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15th ANNUAL REPORT

2007 - 2008

DSL

DAULAT SECURITIES LIMITED

For Daulat Securities Ltd.

Director

DAULAT SECURITIES LIMITED

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DAULAT SECURITIES LIMITED

Directors

Sri Sohanlal Kochar	(Chairman)
Sri Jitendra Kochar	(Managing Director)
Sri Ajit Kochar	(Wholetime Director)
Sri Madhusudan Daga	(Director)
Sri Jaideep Jaloka	(Director)
Sri Prabin Kumar Baid	(Director)
Dr. Pradip Rasiklal Kamdar	(Director)

Auditors

M/s. Bahety & Goenka

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Bankers

Corporation Bank
HDFC Bank Ltd.
United Bank of India
ING Vysya Bank Ltd.

Registered Office

86 Canning Street
Kolkata - 700 001

Corporate Office

87A Sarat Bose Road
Kolkata - 700 026

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NOTICE

NOTICE is hereby given that the Fifteenth Annual General Meeting of the members of **DAULAT SECURITIES LTD** will be held on **19th September, 2008** at the Corporate Office of the Company at **87A, Sarat Bose Road, Kolkata – 700 026** 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 2008 and Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sohan Lal 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 himsef 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.

Registered Office
86, Canning Street
Kolkata – 700 001.
Dated: 30th June 2008

By Order of the Board
JITENDRA KOCHAR

(Managing Director)

Notes: -

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1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. The Company should receive proxies not less than 48 hours before the meeting
2. The Register of the Members and Share Transfer Books in respect of the Equity Shares of the Company will remain closed from 15th September2008 to 19th September 2008(both days inclusive).
3. Members are requested to notify the change, if any, in their address and bank mandate details immediately to the Company's Share Department at the Registered Office at 86, Canning street, Kolkata – 700 001, quoting their folio numbers.
4. Members are requested to bring their copies of the Reports and Accounts to the meeting.
5. Members desirous of getting any information about the accounts and operation of the company are requested to address their queries to the Director of the company well in advance so that the same are received at least ten days before the date of Meeting to enable the Management to keep the information readily available at the meeting.

Registered Office
86, Canning Street
Kolkata – 700 001.

By Order of the Board

Dated: 30th June, 2008

JITENDRA KOCHAR
(Managing Director)

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DIRECTORS' REPORT
TO
THE MEMBERS

Your Directors have pleasure in presenting the Fifteenth Annual Report together with the Audited Statement of Accounts for the year ended 31st March 2008.

FINANCIAL RESULTS FOR THE YEAR IS AS UNDER:

	Year ended 31.03.2008	Year ended 31.03.2007
Profit before taxation	7520695	5778766
Less Current tax Provision	250000	700000
Add Deferred Tax Provision	-	-
Profit after tax	7270695	5078766
Less: Short Provision for earlier years provided for	-	44618
Add: Excess Provision for earlier years provided for	25319	-
Less: Deferred tax assets for earlier years written off	-	469952
Balance brought forward from previous years	23304529	18740333
Balance carried to Balance Sheet	30600543	23304529

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OPERATION
STOCK EXCHANGE OPERATION

The Indian stock market witnessed one of its most volatile periods ever. Rising to an all time high, the markets suddenly and steeply started crashing since the third week of January, setting in motion an interim bear phase. This has substantially brought down the volumes in the market. Competition is becoming increasing fierce too, across all the activities of the company, making margins shrink. Despite that your company has done reasonably well.

DEPOSITORY OPERATION

The depository operation of the company continues to run smoothly.

DIVIDEND

The company has decided to plough back its profits for future development. Hence therefore the Directors do not recommend any dividend for the year under review.

DIRECTORS

Mr. Sohan Lal Kochar retires by rotation and being eligible, offers himself for reappointment.

Mr. Ajit Kochar retires by rotation and being eligible, offers himself for reappointment.

