

**TWELTH
ANNUAL REPORT
2003 - 2004**



TITAN SECURITIES LIMITED

TITAN SECURITIES LTD.



BOARD OF DIRECTORS

Mr. K.C. Gupta (Director)
Mr. Suresh Chand Singla (Managing Director)
Mrs. Manju Singla (Director)
Mr. Naresh Kumar Singla (Director)

AUDITORS

Deepika Setia & Co.
Chartered Accountants
190, Mukherjee Nagar,
3rd Floor, Delhi – 110 009.

BANKERS

Oriental Bank of Commerce
IDBI Bank Ltd.
Jain Co-op. Bank Ltd.
HDFC Bank Ltd.

REGISTERED OFFICE

A-2/3, 303-305,
IIIrd Floor Lusa Tower,
Azadpur Commercial Complex,
Delhi – 110 033.

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TITAN SECURITIES LTD.**NOTICE**

Notice is hereby given that the 12th Annual General Meeting of the Members of Titan Securities Limited will be held at A-2/3, 303-305, 3rd Floor, Lusa Tower, Azadpur Commercial Complex, Delhi on Thursday 30th September, 2004 at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2004 and Profit & Loss Account for the year ended on that date and the Report of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. K. C. Gupta who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors of the Company and to Authorise Board of Directors to fix their remuneration.

SPECIAL BUSINESS :

4. To consider and if thought fit to pass with or without modification, the following resolution as a **Special Resolution** :

"RESOLVED THAT the Share capital of the Company comprising of 7,60,00,000 equity shares of Rs.1 each be consolidated and divided into 76,00,000 equity shares of Rs. 10 each.

FURTHER RESOLVED THAT clause V of the Memorandum of Association of Company be altered and replaced by following:

"The Authorised Capital of the Company is Rs. 7,60,00,000/- (Rupees Seven Crore Sixty Lacs only) divided into 76,00,000 (Seventy Six Lac) Equity Shares of Rs. 10 (Rupees Ten) each."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to issue new share certificates in lieu of the old share certificates subject to the rules laid down in the Companies (Issue of Share Certificate) Rules, 1960 and the articles of association of the company."

NOTES :

1. *A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself. A proxy need not be a member of the Company. However, proxies in order to be effective must be received at the registered office of the company not less than forty-eight hours before the Annual General Meeting.*
2. The Share transfer Books and the Register of Members of the Company will remain closed from 25th September, 2004 to 30th September, 2004 (both days inclusive)

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3. Members who are holding shares in identical order of names in more than one folios are requested to write to the Company to consolidate their holdings in one folio.
4. Members are requested to intimate to the Companies Queries, if any, regarding these accounts/notice at least 7 (seven days) before the meeting to enable the Management to keep the information ready at the meeting.
5. Members who wish to avail transport facility may send intimation at A-2/3, Lusa Tower, Azadpur, Delhi by 6.30 p.m. upto 28th September 2004, requests received thereafter, shall not be entertained.
6. Members are requested to kindly :
 - i. quote their Registered Folio Number in all correspondence including change of address with the company.
 - ii. To bring their copy of the Annual Report at the time of attending the Meeting.

By Order of the Board
For TITAN SECURITIES LTD.

Place : New Delhi

Dated : 3rd September 2004

Suresh Chand Singla

Managing Director



ANNEXURE TO NOTICE

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

ITEM NO. 4

The par value of Rs. 1 each per share does not reflect the true strength of company. Therefore, the Board of directors of your company think it expedient to consolidate the share capital of the company by issue of 1 equity share of Rs.10 each in lieu of 10 shares of 1 each and consolidate the 7,60,00,000 equity shares into 76,00,000 equity shares of Rs 10 each subject to the approval of shareholders. The approval of shareholders is therefore being sought pursuant to the provisions of 94 & 95 of the Companies Act, 1956. The shareholders are requested to approve the proposed resolution as a Special Resolution.

By Order of the Board
For TITAN SECURITIES LTD.

Place : New Delhi

Dated : 3rd September 2004

Suresh Chand Singla

Managing Director

TITAN SECURITIES LTD.



CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company has adopted good corporate governance norms laid down by Securities and Exchange Board of India and is committed to ensure transparency in its affairs which is expected by all stakeholders of company including shareholders, lenders, employees, customers and public at large. The Company is making all out efforts for enhancing shareholders wealth. At TITAN SECURITIES LTD., we are committed to Good Corporate Governance to ensure that all functions of the Company are discharged in professionally sound and competent manner. Given below is the requisite information relating to corporate governance as required under the listing agreement with stock exchanges.

BOARD OF DIRECTORS :

Composition of Board

The Board of Directors of your company comprises of four Directors, of which three are Non-Executive Directors. Composition of the Board of Directors of the Company as on 31st March, 2004 was as under :—

Name of Director	Status	Board Meeting	Attendance Particulars	No. of Directorships and committee Member/Chairmanship		
			Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
Mr. K C Gupta	Non-Executive	1	No	Nil	2	Nil
Mr. Naresh Kr. Singla	Non-executive	6	Yes	6	3	3
Mrs. Manju Singla	Non-executive	6	Yes	2	2	—
Mr. Suresh Chand Singla	Managing Director	6	Yes	6	4	4

Directors' Remuneration

The details of remuneration paid to the Director during the year form 01.04.2003 to 31.03.2004 were as under :

Name	Gross Remuneration (Rs.)	Sitting Fee (Rs.)	Total (Rs.)
Mr. Suresh Chand Singla	Rs.2,40,000/-	NIL	Rs. 2,40,000/-

- Gross remuneration includes salary and perquisites.
- The Company has a policy of not advancing any loan to Directors. The Company does not have any stock option scheme.
- The Managing Director was appointed for a period of five years. As per the service rules of the Company, either party is entitled to terminate the appointment by giving not less than three months' notice in writing to the other party. There is no severance fee.

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BOARD PROCEDURE

As per Corporate Policy all the statutory and material information are placed before the Board with a view to enable it to discharge efficiently its responsibilities in formulating the strategies and policies for the growth of the Company. The Agenda and other relevant papers were circulated ahead of the scheduled dates of the meetings. The day-to-day affairs of the Company are managed by the Managing Director subject to the supervision and control of the Board of Directors. Opinions and advices of the Independent & Non-executive Directors are considered valuable guidance.

COMMITTEES OF THE BOARD OF DIRECTORS

• Audit Committee

The Company has an Audit Committee of the Board of Directors. As on 31.3.2004, the Audit Committee was comprised of three Directors, all being Non-executive & Independent. The Committee met five times during the year 2003-04, on 22nd April 2003, 29th July 2003, 4th September 2003, 28th October, 2003, 17th January, 2004. The attendance of the Audit Committee Members was as under.

Name	Category	No. of Meeting(s) Attended
Mr. K.C. Gupta	Independent, Non-executive Director	1
Mr. Naresh Kumar Singla	Independent, Non-executive Chairman	5
Mrs. Manju Singla	Independent, Non- executive Director	5

• REMUNERATION COMMITTEE

The Company has constituted a Remuneration Committee of the Board of Directors to recommend/ review the remuneration package of the Executive Directors including the Managing Director. The remuneration Committee comprises of three Directors, all being Non-executive & Independent, as mentioned below:—

Name	Category
Mr. K.C. Gupta	Independent, Non-executive Director
Mr. Naresh Kumar Singla	Independent, Non-executive Chairman
Mrs. Manju Singla	Independent, Non-executive Director

• SHAREHOLDERS / INVESTORS' GRIEVANCE COMMITTEE

The Board had delegated the power to attend investor complaints to Shareholders and Investors Grievance Committee. The Shareholders/Investors' Grievance Committee consist of following Directors which met thirteen times upto 31st March, 2004, i.e. on 4th April 03, 28th May, 2003, 7th June 2003, 16th July, 2003, 10th August 2003, 16th September, 2003 30th October 2003, 7th November, 2003, 19th December 2003, 12th January, 2004, 2nd February, 2004, 25th February 2004 and 17th March, 2004. The attendance of the Members of Share Transfer & Shareholders / Investors' Grievance Committee was as under: -

Mr. K.C. Gupta	Independent, Non-executive Director	13
Mr. Naresh Kumar Singla	Independent, Non-executive Chairman	2
Mrs. Manju Singla	Independent, Non- executive Director	13

TITAN SECURITIES LTD.**II. OTHER DISCLOSURES****Details of last three Annual General Meetings**

Venue	Date	Time
A-2/3, IIIrd Floor, Lusa Tower Azadpur Inds. Area, New Delhi	30/09/2003	9.30 a.m.
A-2/3, IIIrd Floor, Lusa Tower Azadpur Inds. Area, New Delhi	30/09/2002	4.00 a.m.
A-2/3, IIIrd Floor, Lusa Tower Azadpur Inds. Area, New Delhi	29/09/2001	4.00 a.m.

