

MD	✓		BKC	✓
CS	NA		DPY	ND
RO	✓		DIV	ND
TRA	NA		AC	✓
AGM	✓	✓	SH	✓
YE	✓	✓		

4th Annual Report

Certified True Copy

DAULAT SECURITIES LTD.

Report

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Director

DSL

DAULAT SECURITIES LTD

DAULAT SECURITIES LIMITED



DAULAT SECURITIES LIMITED

Directors

Sri Sohanlal Kochar (Chairman)
Sri Narendra Kochar (Managing Director)
Sri Anil Kochar
Sri Binod Banthia
Sri Jitendra Kochar
Sri Ajit Kochar
Sri Sandeep Jhawar

Auditors

Bahety & Goenka

Bankers

ANZ Grindlays Bank
Bank of America
Corporation Bank
Citi Bank
Canara Bank
Vysya Bank Ltd.
HDFC Bank
United Bank of India

Registered Office

86, Canning Street
Calcutta - 700 001.

DAULAT SECURITIES LIMITED

NOTICE

Notice is hereby given that the Fourth Annual General Meeting of the members of DAULAT SECURITIES LIMITED will be held at the Corporate Office of the Company at 5 Ashutosh Chowdhury Avenue, Calcutta -700 019 on Monday, the 29th day of September, 1997 at 11.00 A.M. to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet and Profit and Loss Account for the year ended 31st March 1997 and Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Anil Kochar who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Ajit Kochar who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors to hold office, from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification(s) the following resolution as an ordinary Resolution :

"RESOLVED that pursuant to section 269, 309, 311 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the terms of re-appointment and remuneration of Mr. Narendra Kochar, Managing Director of the company for a period of five years with effect from 1st day September, 1997 upon the terms and conditions as set out in the Explanatory Statement attached to the Notice convening this Annual General Meeting."

Registered office :
86, Canning Street
Calcutta - 700 001.

By order of the Board

Narendra Kochar
(Managing Director)

Place : Calcutta
Date : 1st September, 1997

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. Such proxy need not be a member of the Company. Proxies in order to be effective must be deposited with the Company not less than 48 hours before the meeting.
2. The Register of the Members and Share Transfer Book of the Company will remain closed from 26th day of September to 29th day of September 1997 (both days inclusive).
3. Members are requested to notify any change in their address immediately to the Company's Share Department at the Registered Office at 86, Canning Street, Calcutta -700 001.
4. Members are requested to bring their copies of the Reports and Accounts to the Meeting.

DAULAT SECURITIES LIMITED

ANNEXURE TO NOTICE

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

Item No. 5

Mr. Narendra Kochar was appointed as Managing Director of the company with effect from 1st September, 1994 for a period of 3 (three) years and the shareholders approved the appointment at the Extra Ordinary General Meeting held on 10th September, 1994.

In view of the terms of the appointment having expired on 31st August, 1997, the Board of Directors have proposed the re-appointment of Mr. Narendra Kochar as Managing Director for a period of 5 (five) years with effect from 1st September 1997 at a remuneration within the limits prescribed under the Schedules XIII of the Companies Act, 1956 and upon terms and conditions set out in the draft agreement proposed to be entered into between the Company and Mr. Narendra Kochar subject to the approval of the shareholders at the Annual General Meeting of the Company.

The terms of appointment and remuneration payable are as under :

1) **Salary**

Salary of Rs. 9,000/- per month.

2) **Perquisites**

Perquisites are allowed in addition to salary. For this purpose perquisites are classified into 3 categories Part-A, Part-B and Part-C.

Part-A

- (a) **House rent Allowance** : Not exceeding 30% of the salary.
- (b) **Medical Reimbursement** : Expenses incurred for self, wife and dependent children subject to a ceiling of one month's salary per annum.
- (c) **Leave/Leave Travel Assistance** : One Month's leave on full pay for every 11 months of service and Leave Travel Assistance for self, wife and dependent children once a year towards travelling cost only from and to any place in India.
- (d) **Club Fees** : Fees of Club subject to maximum of two clubs.
- (e) **Personal Accident Insurance** : Premium not to exceed Rs. 4000/- per annum.

