

**23<sup>rd</sup>**  
**ANNUAL**  
**REPORT**

2015 – 2016

**DAULAT SECURITIES LIMITED**

**DAULAT SECURITIES LIMITED****CIN: L67120WB1992PLC056831****Directors**

Mr. Sohan Lal Kochar	Chairman(resigned on 29-9-2015)
Mr. Jitendra Kochar	Managing Director
Mr. Ajit Kochar	Whole Time Director
Mr. Madhu Sudan Daga	Independent Non – Executive Director
Mr. Jaideep Jiloka	Independent Non – Executive Director
Dr. Pradip Rasiklal Kamdar	Independent Non – Executive Director
Mrs. Vasudha Chhajer	Director

**Auditors**

M/s. Bahety & Goenka  
Chartered Accountants  
Registration Number: 317111E  
310 Managlam, , 24 Hemanta Basu Sarani  
Kolkata-700001

**Registrar & Transfer Agent**

M/s Maheshwari Datamatics Private Ltd.  
6 Mangoe Lane  
Kolkata-700001

**Bankers**

Corporation Bank  
HDFC Bank Ltd.

**Registered Office**

86 Canning Street , Kolkata – 700001

**Administrative Office**

21 Lansdowne Place, Kolkata – 700029

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**DIRECTOR'S REPORT**

To The Members

The Board of Directors have pleasure to submit the Report and Audited Balance Sheet, Statement of Profit and Loss of the Company and Cash Flow Statement for the year ended 31<sup>st</sup> March 2016.

**FINANCIAL RESULTS FOR THE YEAR IS AS UNDER:**

	31.03.2016	31.03.2015
Profit before tax	30,09,825	37,10,254
Tax Expense:		
(1) Current Tax	4,15,000	4,75,000
(2) Deferred Tax	11,942	-
(3) Earlier Years	13,631	24,088
Profit for the Period	26,20,398	32,11,166
Earning per Equity Share:		
(1) Basic	0.52	0.64
(2) Diluted	0.52	0.64

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

As required under Clause 49 of the Listing Agreement with Stock Exchanges, the Management Discussion and Analysis Report is enclosed as a part of this report

**DIVIDEND :** The Board of Directors have decided to retain profits for future development. Hence the Directors do not recommend any dividend for the year under review.

**RESERVES :** The closing balance of Reserves and Surplus stood at Rs. 67,150,987/-. There is no transfer to General Reserve from Profit and Loss Account during the year.

**CHANGE IN NATURE OF BUSINESS:** There is no change in the nature of the business of the Company during the year as compared to previous year.

**CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:**

Your Company has taken adequate steps to adhere to all the stipulations laid down in Clause 49 of the Listing Agreement. A report of Corporate Governance is included as a part of this Annual Report. Certificate from the Statutory Auditors of the company M/s Bahety & Goenka, Chartered Accountant confirming the compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is included as a part of this report

**LISTING WITH STOCK EXCHANGES:**

The Company confirms that it has paid the Annual Listing Fees for the year 2016-17 to BSE and CSE where the Company's Shares are listed.

**DEMATERIALISATION OF SHARES:**

85.18% of the company's paid up equity share Capital is in dematerialized form as on 31<sup>st</sup> March, 2016 and balance 14.82% is in physical form.

**Number of Board Meetings**

The details of the number of Board Meetings and Audit Committee Meetings of your company are set out in the Corporate Governance Report which forms part of this Report.

**DIRECTORS:****a) Changes in Directors and Key Management Personnel -**

Mr. Sohan Lal Kochar resigned from directorship on 29-9-2015. The Board expresses its gratitude for his valuable contribution during his tenure as Chairman and Director of the Company. Apart from this there were no changes in the directors or Key Managerial Personnel during the year. Mr Ajit Kochar (DIN No.- 00933365) and Mrs.Vasudha Chhajjer( DIN No. - 05102531) retire by rotation and being eligible, offers themselves for reappointment.