CORPORATE GOVERNANCE

As per the amended listing agreement with stock exchanges, the company has complied with the requirement of corporate governance. A report on Corporate Governance is attached to this report as per statutory requirements.

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AUDITORS' REPORT

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

AUDITORS

The Auditors M/s. Bahety & Goenka, Chartered Accountants retire and being eligible offer themselves for reappointment. Shareholders are requested to appoint the Auditors of the company and to fix their remuneration.

PARTICULARS OF EMPLOYEES

No employee was in receipt of remuneration aggregating to Rs. 24,00,000/- per annum or Rs. 2,00,000/- 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 1975 are not applicable to the company.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Board of Directors confirm that:

i) In the preparation of the annual accounts for the financial year ended 31st March, 2008, the applicable accounting standards have been followed and that there is no material departures;

ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2008 and of the Profit of the Company for said period.

iii) the Directors have taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, and

iv) the Directors have prepared the annual accounts for the financial year ended 31st March 2008 on a going concern basis.

ACKNOWLEDGEMENT

The Board expresses its deep gratitude and thanks to the Clients, Bankers, and Associated staff & SEBI, Stock Exchange Employees & Depository participants and Shareholders/ Investors for their valuable contribution towards the progress of the Company.

Registered Office
86, Canning Street
Kolkata – 700 001.

For and on behalf of the Board

Dated: 30th June 2008
Place: Kolkata

SOHANLAL KOCHAR
Chairman

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BAHETY & GOENKA
Chartered Accountants

310 Manglam-A
24, Hemant Basu Sarani
Kolkata-700001

AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AS PER CLAUSE 49 OF THE LISTING AGREEMENT OF THE STOCK EXCHANGE.

To the Members of Daulat Securities Ltd.

We have reviewed the relevant records of the company for the year ended on 31st March, 2008, relating to compliance of conditions of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchanges.

The compliances of conditions of Corporate Governance are the responsibility of Management. Our review was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we have to state that to the best of our knowledge the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Investor Grievance Committee.

We further state that such compliance is neither as assurance as to the future viability of the Company nor the efficiency of effectiveness with which the management has conducted the affairs of the Company.

For **BAHETY & GOENKA**
Chartered Accountants

RAJENDRA BAHETY
Partner

Date: 30th June 2008
Place -Kolkata

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CORPORATE GOVERNANCE

PHILOSOPHY

Your Company believes that Corporate Governance is a powerful medium to sub serves the long-term interests of all the stakeholders, including the enhancement of overall business valuation for the owners. Corporate Governance strengthens investors' trust and ensures a long-term partnership that helps in fulfilling our quest for achieving significant growth and profits.

Your Company is committed to benchmarking itself with the best in all areas including Corporate Governance and has benchmarked its practices with the prevailing guidelines with transparency, full disclosure and independent monitoring.

BOARD OF DIRECTORS

Composition, Category of Directors And Their Other Directorship And Committee Memberships.

Directors	Category	Other Directorships / Board Committee (Numbers)	
		Directorships	Board Committee
Mr. Sohan Lal Kochar	Chairman and Director	1	---
Mr.Madhusudan Daga	Independent and Non Executive Director	1	---
Mr.Jaideep Jaloka	Do	1	---
Mr.Prabin Kr.Baid	Do	1	---
Dr.P.R.Kamdar	Do	--	----
Mr.Jitendra Kochar	Managing Director	---	---
Mr. Ajit Kochar	Whole time Director	2	---

Nine Meeting of the Board of Directors were held during the year ended 31st March, 2008

Dates of Board Meeting
27th April 2007 28thJune, 2007 27th July, 2007 12th September, 2007 30th October, 2007 30th December, 2007 30th January, 2008 09th February 2008 21st March 2008.

