

THIRTEENTH ANNUAL REPORT 2004 - 2005



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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)
Mr. Rakesh Gupta (Additional Director)
Mr. Avtar Singh (Additional Director)

AUDITORS

Deepika Setia & Co.
Chartered Accountants,
190, Mukherjee Nagar,
Delhi -110 009

BANKERS

ORIENTAL BANK OF COMMERCE
Prabhu Dayal Public School, Extension Counter
Shalimar Bagh, New Delhi

REGISTERED OFFICE

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

REGISTRAR & SHARE TRANSFER AGENT

Intime Spectrum Registry Limited
A-31, 3rd Floor, Naraina Industrial Area,
Phase-1, near PVR Cinema,
New Delhi 110 028
Ph: 51410592/51410593/51410594
Fax: 51410591

CONTENTS

Notice
Corporate Governance Report
Auditors Report on Corporate Governance
Directors Report including Management
Discussion and Analysis Report
Auditors Report
Balance Sheet
Profit & Loss Account
Schedules Forming part of Balance Sheet
Significant Accounting Policies and Notes on Accounts
Cash Flow Statement
Proxy Form & Attendance Slip
Balance Sheet Abstract

TITAN SECURITIES LTD.**NOTICE**

Notice is hereby given that the 13th Annual General Meeting of the Members of Titan Securities Limited will be held at A-2/3, IIIrd Floor, Lusa Tower, Azadpur Commercial Complex, Delhi on Friday, the 30th September, 2005 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, 2005 and Profit & Loss Account for the year ended on that date and the Report of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. Naresh Kumar Singla 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 Ordinary Resolution :
 "RESOLVED THAT Shri Rakesh Gupta who was appointed as an additional director pursuant to Section 260 of the Companies Act, 1956 be and is hereby re-appointed as director of the Company, liable to retire by rotation.
5. To consider and if thought fit to pass with or without modification, the following resolution as a Ordinary Resolution:
 "RESOLVED THAT Shri Avtar Singh who was appointed as an additional director pursuant to Section 260 of the Companies Act, 1956 be and is hereby re-appointed as director of the Company, liable to retire by rotation.

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.*

TITAN SECURITIES LTD.

2. The Share transfer Books and the Register of Members of the Company will remain closed from 26th September, 2005 to 30th September, 2005 (both days inclusive)
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 Company queries, if any, regarding these accounts/ notice atleast 7 (seven days) before the meeting to enable the Management to keep the information ready at the meeting.
5. 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 2005

Suresh Chand Singla
Managing Director

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 **ITEM NO. 4**

Shri Rakesh Gupta was appointed as additional director pursuant to Section 260 of the Companies Act, 1956 by the Board of Directors on 31st March, 2005. The appointment of Shri Rakesh Gupta was made to strengthen the Board of directors of the Company. Shri Rakesh Gupta has vast experience in the share market and will be useful for the company in the long run. The Bio-data of Shri Rakesh Gupta is given in the Annual Report of the Company for the information of the Shareholders. The Company has received consent letter regarding acceptance of directorship by Shri Rakesh Gupta on his appointment as director by the shareholders in this Annual General Meeting alongwith a deposit of Rs. 500/- (Five hundred only) in Cash pursuant to Section 257 of the companies Act, 1956 from Shri Rakesh Gupta. The Shareholders are therefore requested to pass the resolution for his appointment as an ordinary resolution.

None of the directors of the Company are interested in the above resolution

TITAN SECURITIES LTD.**ITEM NO. 5**

Shri Avtar Singh was appointed as additional director pursuant to Section 260 of the Companies Act, 1956 by the Board of Directors on 31st March, 2005. The appointment of Shri Avtar Singh was made to strengthen the Board of directors of the Company. Shri Avtar Singh has vast experience in the share market and will be useful for the company in the long run. The Bio-Data of Shri Avtar Singh is given in the Annual Report of the Company for the information of the Shareholders. The Company has received consent letter regarding acceptance of directorship by Shri Avtar Singh on his appointment as director by the shareholders in this Annual General Meeting alongwith a deposit of Rs. 500/- (Five hundred only) in Cash pursuant to Section 257 of the companies Act, 1956 from Shri Avtar Singh. The Shareholders are therefore requested to pass the resolution for his appointment as an ordinary resolution.

None of the directors of the Company are interested in the above resolution.

By Order of the Board

For TITAN SECURITIES LTD.

Place : New Delhi

Dated : 3rd September 2005

Suresh Chand Singla

Managing Director

TITAN SECURITIES LTD.



CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF 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 Six Directors, of which Five are Non-Executive Directors. Composition of the Board of Directors as on 31st March, 2005 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 Independent	4	No	Nil	2	Nil
Mr. Naresh Kr. Singla	Non-Executive	9	Yes	6	Nil	Nil
Mrs. Manju Singla	Non-Executive	8	Yes	2	Nil	Nil
Mr. Suresh C Singla	Managing Director	9	Yes	6	1	1
Mr. Rakesh Gupta	Non-Executive Independent	1	No	Nil	3	3
Mr. Avtar Singh	Non-Executive Independent	1	No	Nil	3	Nil

Shri Rakesh Gupta and Shri Avtar Singh were appointed as additional directors in the Board Meeting held on 31st March, 2005 pursuant to Section 260 of the Companies Act, 1956.