**b) Declaration by Independent Directors and re-appointment, if any**

All Independent Directors of Daulat Securities Limited do hereby declare that they have met the criteria as provided in sub- section 6 of Section 149 of the Companies Act 2013. they hold the office for a term of five years and are eligible for re-appointment for next five years on passing of special resolution by the company.

**c) Formal Annual Evaluation**

Pursuant to the provisions of Companies Act 2013 and clause 49 of listing agreement, the board has carried out an annual performance of the directors individually as well as evaluation of its Audit, Nomination and Remuneration and Compliance Committees. Performance evaluation has been carried out as per nomination and remuneration policy

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Yours director state that:

- i) In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2016, the applicable accounting standards read with requirements set out under Schedule-III to the act, have been followed and there are no material departures from the same.
- 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 31<sup>st</sup> March, 2016 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, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities,
- iv) The Directors have prepared the annual accounts for the financial year ended 31<sup>st</sup> March 2016 on a going concern basis.
- v) The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- vi) The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNING AND OUTGO:**

**A. CONSERVATION OF ENERGY :** The operations of your Company are not energy-intensive. However, adequate measures have been initiated for conservation of energy

**B. TECHNOLOGY ABSORPTION :** Not applicable in view of the nature of activities carried on by the Company.

**C. EXCHANGE EARNING AND OUTGO :** Foreign exchange earnings and outgo-NIL

**DEPOSIT:** The Company has not accepted any deposits from public.

**AUDIT OBSERVATIONS:** Auditors' observations are suitably explained in notes to the Accounts and are self explanatory.

**AUDITORS:****Statutory Auditors**

The Auditors M/s Bahety & Goenka, Chartered Accountants (FRN: 317111E) retires at conclusion of the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment. The company has received a certificate from the retiring auditors to the effect that the appointment, if made will be in accordance within the limit specified in section 141 of Companies Act 2013

**Secretarial Audit**

According to the provision of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by Company Secretary in Practice is enclosed as a part of this report Annexure-A.

**SHARE CAPITAL:****a) Issue of equity Shares with Differential rights**

The Company has not issued any equity shares with differential rights as per details provided in rule 4 of Companies (Share Capital & Debentures), Rules 2014.

**b) Issue of Sweat Equity Shares**

The Company has not issued any Sweat equity shares as per details provided in rule 8(13) of Companies (Share Capital & Debentures), Rules 2014.

**c) Issue of Employees Stock Options**

The Company has not issued any Employee Stock Option as per details provided in rule 12(9) of Companies (Share Capital & Debentures), Rules 2014.

**d) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees**

The Company has not purchased its own shares either from employees or by trustees for the benefit of employees.

**EXTRACT OF ANNUAL RETURN:**

Extract of Annual return is formed part of this report is annexed as MGT-9 in Annexure-B

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The disclosure as per rule 9 of companies (Corporate Social Responsibility Policy) Rules 2014 will not be applicable as this company does not fall within the ambit of this section.

**VIGIL MECHANISM:**

The board has adopted the Whistle blower policy. The policy has provided a mechanism for directors, employees and other person dealing with the company to report to the Chairman of the Audit Committee , any instance of unethical behavior, actual or suspected fraud or violation of code of conduct of the company.

**PARTICULARS OF LOAN GURANTEES OR INVESTMENTS:**

Detail of Loans and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**INTERNAL FINANCIAL CONTROL**

Your Company has adequate internal control system in place, commensurate with the size, scale and Complexity of the operation. The company has already carried out an audit on internal financial control by the third party. The statutory auditor has also commented on the internal financial control on financial reporting in their report

**RELATED PARTY TRANSACTION:**

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transaction with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business activity. Detail of related party transaction provided separately in notes to accounts.