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Attendance of the Directors at the Board Meetings, Last Annual General Meeting and Extra Ordinary General Meetings:

Name of Director	No. Of Board Meetings Attended	Attendance at the Last Annual General Meeting held on 15th September 2007.	No. Of Extra Ordinary General Meetings Attended (NIL Extra Ordinary General Meeting held)
Mr. Sohan Lal Kochar	6	Yes	---
Mr. Madhusudan Daga	7	No	---
Mr. Ajit Kochar	9	Yes	---
Mr. Jitendra Kochar	9	Yes	---
Mr. Jaideep Jaloka	5	Yes	---
Mr. Prabin Kr. Baid	7	Yes	---
Dr.P.R.Kamdar	7	Yes	---

Non executive Director compensation and disclosure
Non Executive Directors were not paid any compensation other than sitting fee

Code of Conduct and Ethics for Directors and Senior Executive
In line with the amended Clause 49 of the listing agreement, the Company adopted a Code of Conduct and Ethics for its Director and Senior Executives. The purpose of this code is to promote conduct of business ethically in an efficient and transparent manner.

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AUDIT COMMITTEE
Broad Terms of Reference.

- To review the Company's Financial reporting process and its Financial Statements.
- To review the accounting and financial policies & practices.
- To review the efficiency of the internal control mechanism. And monitor risk Management policies adopted by the company and ensure compliance with Regulatory guidelines.
- To review reports furnished by the internal and statutory auditors and ensure that suitable follow up action is taken.
- To examine accountancy taxation and disclosure aspects of all significant transactions.

Composition, Name of Members and Chairman

The Audit Committee consists of three non-executive and independent Directors viz. Mr. Madhusudan Daga (Chairman), and Mr.Jaideep Jaloka & Mr.Prabin Kumar Baid.

Meetings and Attendance during the year ended 31st March 2008.

Name of Director	No. of Meetings	
	Held	Attended
Mr. Madhusudan Daga	4	4
Mr. Jaideep Jaloka	4	4
Mr. Prabin Kr.Baid	4	4

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Remuneration Committee

- To review assess and recommend the appointment of whole time Director.
- To periodically review the remuneration package of whole time Director and recommend suitable revision to the board.

Composition

The Remuneration committee comprises three independent non-executive Director.

1. Mr. Madhusudan Daga — Chairman - Independent Non-executive
2. Mr. Jaideep Jaloka Member — Independent & Non-executive
3. Mr. Prabin Kumar Baid — Independent & Non-executive

Meetings and Attendance during the year ended 31st March 2008.

Name of Director	No. of Meetings	
	Held	Attended
Mr. Madhusudan Daga	1	1
Mr. Jaideep Jaloka	1	1
Mr. Prabin Kr.Baid	1	1

Remuneration to Director
Executive Director
Jitendra Kochar — Managing Director — Remuneration paid -- Rs 3,00,000/-

SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE
To approve inter-alias Transfer / Transmission of shares, Issue of duplicate share certificate and review the status of Investor's Grievance and redressal mechanism and recommend measures to improve the level of investor's service

Chairman:	Mr. Sohan Lal Kochar
Members:	Mr. Madhusudan Daga
	Mr. Jaideep Jaloka
Compliance Officer:	Mr. S.P.Lunia

2 (Two) Complaint received during the year ended 31st March 2008,which has been resolved. There were no pending transfers as on 31st March 2008

CEO/CFO Certificate

In terms of clause 49 of the listing Agreement , the certification by the Managing Director on the financial statements and internal controls relating to financial reporting has been obtained.

F. GENERAL BODY MEETINGS

i) Details of Annual General Meetings (AGMs):

AGMs	Date of AGMs	Location	Time
AGM (12th)	15th September, 2005	Kolkata	11.00 A.M.
AGM (13h)	15th September, 2006	Kolkata	11.00 A.M.
AGM (14h)	12th September, 2007	Kolkata	11.00 A.M.

ii) There was no special Resolution put through Postal Ballot last year.

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