

**24th
ANNUAL
REPORT**

2016 – 2017

DAULAT SECURITIES LIMITED

DAULAT SECURITIES LIMITED

CIN: L67120WB1992PLC056831

Directors

Mr. Jitendra Kochar

Managing Director

Mr. Ajit Kochar

Whole Time Director

Mr. Madhu Sudan Daga

Director

Mr. Jaideep Jiloka

Director

Dr. Pradip Rasiklal Kamdar

Director

Mrs. Vasudha Chhajjer

Director

Registered Office

86 Canning Street, Kolkata – 700 001

Phone : +91 33 4600- 4175 , email : daulat000@yahoo.com

GST No. : 19AABCD1794Q1ZZ

Administrative OfficePS Srijan Corporate Park , Unit-V, 18th Floor

GP-2, Sector- V, Salt Lake , Kolkata – 700 091

Auditors

M/s. Bahety & Goenka

Chartered Accountants , Registration Number: 317111E

310 Manglam – A , 24 Hemant Basu Sarani , Kolkata – 700 001

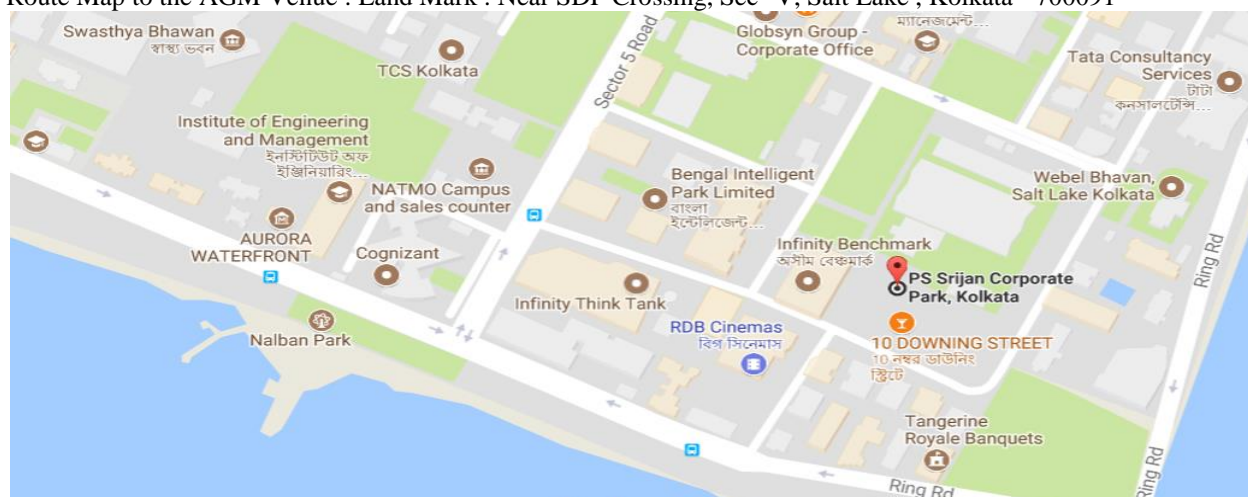
Phone : + 91 33 2243 2371 email : bahetygoenka@gmail.com**Registrar & Transfer Agent**

Maheshwari Datamatics Pvt. Ltd.

23, R N Mukherjee Road 5th Floor , Kolkata -700 001Phone : 033-2243-5809/5029 e-mail : mdpl@yahoo.com**Contents**

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Route Map to the AGM Venue : Land Mark : Near SDF Crossing, Sec- V, Salt Lake , Kolkata - 700091



BOARD'S REPORT TO THE SHAREHOLDERS

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 31st March 2017.

FINANCIAL RESULTS FOR THE YEAR IS AS UNDER:

	31.03.2017	31.03.2016
. Profit before tax	45,71,706	30,09,825
Tax Expense:		
(1) Current tax	8,00,000	4,15,000
(2) Deferred tax	20,799	11,942
(3) Earlier Years	15,919	13,631
Profit for the period	38,08,424	26,20,398
Earning per equity share:		
(1) Basic	0.76	0.52
(2) Diluted	0.76	0.52

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 in page number 12 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 Board of Directors do not propose any amount to be transferred to reserve.