The Board of Directors of the company has, on the recommendation of the Audit Committee, adopted a policy to regulate transaction between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules there under and the Listing Agreement. This Policy was considered and approved by the Board

**MANAGERIAL REMUNERATION:**

Jitendra Kochar Managing Director : Remuneration paid – Rs 3,00,000/- (Previous Year Rs 3,00,000/-)

**RISK MANAGEMENT POLICY:**

The Company has been addressing various risks impacting the company and the policy of the Company on risk management is provided in Management Discussion and Analysis

**ACKNOWLEDGEMENT**

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

Registered Office

86, Canning Street , Kolkata – 700001

Dated: 12<sup>th</sup> August , 2016

Place: Kolkata

For and on behalf of the Board  
JITENDRA KOCHAR AJIT KOCHAR  
Managing Director Director

**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN as on Financial Year ended on 31.03.2016**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.**

**I. REGISTRATION and OTHER DETAILS:**

1.	CIN	L67120WB1992PLC056831
2.	Registration Date	22-10-1992
3.	Name of the Company	DAULAT SECURITIES LIMITED
4.	Category/Sub-category of the Company	PUBLIC COMPANY/ COMPANY HAVING SHARE CAPITAL
5.	Address of the Registered office and contact details	86, CANNING STREET , KOLKATA-700001
6.	Whether listed company	YES
7.	Name, Address and contact details of the Registrar and Transfer Agent, if any.	MAHESHWARI DATAMATICS PVT. LTD. 6 , MANGOE LANE , 2 <sup>ND</sup> FLOOR , KOLKATA-700001 (033-22435809/5029) <a href="mailto:mdpl@cal.vsnl.net.in">mdpl@cal.vsnl.net.in</a>

II. **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	SHARE BROKING AND DEPOSITORY SERVICES	6612	100

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
	NIL	NIL	NIL

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### Category-wise Share Holding

[illegible]

<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0	0	0
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	825136	34600	859736	17.19	825378	24600	859978	17.20	0.01
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	419859	554119	973978	19.48	417817	519819	937636	18.75	-0.73
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	376386	186100	562486	11.25	376386	186100	562486	11.25	0
c) Others (specify)									
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	1100	0	1100	0	0.02
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies- D R	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	1621381	774819	2396200	47.92	1620681	740519	2361200	47.22	0.70
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1621381	774819	2396200	47.92	1620681	740519	2361200	47.22	0.70
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	4225181	774819	5000000	100	4259181	740819	5000000	100	0

#### B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	AJIT KOCHAR	399900	8.00	0	399900	8.00	0	0
2	AJIT KOCHAR HUF	19000	0.38	0	19000	0.38	0	0
3	ANAMIKA KOCHAR	34700	0.69	0	34700	0.69	0	0
4	ANIL KOCHAR	529200	10.58	0	529200	10.58	0	0
5	ANIL KOCHAR HUF	40000	0.80	0	40000	0.80	0	0
6	B DAULAT LTD	297000	5.94	0	297000	5.94	0	0
7	JITENDRA KOCHAR	404000	8.08	0	404000	8.08	0	0
8	KANCHAN DEVI KOCHAR	12400	0.25	0	12400	0.25	0	0
9	KUSUM KOCHAR	30200	0.60	0	30200	0.60	0	0
10	NALINI KOCHAR	102000	2.04	0	102000	2.04	0	0

