

GOGIA
INTERNATIONAL SECURITIES LTD.

**13th Annual Report
2006-2007**

Gogia International Securities Limited
13th Annual Report 2006-2007

Board of Directors

Mr. Satish Gogia
Mr. Ashwani Gogia
Mr. J.P. Sethi
Mr. Bhavuk Kr. Makkar

Chairman & Managing Director
Whole Time Director
Director
Director

Bankers

IndusInd Bank (Mumbai)
ICICI Bank Limited
HDFC Bank (New Delhi)

Auditors

M/s Sunil Kulshreshtha & Associates
Chartered Accountants
D-306, Anand Vihar
Delhi- 110092

Legal Advisor

Luthra & Luthra
103, Ashoka Estate
Barakhamba Road,
New Delhi – 110001

Company Secretary

Jyoti Joshi

Registered Office

D-24, Green Park Main,
New Delhi- 110016

Share Transfer Agent

Mas Services Pvt. Ltd.
AB-4, Safdarjung Enclave,
New Delhi – 110029

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NOTICE

Notice is hereby given that the Thirteenth Annual General Meeting of the Company will be held on Monday, the 27th day of August 2007 at 10.00 a.m. at the Registered Office of the Company at D-24, Green Park Main, New Delhi –110016 to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2007 and Profit & Loss A/c for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Bhavuk K Makkar, who retires by rotation and being eligible offers himself for reappointment as a Director.
3. To appoint auditors to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

4. To appoint Mrs. Jyoti Mehndiratta (who was appointed as an Additional Director by the Board of Directors to hold the office of Director only up to the date of this meeting), in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director and to move the following as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 257 of the Companies Act 1956, Mrs. Jyoti Mehndiratta be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

5. To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

“RESOLVED THAT the appointment of Mr. Satish Gogia by the Board of Directors of the Company as Managing Director for a period commencing from 1st May, 2007 and ending on 30th September, 2008 on the terms and conditions mentioned below, be and is hereby approved :

Basic Pay : Rs.2,50,000/- per month.

PERQUISITES/OTHERS TERMS AND CONDITIONS

- i) Provident Fund, Superannuation Fund and Annuity Fund-

The Company's contribution to the Provident Fund, Superannuation Fund and Annuity Fund will be in accordance with the rules and regulations of the Company. Such contributions will not be included in the computation of the ceiling of perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

- ii) Gratuity

Gratuity at the rate not exceeding half a month's salary for each completed year of service.

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iii) **Earned/Privilege Leave**

Earned/Privilege Leave at full pay and allowances as per the rules of the Company. Leave accumulated but not availed of, during his tenure, may be allowed to be encashed as per the rules of the Company.

iv) **Telephone**

Free use of one telephone.

iv) **Reimbursement of Expenses**

The Managing Director shall also be entitled to reimbursement of reasonable entertainment expenses actually and properly incurred for the purposes of business of the Company.

v) **Sitting Fee**

The Managing Director is not entitled to any sitting fee for attending the meetings of the Board or a committee thereof.

vi) **Termination Clause**

This appointment is terminable by the Company giving to the Managing Director, a notice of three months of such termination or on payment of three months salary in lieu thereof and by the Managing Director, by a notice of three months.

By Order of the Board

(DIRECTOR)

Place : New Delhi

Dated : 22/05/2007

Notes :

1. A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and the proxy need not be a member. Proxies, in order to be effective, must reach the Head Office of the Company not less than 48 hours before the time fixed for the meeting.
2. Members are requested to intimate the change, if any, in their addresses.
3. Explanatory Statement pursuant to Section 173(2) of the Companies Act 1956, is annexed hereto.
4. The Register of Members and the Share Transfer books of the Company will remain closed from 13th August 2007 to 27th August 2007 (both days inclusive).
5. All the documents referred to in the accompanying notice are open for inspection by members at the registered office of the Company between 10.00 a.m. and 12.00 noon on any working day of the Company till 27th August, 2007.
6. The details pertaining to the appointment / reappointment of Director/Managing Director are furnished in Statement of Corporate Governance in the Directors' Report.

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ANNEXURE TO THE NOTICE

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

Item No. 4

Mrs. Jyoti Mehndiratta was appointed as Additional Director of the Company by Board of Directors in their meeting held on April 30, 2007 to hold the office of Director till the date of ensuing Annual General Meeting. In the meantime the Company received a notice in writing from a member proposing her candidature for the office of Director.

Taking into consideration the vast knowledge in banking operations, ability, background and experience of Mrs. Jyoti Mehndiratta, it would be appropriate and in the best interest of the Company to appoint her as a Director of the Company.

None of the Directors is in anyway concerned or interested in the resolution.

The Board recommends this resolution to the members for their approval.

