



Certify True Copy
For DAULAT SECURITIES LTD.
Ajit Kachau
Director,



DAULAT SECURITIES LIMITED

Daulat Securities Limited

Directors

Sri Sohanlal Kochar (Chairman)
Sri Jitendra Kochar (Managing Director)
Sri Madhusudan Daga (Additional Director)
Sri Binod Banthia
Sri Ajit Kochar

Auditors

Bahety & Goenka

Bankers

Corporation Bank
Canara Bank
HDFC Bank Ltd.
Indus Ind Bank Ltd.
United Bank of India
Vysya Bank Ltd.

Registered Office

86, Canning Street
Calcutta-700 001

DAULAT SECURITIES LIMITED

NOTICE

NOTICE is hereby given that the Sixth 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 Wednesday 29th day of September, 1999 at 11.00 A. M. to transact the following business : -

1. To receive, consider and adopt the Audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 1999 and Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Binod Banthia 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

ITEM NO. - 1

To consider and if thought fit, to pass with or without modification the following as an Ordinary Resolution.

" Resolved that Mr. Madhusudan Daga who was appointed as an Additional Director under section 260 of the Companies Act, 1956 read with Articles of Association of the Company and who holds office till the conclusion of this Annual General Meeting, be and is hereby appointed as a Director 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 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 Forty Eight hours before the meeting.
2. The Register of the Members and Share Transfer Book of the Company will remain closed from 24th day of September to 29th day of September, 1999 (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.
5. Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 :-

Item No. 1 under Special Business

At the meeting of the Board of Director held on 1st December 1998 Mr. Madhusudan Daga was appointed as an Additional Director of the Company to hold office till the conclusion of the Annual General Meeting. Mr. Madhusudan Daga is an experienced person. He is also on the board of several other companies. He brings with him rich experience in various areas.

As required under section 257 of the Companies Act notice has been received from a Member signifying his intention to propose appointment of Mr. Madhusudan Daga as Director of the Company.

The Resolution is recommended for the approval of the members. None of the Director except Mr. Madhusudan Daga is concerned or interested in the said resolution.

Registered Office :

86, Canning Street
Calcutta - 700 001
Place : Calcutta
Dated : 29th July, 1999

By Order of the Board

Jitendra Kochar
(Managing Director)

DAULAT SECURITIES LIMITED

DIRECTORS' REPORT

TO
THE MEMBERS
OF
DAULAT SECURITIES LIMITED

Your Directors have pleasure in presenting the Sixth Annual Report together with the Audited Accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS FOR THE YEAR IS AS UNDER

	31.03.99	31.03.98
Profit before taxation	16,61,470	10,98,427
Less : Provision for Taxation	2,00,000	1,80,000
Profit after tax	14,61,470	9,18,427
Add : Balance brought forward from previous years	45,23,966	38,19,130
Less : Short Provision of Income Tax adjusted	—	2,13,591
Leaving a carry forward balance of	59,85,436	45,23,966

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

STOCK EXCHANGE OPERATIONS

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

Mr. Anil Kochar, Narendra Kochar and Mr. Sandeep Jhawar resigned from the Board of Director with effect from 1st December, 1998. The Board records their appreciation of the valuable contribution.

At the meeting of the Board of Director held on 1st December, 1998 Mr. Madhusudan Daga was appointed as an Additional Director of the Company to hold office till the conclusion of this Annual General Meeting. Mr. Madhusudan Daga is an experienced person. He is also on the board of several other companies. He brings with him rich experience in various areas.

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.

Y2K COMPLIANCE

The Company has taken appropriate steps to meet Y2K requirement. Total cost for the purpose is estimated Rs. 2,00,000/- . The whole process is estimated to be completed within September, 1999. The Company is confident that the steps taken are sufficient to meet Y2K Problem.

PARTICULARS OF EMPLOYEES

No employee was in receipt of remuneration aggregating to Rs. 6,00,000/- per annum or Rs. 50,000/- per month.

CONSERVATION OF ENERGY/TECHNOLOGY/ABSORPTION/RESEARCH AND DEVELOPMENT

Particulars as required under the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1998 are not applicable to the Company.

Registered Office :

86, Canning Street
Calcutta - 700 001

By Order of the Board

For DAULAT SECURITIES LIMITED
Sohanlal Kochar
(Chairman)

Dated : The 29th Day of July, 1999

DAULAT SECURITIES LIMITED

AUDITORS REPORT

TO
THE MEMBERS
OF
DAULAT SECURITIES LIMITED

We have audited the attached Balance Sheet of DAULAT SECURITIES LIMITED as at 31st March, 1999 and Profit & Loss Account for the year ended on that date annexed thereto and report that :

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956 we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in Annexure referred to in paragraph 1 above, we state that :
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of such books.
 - (c) The Balance Sheet and Profit & Loss Account as referred to in this report are in agreement with the books of account.
 - (d) In our opinion, the Profit and Loss Account and the Balance Sheet comply with the requirements of accounting standards reported to in sub section 3C of section 211 of the Companies Act, 1956 to the extent applicable.
 - (e) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit and Loss account read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 1999.
 - (ii) in the case of the Profit & Loss account, of the profit of the company for the year ended on that date.

For BAHETY & GOENKA
Chartered Accountants

Place : Calcutta
Dated : The 29th Day of July, 1999

R. K. Bahety
Partner

DAULAT SECURITIES LIMITED

ANNEXURE TO THE AUDITOR'S REPORT**Re : DAULAT SECURITIES LIMITED**

(Referred to in paragraph 1 of our Report of even date)

- 1) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets of the Company have been physically verified by the management during the year and no discrepancies between the book records and physical inventory have been noticed.
 - 2) None of the fixed assets have been revalued during the year.
 - 3) The stocks of shares and debentures have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - 4) The procedures of physical verification of shares and debentures followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - 5) No discrepancies were noticed on the above verification.
 - 6) On the basis of our examination of stock records, we are of the opinion that the valuation of stocks of shares and debentures is fair and proper and in accordance with the normally accepted accounting principles.
 - 7) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from the companies, firm or other parties are prima-facie not pre-judicial to the interest of the Company. As explained, there is no Company under the same management as defined under subsection (1B) of section 370 of the Companies Act, 1956.
 - 8) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchase of assets, shares and debentures, and sale of shares and debentures.
 - 9) The Company has not accepted any deposits from the public during the year.
 - 10) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
 - 11) According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty outstanding as at 31st March, 1999 for a period or more than six months from the date they became payable.
 - 12) According to the information and explanations given to us, no personal expenses have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
 - 13) In our opinion, the Company has maintained proper records of the transactions and contracts for purchases of shares and debentures and according to the information and explanations given to us, entries have been made therein timely. All the shares and debentures have been held by the Company in its own name or with valid transfer deed.
 - 14) In our opinion and according to the information and explanation given to us, the transaction of purchase and sale of share and debentures are in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000/- or more in respect of each party, have been made at price which are reasonable having regard to prevailing market price for such share & debentures or the price at which transactions for similar goods have been made with other parties.
 - 15) The Company is not a Sick Industrial Company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985.
- Other matters specified in aforesaid orders are not applicable.

For BAHETY & GOENKA
Chartered Accountants

Place : Calcutta
Dated : The 29th Day of July, 1999

R. K. Bahety
Partner