11	NARENDRA KOCHAR	160800	3.22	0	160800	3.22	0	0
12	NARENDRA KOCHAR HUF	20000	0.40	0	20000	0.40	0	0
13	SOHAN LAL ANIL KUMAR HUF	38800	0.78	0	38800	0.78	0	0
14	SOHAN LAL KOCHAR	342100	6.84	0	342100	6.84	0	0
15	SUNITA KOCHAR	159500	3.19	0	159500	3.19	0	0
16	VASUDHA CHHAJER	14200	0.28	0	14200	0.28	0	0
17	ADITI KOCHAR	0	0	0	35000	0.70	0	0.70
S N	Particulars			Shareholding at the beginning of the year		Cumulative Shareholding during the year		
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	At the beginning of the year			2603800	52.08	2638800	52.78	
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):							
SL No	Shareholders Name	Shareholdings				Increase / Decrease in Share Holdings	Cumulative shareholdings during the year 01-04-2015 to 31-03-2016	
		No of shares as on 01-04-2015	% of total shares of the company	No of shares as on 31-03-2016	% of total shares of the company			
1	AJIT KOCHAR	399900	8.00	399900	8.00	0	399900	8.00
2	AJIT KOCHAR HUF	19000	0.38	19000	0.38	0	19000	0.38
3	ANAMIKA KOCHAR	34700	0.69	34700	0.69	0	34700	0.69
4	ANIL KOCHAR	529200	10.58	529200	10.58	0	529200	10.58
5	ANIL KOCHAR HUF	40000	0.80	40000	0.80	0	40000	0.80
6	B DAULAT LTD	297000	5.94	297000	5.94	0	297000	5.94
7	JITENDRA KOCHAR	404000	8.08	404000	8.08	0	404000	8.08
8	KANCHAN DEVI KOCHAR	12400	0.25	12400	0.25	0	12400	0.25
9	KUSUM KOCHAR	30200	0.60	30200	0.60	0	30200	0.60
10	NALINI KOCHAR	102000	2.04	102000	2.04	0	102000	2.04
11	NARENDRA KOCHAR	160800	3.22	160800	3.22	0	160800	3.22
12	NARENDRA KOCHAR HUF	20000	0.40	20000	0.40	0	20000	0.40
13	SOHAN LAL ANIL KUMAR HUF	38800	0.78	38800	0.78	0	38800	0.78
14	SOHAN LAL KOCHAR	342100	6.84	342100	6.84	0	342100	6.84
15	SUNITA KOCHAR	159500	3.19	159500	3.19	0	159500	3.19
16	VASUDHA CHHAJER	14200	0.28	14200	0.28	0	14200	0.28
17	ADITI KOCHAR	0	0	35000	0.70	0.70	35000	0.70
3	At the end of the year			2603800	52.08	2638800	52.78	

**D) Shareholding Pattern of Top Ten Shareholders: (Other than Directors, Promoters & Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	ABHIJEET AGARWAL	35000	0.70	35000	0.70
2.	ABHISHEK AGARWAL	33605	0.67	33605	0.67
3.	ADITI INDUSTRIES LTD.	324417	6.488	324417	6.488
4.	ANAND POTATO COLD STORAGE PVT LTD	46840	0.94	46840	0.94
5.	ASHA PROMOTERS LTD.	203800	4.076	203800	4.076
6.	KV TRADERS PVT LTD.	36000	0.72	36000	0.72
7.	MADHU TRADE & INVESMENT CO PVT LTD.	61800	1.23	61800	1.23
8.	PURVI SHAH	41500	0.83	41500	0.83
9.	TARUN BAID	29500	0.59	29500	0.59
10.	VANI CHAND GHELANI	118000	2.36	118000	2.36

**E) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	SOHAN LAL KOCHAR	342100	6.84	342100	6.84
2.	JITENDRA KOCHAR	404000	8.08	404000	8.08
3.	AJIT KOCHAR	399900	8.00	399900	8.00
4.	VASUDHA CHHAJER	14200	0.28	14200	0.28
5.	MADHU SUDAN DAGA	100	0.002	100	0.002
6.	DR P R KAMDAR	2500	0.05	2500	0.05
7.	JAIDEEP JILOKA	100	0.002	100	0.002

**V) INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL
<b>Change in Indebtedness during the financial year</b>				
* Addition				
* Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amt.
		JITENDRA KOCHAR (MD)			
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	300000			300000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit - others, specify				
5	Others, please specify				
	Total (A)	300000			300000
	Ceiling as per the Act				