Whether special resolution where put through Postal Ballot last year, details of voting pattern	N.A.
Person who conducted the Postal Ballot exercise	N.A.
Are votes proposed to be conducted through	N.A.
Procedure for Postal Ballot	N.A.

• DISCLOSURES

The Company has not violated any provision of law nor any penalty stricture imposed on the Company by Stock Exchange(s), SEBI or any other authority, on any matter related to capital market, during the last three years except in one case where the matter is sub-judice for acquisition of certain shares under SEBI takeover code. Additional fee for late submission of annual report for last year i.e. 2002-03 was Rs. 1000/- . The Company is complying with the provisions of various corporate and other laws as applicable to it.

• MEANS OF COMMUNICATION

Half yearly report sent to each household of share holders	No. Company is publishing the results in National & Regional Newspapers.
Quarterly Results are normally published in	Quarterly Results are published in National & Regional Newspapers.
Any web-site, where displayed Where it also displays official news releases and the presentations made to Institutional investors or to the analysts.	The Company is filing the required information on edifar website of SEBI. The Quarterly results are sent immediately after approval of the same in the Board Meeting to Stock Exchanges.
Where Management Discussion & Analysis Report is a part of Annual Report or not	Yes

TITAN SECURITIES LTD.**CV OF SHRI K. C. GUPTA, DIRECTOR, RETIRING BY ROTATION**

Shri Kailash Chand Gupta is Ex-Branch Manager of the State Bank of India (SBI) and has worked in the SBI for more than 30 years at various senior level positions. He had working experience in the Finance and Banking Sector of the State Bank of India. He has been acting as director on the Board of Directors of our company since November, 1993. He has helped the company with his rich and vast experience in the banking and finance sector. He has proved to be a valuable asset for our company. He has good knowledge in Accounts, Finance and Banking areas of business.

MANAGEMENT DISCUSSION & ANALYSIS REPORT**Industry Structure & Development:**

Your Company is in the business of sale and purchase of securities. The growth of the company depends upon the gains from its investments in the capital market which depends upon the portfolio taken by the company, stability of government, policies of the Government and also steps taken by government and other regulatory agencies to boost the capital market. On the other hand Capital market gets affected with imposition of any special tax on the day-traders or brokers or speculators and arbitrageurs which in turn results in low share prices and affects the investors. During the last year the business in the capital market picked up and most of the mutual funds and other companies with good investment backup gained.

Opportunities & threats

The capital market is most volatile and the opportunities in investment do come up and your management take suitable steps for making investments in good shares in the capital market. There are certain factors such as instability of government, capital market scams and unethical means adopted by certain investors/ brokers which pose major threat to the growth and sustainability of capital market and which may convert good investment decision to bad.

Segment wise or productwise performance

Your Company deals in only one product i.e securities. Detailed list of investment is enclosed along with the balance sheet.

Outlook

The prospects of investment in capital market are bright especially with the announcement in the budget regarding abolition of long term capital gains tax. However, imposition of turnover tax @ 0.15% of transaction cost posed major threat to the share market with large scale protest by brokers. Since now the transaction tax has been softened to 0.015% of transaction cost, it will give a boost to the capital market.

Risk & concerns

Investment in the capital market is always risky. Any change of policy or bad news like fall of a government etc. may result in major fall in sensex and in turn can turn profitable investment into losses. The major concern for investors today are capital market scams which can often turn profits into losses with no fault on the part of investors in making investments.

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Internal control systems and their adequacy

We adopt sound internal control systems to make investments and the control systems of company are adequate to check any fraud or error. The management is very cautious in financial matters and mainly invests with full-proof systems.