Part-B

Provident Fund, Superannuation and Gratuity : Provident Fund, Superannuation and Gratuity as per rules of the Company subject to the ceiling as per the guidelines for managerial remuneration in force from time to time.

Part-C

- (a) **Car** : Free use of Company's car with driver for Company's business.
- (b) **Telephone** : Free Telephone facility at residence subject to the condition that personal long distance call shall be billed by the Company.
- (c) **Entertainment** : Reimbursement of actual expenses incurred by him in connection with the business of the Company.

Beside Mr. Narendra Kochar himself, Mr. Sohanlal Kochar, Mr. Anil Kochar, Mr. Jitendra Kochar and Mr. Ajit Kochar, all Directors of the Company, are interested as relatives of Mr. Narendra Kochar.

Registered office :
86, Canning Street
Calcutta - 700 001.

Place : Calcutta
Date : 1st September, 1997

By order of the Board

Narendra Kochar
(Managing Director)

DAULAT SECURITIES LIMITED

DIRECTOR'S REPORT

TO
THE MEMBERS
OF
DAULAT SECURITIES LIMITED

Your Directors have pleasure in presenting the Fourth Annual Report together with the Audited Accounts for the year ended 31st March 1997.

FINANCIAL RESULTS FOR THE YEAR IS AS UNDER

	31.03.97	31.03.96
Profit before taxation	15,04,177	89,87,258
Less : Provision for taxation	<u>6,50,000</u>	<u>37,50,000</u>
Profit after tax	8,54,177	52,37,258
Add : Balance brought forward from previous years	29,04,953	22,04,130
Add : Excess Amortised Expenses written back	60,000	—
Amount available for Disposal	<u>38,19,130</u>	<u>74,41,388</u>
Out of which appropriations made are :		
General Reserve	—	20,00,000
Proposed Dividend on Equity	<u>—</u>	<u>25,36,435</u>
	—	45,36,435
Leaving a carry forward balance of	38,19,130	29,04,953
	<u>38,19,130</u>	<u>74,41,388</u>

The Directors express their inability to declare dividend in view of inadequate profits.

STOCK EXCHANGE MEMBERSHIP & OPERATIONS

The Company has become member of the Calcutta Stock Exchange and commenced operations at the Exchange since November, 1996.

The operations of the Company were satisfactory keeping in view the cut throat competition and steep fall in rates of brokerage as well as sluggish capital market conditions prevailing in the country due to fragile political situation.

DIRECTOR

Mr. Anil Kochar and Mr. Ajit Kochar retire by rotation and being eligible, have offered themselves for reappointment.

AUDITORS REPORT

The report of the auditors is self explanatory and there are no comments which need to be reported.

AUDITORS

Shareholders are requested to appoint the Auditors of the company and to fix their remuneration.

PROJECTIONS VIS A VIS PERFORMANCE

In compliance with clause 43 of the listing agreement with Stock Exchanges, a comparison between projected profitability of the Company, reported in the Prospectus dated 25th January, 1995 and actual profitability is given below :-

DAULAT SECURITIES LIMITED

Year ending 31st March 1997.

	Projections (Rs. in lacs)	Performance (Rs. in lacs)
Income from operations	450.00	51.10
Income from investments etc.	123.38	9.96
Total income	573.38	61.06
Profit before interest, depreciation & tax	528.92	22.02
Less interest	18.00	1.69
Less depreciation	3.00	5.29
Profit before tax	507.92	15.04
Provision for tax	230.94	6.50
Profit after tax	276.98	8.54
Dividend%	15	—
Equity share capital	500.00	500.00
Earnings per share	5.54	0.18

Capital Market remained sluggish throughout the year leading to lower volumes and this coupled with steep fall in rates of brokerage attributed to lower income from operations.

PARTICULARS OF EMPLOYEES

No employee was in receipt of remuneration aggregating to Rs.3,00,000/- per annum or Rs. 25,000/- per month.

CONSERVATION OF ENERGY/TECHNOLOGY / ABSORPTION / RESEARCH AND DEVELOPMENT

Particulars as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable to the Company.

Registered Office
86, Canning Street
Calcutta - 700 001.

By order of the Board
For Daulat Securities Limited

Dated : 1st September, 1997

Sohanlal Kochar
(Chairman)