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 upto date Listing Fees to BSE Ltd. and CSE Ltd. where the Company's Shares are listed.

DEMATERIALISATION OF SHARES:

85.31% of the company's paid up equity share Capital is in dematerialized form as on 31st March, 2017 and balance 14.69% 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

There is no change in list of Directors and Key Management Personnel

Mr Ajit Kochar (DIN No.- 00933365) and Mrs.Vasudha Chhajer(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 required 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 evaluation of its own performance, the directors individually as well as evaluation of working 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 31st March, 2017, 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 31st March, 2017 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 31st March 2017 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. **FOREIGN 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 Companies Act, 2013 (the Act) was notified effective April 1, 2014, Section 139 of the Act lays down the criteria for appointment and mandatory rotation of statutory auditors. Pursuant to Section 139 of the Act and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of two terms of five consecutive years. The rules also lay down the transitional period that can be served by the existing auditors depending on the number of consecutive years for which an audit firm has been functioning as auditor in the same company. The incumbent auditors M/S Bahety & Goenka, Chartered Accountants (Firm registration number : 317111E) have served the company for over 10 years before the Act was notified and will be completing the maximum number of transitional period (three years) at the ensuing 24th AGM

The Audit Committee of the company has proposed and on June 26, 2017, the Board has recommended the appointment of T C MAHAWAR & CO. Chartered Accountants (Firm registration number 322294E) as the Statutory Auditors of the Company. T C MAHAWAR & CO. will hold office for a period of five consecutive year from the conclusion of the 24th Annual General Meeting of the Company till the conclusion of the 29th Annual General Meeting to be held in 2022. The first year of audit will be of the financial statements for the year ending March 31, 2018. which include the audit of the quarterly financial statements for the year.

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/- (Last 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 & Depository and Shareholders/ Investors for their valuable contribution towards the progress of the Company.

Registered Office

86, Canning Street , Kolkata - 700001

Dated: 26-07-2017

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 31.03.2017**

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-700 001
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MAHESHWARI DATAMATICS PVT. LTD. 23, R N Mukherjee Road 5 th Floor , KOLKATA-700 001 Phone : 033-22435809/5029 e-mail : mdpl@yahoo.com

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)

S. 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
1	NIL	NIL	NIL

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

Category-wise Share Holding

[illegible]

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	1100	0	1100	0.02	4373	0	4373	0.09	0.07
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	1620681	740519	2361200	47.22	1626681	734519	2361200	47.22	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	1620681	740519	2361200	47.22	1626681	734519	2361200	47.22	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	4259181	740819	5000000	100	4265481	734619	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 share holding 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	35000	0.70	0	35000	0.70	0	0

C) Change in Promoters Shareholding :

SN	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	22638800	52.78	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.):				
3	At the end of the year	22638800	52.78	2638800	52.78

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and 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.	MR.TARUN BAID	29500	0.59	29500	0.59
2.	ANAND POTATO COLD STORAGE PVT LTD	46840	0.94	46840	0.94
3.	MR.ABHISHEK AGARWAL	33605	0.67	33605	0.67
4.	MR.ABHJEET AGARWAL	35000	0.70	35000	0.70
5.	KV TRADERS PVT LTD.	36000	0.72	36000	0.72
6.	MS.PURVI SHAH	41500	0.83	41500	0.83
7.	MADHU TRADE& INVESMENT CO PVT LTD.	61800	1.23	61800	1.23
8.	MR.VANI CHAND GHELANI	118000	2.36	118000	2.36
9.	ASHA PROMOTERS LTD.	203800	4.076	203800	4.076
10.	ADITI INDUSTRIES LTD.	324417	6.488	324417	6.488

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.	JITENDRA KOCHAR	404000	8.08	404000	8.08
2.	AJIT KOCHAR	399900	8.00	399900	8.00
3.	VASUDHA CHHAJER	14200	0.28	14200	0.28
4.	MADHU SUDAN DAGA	100	0.002	100	0.002
5.	DR P R KAMDAR	2500	0.05	2500	0.05
6.	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
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
* Addition				
* Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	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/WT/ Manager	TotalAmt.
		JITENDRA KOCHAR	
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		