichever is higher. Shri M.L. Kampani who has sufficient accounting & financial background was elected as the Chairman of the Committee for all its meetings held during the year. The terms of reference of the Audit Committee are in line with Stock Exchanges Listing Agreement and provisions of Section 292 A of the Companies Act, 1956.

During the Financial year 2002-2003, the Audit Committee meetings were held on 27th April 2002, 31st August 2002 and 24th April, 2003.

For review of the Annual financial results for the year 31st March, 2003 the meeting of Audit committee was held on 29th July 2003.

The Committee amongst other Financial & Accounting matters discussed the following :-

- i) Unaudited Financial Results for the quarter ended March 2003.
- ii) Audited Financial Results for the Financial year 2003.
- iii) Working capital Management viz a viz reduction of Inventory levels and reduction of receivables.

The Manager-Secretarial is the Secretary of the Committee and has attended all the previous Committee meetings.

5. SHARE TRANSFER AND SHARE HOLDERS GRIEVANCE COMMITTEE

At present the Share Transfer and Share Holders/Investor grievances committee comprises of Shri Kawaljit Singh & Shri Navjeet S. Sobti. The Chairman is elected amongst members of the Committee.

During the year under review 16 share transfer and share holders/investors grievance committee meetings were held.

The various issues addressed in connection with Shareholders and Investor services & grievance are

- a) Share transfer :
 - i) Approve and effect transfer and transmission of Shares
 - ii) Issue of new Share Certificates in lieu of lost share/mutilated certificates
 - iii) Consolidation of folios/transposition of names
- b) Shareholders/ investors complaints :
 - i) Non receipt of Shares after transfer/transmission
 - ii) Non receipt of Annual Report
 - iii) Other matters including change of address etc.