

BOOK POST

12<sup>th</sup>

# ANNUAL REPORT

2003 - 2004



**CONSOLIDATED SECURITIES LIMITED**

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**Regd. Office : X-13 (LGF), Hauz Khas, New Delhi 110016**

# **CONSOLIDATED SECURITIES LIMITED**

**Regd.Office : X-13 (LGF), Hauz Khas, New Delhi 110016**

## **12<sup>th</sup> Annual Report**

**2003- 2004**

### **BOARD OF DIRECTORS**

**Mr.T.S.Bhatia**

**Mr.Sudhir Kumar**

**Mr.Sanjay Gogia**

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### **AUDITORS**

**H.K.Batra & Associates  
8/33, 3<sup>rd</sup> Floor, WEA,  
Sat Bhuvan School Marg  
Karol Bagh  
New Delhi 110 005**

### **BANKERS**

**Punjab National Bank  
ABN Amro Bank**

# CONSOLIDATED SECURITIES LIMITED

REGD.OFFICE : X-13(LGF), HAUZ KHAS, NEW DELHI – 110016

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given the 12<sup>th</sup> Annual General Meeting of the members of the company will be held on Thursday, 30<sup>th</sup> September, 2004 at the Registered Office of the Company at X-13 (LGF), Hauz Khas, New Delhi 110016 at 10.00 AM to transact with or without modifications as may be permissible the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet of the company as at 31<sup>st</sup> March 2004 and the Profit and Loss Account for the year ending on that date along with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Sudhir Kumar who retires by rotation and being eligible offer himself for reappointment.
3. To appoint the Auditors of the Company and to fix their remuneration.

BY AND ON BEHALF OF THE BOARD

 T.S.BHATIA  
[DIRECTOR]

Place: New Delhi

Dated: 16.08.2004

### NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.
2. In order to be effective, the proxy must be lodged with the company at its registered office not less than 48 hours before the meeting.
3. The Register of Members and the Share Transfer Books will remain closed from 27.09.2004 to 30.09.2004 (both days inclusive) in terms of the provisions of the section 154 of the Companies Act, 1956.
4. The members are requested to notify the change of address, if any, immediately to the Company / Registrar quoting their folio numbers.
5. The members are requested to bring their copy of Annual Report with them to the meeting.

**CONSOLIDATED SECURITIES LIMITED**  
**REGD.OFFICE : X-13 (LGF), HAUZ KHAS, NEW DELHI – 110016**

**DIRECTORS' REPORT**

Dear Members,

Your Directors feel pleasure in presenting before you the 12<sup>th</sup> Annual Report for the year ended 31<sup>st</sup> March 2004.

**FINANCIAL RESULTS (Rs. In Lacs)**

<b>Particulars</b>	<b>2003-04</b>	<b>2002-03</b>
Total Income	68.93	74.85
Profit/(Loss) before Depreciation	0.87	(-) 0.04
Less: Depreciation	0.60	1.13
Preliminary Expenses Written Off	0.70	0.75
Profit/(Loss) before tax	(-) 0.43	(-) 1.94
Provision for Taxation (Current & Deferred)	NIL	17.57
Profit/(Loss) after tax	(-) 0.43	(-) 2.23
Profit/(Loss) brought forward from last year	(-) 108.16	(-) 105.93
Amount available for appropriation	(-) 108.60	(-) 108.16
<b>Appropriations</b>		
Transfer to General Reserve	NIL	NIL
Proposed Dividend	NIL	NIL
Balance carried to Balance Sheet	(-) 108.60	(-) 108.16

**Dividend**

In view of the insignificant operation incurred during the year by the Company your directors do not recommend any dividend for the year 2003 – 2004.

**Performance**

The economic slow down has gone deeper into the various financial activities. We hope that in future economy will improve and the affected position of the service industry will also be improved.

**Future Prospects**

On account of expected economic turnaround your directors expect for better prospects for the current financial year.

**Particulars of Employees**

During the year the company did not employ any employee who is in receipt of remuneration as under the provisions of section 217 (2A) therefore, provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1988 are not applicable to the company.

**Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

Clause regarding information pursuant to Section 217(1e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988 is not applicable to your Company since there is no import of technology, no activity in foreign exchange during the year under report.

## Fixed Deposits

As at 31<sup>st</sup> March 2004 company does not have any Public Deposit accepted under Section 58A of the Companies Act, 1956.

## Appointment of Auditors

M/s. H.K.Batra & Associates, Chartered Accountants, being eligible offer themselves for reappointment. The company has obtained from them certificate to the effect that their appointment, if made, will be within the limits under Section 224(1-B) of the Companies Act, 1956.