Financial performance

The Company suffered a loss of Rs.404 during the current year. The investments during the year continue to be in good blue chip companies only.

Material development in Human Resources

There has not been any major development on human resources front and industrial relations continue to be cordial.

• ANNUAL GENERAL MEETING

Date : 30th September, 2004

Time : 10.00 A.M.

Venue : A-2/3, Illrd Floor, Lusa Tower, Azadpur Commercial Complex, Delhi - 110033.

• FINANCIAL CALENDAR (TENTATIVE)

Financial Reporting for the quarter ending June 30, 2004	End of July, 2004
Financial Reporting for the quarter ending Sept. 30, 2004	End of Oct. 2004
Financial Reporting for the quarter ending Dec. 31, 2004	End of Jan. 2005
Financial Reporting for the ending Mar. 31, 2005	End of April 2005
Annual General Meeting for the year 2005	Sep. 2005

• DATES OF BOOK CLOSURE

From the 25th September, 2004 to the 30th September, 2004 (both days inclusive)

• DIVIDEND PAYMENT DATE

The Directors have not recommended any dividend on Equity Shares for the Financial Year 2003-2004.

• STOCK EXCHANGE

The Shares of the Company are listed on the Stock Exchange, Mumbai and listing fees for the current year has been paid to the Stock Exchange, Mumbai. Your Company has taken steps for voluntarily delisting equity shares of the Company from all other Stock Exchanges and the matter is in correspondence. The above equity shares are being delisted pursuant to SEBI (delisting of securities) Guidelines, 2003.

There has been thin trading in equity shares of the Company on the Delhi & Jaipur Stock Exchanges during the past few years. No material benefit accrues to the members or the Company by continuing the listing of equity shares on the above stock exchanges. Therefore as a measure of cost saving & administrative convenience, it is considered desirable to delist the equity shares of the company from these stock exchanges.

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• MARKET PRICE DATA

		High			Low		
Month		JSE	DSE	BSE	JSE	DSE	BSE
April, 2003		0.00	0.00	0.00	0.00	0.00	0.00
May, 2003		0.00	0.00	0.00	0.00	0.00	0.00
June, 2003		0.00	0.00	0.00	0.00	0.00	0.00
July, 2003		0.00	0.00	0.00	0.00	0.00	0.00
August, 2003		0.00	0.00	0.00	0.00	0.00	0.00
Sept., 2003		0.00	0.00	3.00	0.00	0.00	1.80
Oct., 2003		0.00	0.00	2.45	0.00	0.00	1.97
Nov., 2003		0.00	0.00	2.40	0.00	0.00	2.40
Dec., 2003		0.00	0.00	2.40	0.00	0.00	1.70
Jan., 2004		0.00	0.00	2.00	0.00	0.00	2.00
Feb., 2004		0.00	0.00	0.00	0.00	0.00	0.00
March, 2004		0.00	0.00	0.00	0.00	0.00	0.00

• SHARE TRANSFER SYSTEM

M/s Intime Spectrum Registry Limited has been working as the Registrar & Transfer Agent of the company and handling both demat and physical transactions of company. Share Transfers in physical form are registered, if documents are clear in all respect within 30 days and shares are returned to the registered holder in physical form. The Share Transfer and Shareholders/Investors' Grievance Committee meets frequently to approve transfer of shares.

• DEMATERIALISATION OF SHARES AND LIQUIDITY

All requests for dematerialisation of shares are processed and confirmation is given to the respective depositories i.e. National /securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) within the stipulated time. Upto 31st March, 2004, 4.30% equity shares of the Company have been dematerialised.

Other details are as under :

* Approximate time taken for share transfer if the Documents are clear in all respects	: 30 days
* Demat ISIN Number for Equity Shares of the Company in NSDL & CDSL	: INE090D01017
* Total No. of shares dematerialised upto 31.03.2004	: 1309000
* Total No. of shares rematerialised upto 31.03.2004	: NIL
* Total No. of shares transferred during 2003-04 (physical)	: 141500
* No. of shares pending for transfer as on 31.03.2003	: NIL
* No. of shares pending for dematerialisation/	: NIL
* Complaints by shareholders & their redressal during 01.04.2003 to 31.03.2004	: Details given below