Directors' Remuneration

The details of remuneration paid to the Director during the year from 01.04.2004 to 31.03.2005 were as under :

Name	Gross Remuneration (Rs.)	Sitting Fee (Rs.)	Total (Rs.)
Mr. Suresh Chand Singla	Rs. 3,00,000/-	NIL	3,00,000/-

TITAN SECURITIES LTD.



- 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.
- Each of the Executive Directors namely, Managing Director & Whole-time Directors have been 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.

BOARD PROCEDURES

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 31.3.2005 the Audit Committee was reconstituted by the Board of Directors with three Directors, all being Non-executive & Independent namely Shri Rakesh Gupta, Shri Avtar Singh and Shri K. C. Gupta. The Committee met five times during the

year 2004-05, on 24th April 2004, 27th July 2004, 3rd September 2004, 27th October, 2004, 28th January 2005. The attendance of the former Audit Committee Members was as under

Name	Category	No. of Meeting(s) Attended
Mr. K. C. Gupta	Non-executive	1
Mr. Naresh Kr. Singla	Non-executive	5
Mrs. Manju Singla	Non-executive	5

• REMUNERATION COMMITTEE

The Company had re-constituted Remuneration Committee of the Board of Directors on 31st March, 2005. The committee was assigned powers to recommend/review the remuneration package of the Executive Directors including the Managing Director and Senior Management personnel like Chief Executive Officer, Company Secretary and Other Senior Functionaries. The reconstituted remuneration Committee comprises of three Directors, all being Non-executive as mentioned below : —

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

TITAN SECURITIES LTD.

• **SHAREHOLDERS/INVESTOR'S 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 twelve times upto 31st March, 2005 i.e. on 27th April, 2004, 24th May 2004, 28th June, 2004, 28th July, 2004, 28th August, 2004, 27th September, 2004, 28th October, 2004, 25th November, 2004 27th December, 2004, 27th January, 2005 28th February, 2005 and 25th March, 2005. The attendance of the Members of Share Transfer & Shareholders / Investors' Grievance Committee was as under :—

Mr. K. C. Gupta	Non-executive Director	12
Mr. Naresh Kumar Singla	Non-executive Chairman	2
Mrs. Manju Singla	Non- executive Director	12

The Share Transfer and Shareholders / Investors Grievance Committee was reconstituted on 31st March, 2005 with following three directors namely Shri Rakesh Gupta, Shri Avtar Singh and Shri K. C. Gupta all being non-executive and independent.

II. OTHER DISCLOSURES

Details of last three Annual General Meetings :

Venue	Date	Time
A-2/3, Illrd Floor, Lusa Tower, Azadpur Inds. Area, New Delhi	30/09/2004	10.00 A.M
A-2/3, Illrd Floor, Lusa Tower, Azadpur Inds.Area, New Delhi	30/09/2003	9.30 A.M
A-2/3, Illrd Floor, Lusa Tower, Azadpur Inds.Area, New Delhi.	30/09/2002	4.00 P.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. 2003-04 was Rs.1,000 /- . The Company is complying with the provisions of various corporate and other laws as applicable to it.

TITAN SECURITIES LTD.**• 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 displaying all required information on Edifar website of SEBI. The quarterly results are sent immediately after approval of the same in the Board Meeting.
Where Management Discussion & Analysis Report is a part of Annual Report or not	Yes

CV OF SHRI NARESH KUMAR SINGLA, DIRECTOR RETIRING BY ROTATION

Shri Naresh Kumar Singla Son of Late Shri Ganga Sahai aged 44 years is a commerce graduate having experience of more than two decades in Project Implementation, Financial and Management Consultancy and Administration. In 1984 he joined Connoisseur Management Services Private Limited as director and he was the chief executive of the Company till 1987. In 1988 Shri Singla steps in the pharmaceutical industry and actively involved himself in setting up the project for manufacturing basic drugs i.e. Ampicillin T. H, Choloramphnicol, its palmitate and Trimethoprim and implemented the Project at Abu Road, Rajasthan. He has over 10 years of experience in Share Market.

CV OF SHRI RAKESH GUPTA, ADDITIONAL DIRECTOR

Shri Rakesh Gupta Son of Shri Om Prakash Gupta and aged 42 years has more than a decade of experience in the Capital Market. He has good political and technical knowledge and has also been associated with top investment companies. He is a graduate from Delhi University. He had worked as partner in O.P. Gupta Investment company and has experience of capital market.

CV OF SHRI AVTAR SINGH, ADDITIONAL DIRECTOR

Shri Avtar Singh Son of Shri Harjinder Singh and aged 32 years has more than a decade of experience in the Capital Market. He has good knowledge of Stock Exchanges and other regulatory authorities and has also been associated with reputed companies. He is a Commerce graduate from Delhi University. He had worked as Financial Analyst in reputed company and has experience of more than 10 years.

TITAN SECURITIES LTD.



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.

Opportunities & threats

The capital market is most volatile and the opportunities of right investment do come up and your management take suitable steps for making investments in good shares in the capital market. Instability of government, capital market scams and unethical means adopted by certain investors/brokers pose major threat to the growth and sustainability of capital market 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. The Congress Government formed at the Centre under the Prime Ministership of Dr. Manmohan Singh has managed to have a stable government at the Centre and have taken initiatives which will help to have a stable growth in good scrips in the long run and the confidence of investors in the share market is growing with SEBI taking stringent action against companies not attending to investor complaints. DCA and SEBI have given online complaint facility to investors and companies which fail to redress investor complaints can be fined heavily as per SEBI Act.

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.

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.