## Auditors' Observation

The observation of the Auditors are self-explanatory as read with relevant note of Notes on Accounts, Schedule X. In respect of Point No. 1(b) regarding valuation of Investments at cost price contravening the provisions of AS-XIII issued by the ICAI, it is mentioned that due to the non availability of the Balance Sheets as at 31.03.2004 of the companies it is not possible to value the Investments at cost or Break up Value whichever is less.

## Management Discussion and Analysis

The Management Discussion and Analysis Report, covering matters listed in Clause 49 of the Listing Agreement for the year under review are as follows :-

### (A) INDUSTRY STRUCTURE AND DEVELOPMENT

After entering of banks and financial institutions in consumer financing and leasing, the scenario of NBFC's has affected very badly and most of the NBFC's have either ceased to exit or diverted their line of activities into other sectors. The activities of our company have also suffered in this process. The management is seeking other areas of operation to venture into in future. Presently the operations are insignificant.

### (B) OPPORTUNITIES AND THREATS

After a grim phase in financial market, the IPO market and related activities have started picking up. We hope to expand our activities in the near future after consolidating our present activities. Since our aim is to cater small and medium sectors, our main threat is from large scale NBFCs and banks established in consumer financing.

### (C) SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE/ FINANCIAL PERFORMANCE

The operations of the company are not significant in the current year ended 31.3.2004 hence we are not giving separate statement under this heading.

### (D) OUTLOOK

Once the overall economy picked up, we hope the NBFC's will also prosper and new areas of fruitful operation will come out.

### (E) RISKS AND CONCERNS

The need to spend on infrastructure and other capital related activities in future And also tightening of capital adequacy norms are the main concern.

### (F) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has sufficient checks and balances in place to ensure accuracy and reliability of the information and its review.

### (G) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES DEVELOPMENT

There is no material change in the human resources development in view of lack- luster activities in the company during the current year.

## **Director**

Mr.Sudhir Kumar, Director of the Company, is due to retire by rotation at the ensuing Annual General Meeting and offer himself for re-appointment.

## **Directors' Responsibility Statement**

The directors confirm that:

- i) In preparation of the annual accounts, the applicable accounting standards had been followed.
- ii) The directors had 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 the affairs of the company at the end of the financial year and of the loss of the company for that period.
- iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) The directors had prepared the annual accounts on a going concern basis.

## **Corporate Governance**

The Company is getting proactive in following the principles and practices of good corporate governance. The Company has ensured that the Corporate Governance requirements, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange, are duly complied with. A separate Statement on Corporate Governance is given elsewhere in this Annual Report.

A certificate from the Auditors of the Company regarding compliance of Clause 49 of the Listing Agreement is attached in this Report.

## **Acknowledgement**

Your Directors take this opportunity to express deep gratitude and appreciation for the Co-operation and necessary support given by the Banks and Government departments.

Your Directors wish to place on record their appreciation for the hard work, dedication and commitment of the staff at all levels.

**For and On Behalf of the Board**

**[ Director ]**

**Place: New Delhi**

**Dated: 16.08.2004**

# **CORPORATE GOVERNANCE**

## **R E P O R T**

As required by the Clause 49 of the Listing Agreement of the Stock Exchange a report on "Corporate Governance" is as under:

### **1. Board of Directors**

- a) The Board of Directors of the company consists of Directors including 1 Promoter Director, 2 Independent Directors. The relevant information are provided here below:

Name of Director	Designation	Category	No. of Meeting held(1-4-03 To 31.3.04)	No. of Meetings attended	No. of other Directorship	Attendance at last AGM
Shri. T.S. Bhatia	Director	Promoter Director	6	6	None	Yes
Shri. Sanjay Gogia	Director	Independent Director	6	6	None	Yes
Shri. Sudhir Kumar	Director	Independent Director	6	6	None	Yes

- b) The dates of Board Meetings held during 1-4-2003 to 31-3-2004 are as under:

08.04.2003, 25.08.2003, 21.10.2003, 31.10.2003, 05.01.2004, 09.02.2004

### **2. Audit Committee**

The relevant details of Audit Committee of Board of Directors of the Company is as under :

The Board has its Audit Committee of one Promoter Director and two Independent Directors which meets the composition criteria. The relevant details about the Committee are as under:

Name of Director	No. of Meeting Held (1-4-2003 to 31-3-2004)	No. of Meeting Attended
Shri.T.S.Bhatia	Three	Three
Shri.Sanjay Gogia	Three	Three
Shri.Sudhir Kumar	Three	Three

### **3. Remuneration Committee**

Since there is no managerial remuneration paid during the year, this clause is not applicable.

### **4. Investor relations & Share Transfer Committee:**

The Committee is being constituted with the following members :

1. Shri. T.S. Bhatia - Promoter Director
2. Shri. Sanjay Gogia - Independent Director