Item No. 5

Mr. Satish Gogia is a qualified Chartered Accountant and has experience of more than 17 years in the field of Taxation, Finance, Secretarial, Legal, and Administration etc. Considering his vast experience, the Board of Directors of the Company has reappointed him as Managing Director subject to the approval of the members for a period commencing from 1st May, 2007 and ending on 30th September, 2008 on the following terms and conditions as per provisions of Section 269, 309 read with Schedule XIII of the Companies Act, 1956:-

a) Tenure:

1st May, 2007 to 30th September, 2008

b) Salary:

Rs250000 per month

c) Perquisites/Others Terms and Conditions

Mr. Satish Gogia shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling of remuneration as specified below:-

i) Provident Fund, Superannuation Fund and Annuity Fund-

The Company's contribution to the Provident Fund, Superannuation Fund and Annuity Fund will be in accordance with the rules and regulations of the Company. Such contributions will not be included in the computation of the ceiling of perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

ii) Gratuity

Gratuity at the rate not exceeding half a month's salary for each completed year of service.

iii) Earned/Privilege Leave

Earned/Privilege Leave at full pay and allowances as per the rules of the Company. Leave accumulated but not availed of, during his tenure, may be allowed to be encashed as per the rules of the Company.

iv) Telephone

Free use of one telephone.

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v) Reimbursement of Expenses

The Managing Director shall also be entitled to reimbursement of reasonable entertainment expenses actually and properly incurred for the purposes of business of the Company.

vi) Sitting Fee

The Managing Director is not entitled to any sitting fee for attending the meetings of the Board or a committee thereof.

vii) Termination Clause

This appointment is terminable by the Company giving to the Managing Director, a notice of three months of such termination or on payment of three months salary in lieu thereof and by the Managing Director, by a notice of three months.

The Board commends the passing of the resolution as set out in the Notice. None of the Directors except Mr. Satish Gogia is interested in the above resolution no. 5.

Disclosures as per Schedule XIII

I GENERAL INFORMATION

1. Nature of Industry

The Company is NSE/ BSE Broker and Depository Participant.

2. Date or expected date of commencement of commercial production

Commercial production commenced since 1994

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus - Not Applicable

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4. Financial Performance

(Amount in Millions)

Type	Audited	Audited	Audited	Audited
Date Begin	01 Apr 05	01 Apr 04	01 Apr 03	01 Apr 02
Date End	31 Mar 06	31 Mar 05	31 Mar 04	31 Mar 03
Interest Earned	53.92	30.41	26.34	18.96
Operating Income				
Other Income	3.03	2.03	1.53	2.03
Total Income	56.94	32.44	27.88	20.99
Interest Expended	-1.61	-1.52	-1.1	-0.22
Operating Expenses	-44.19	-23.09	-20.95	-16.74
Operating Profit	11.14	7.84	5.81	4.02
Depreciation	-2.8	-2.49	-1.92	-1.52
Profit before Tax	8.34	5.35	3.89	2.49
Tax	-2.46	-2.08	-1.2	-0.91
Profit after Tax	5.88	3.27	2.69	1.58
Net Profit	5.88	3.27	2.69	1.58
Equity Capital	41.09	37.21	37.21	37.21
Reserves	20.08	14.18	10.91	8.22
EPS	1.2	0.7	0.55	0.35

5. Export performance and net foreign collaborations – Nil

6. Foreign investments or collaborations, if any – Nil

II. INFORMATION ABOUT MR. SATISH GOGIA

1. Background details

Mr. Satish Gogia is a Commerce Graduate and a Member of Institute of Chartered Accountants of India. He has vast experience in the field of Taxation, Finance, Accounts, Administration and Commercial activities spanning over last seventeen year.

2. Past remuneration

Rs. 1,12,000 per month (on cost to Company basis)

3. Recognition or awards

Nil

4. Job Profile and his suitability

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Mr. Satish Gogia is a Managing Director of the Company and looks after all the Financial, Taxation, Company Law Matters and Commercial Activities of the Company on day-to-day basis.

5. *Remuneration Proposed*
As explained above in the explanatory statement
6. *Comparative remuneration profile with respect to industry.*
As explained above in the explanatory statement
7. *Pecuniary relationship directly with or indirectly with the Company or relationship with the managerial personnel, if any*
Promoter of the Company

III OTHER INFORMATION

1. *Reasons of the loss or inadequate profits*
During the year the company earned a net profit of Rs.21,496,661.
2. *Steps taken or proposed to be taken for improvement*
Not Applicable
3. *Expected increase in productivity and profits in measurable terms*
Not Applicable

IV DISCLOSURES

The Shareholders of the Company have been informed about the remuneration of Mr. Satish Gogia in the explanatory statement at item no. 5 part of the notice of this Annual General Meeting attached to the Annual Report.

By Order of the Board

Place: New Delhi
Dated: 22/05/2007

(DIRECTOR)

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DIRECTOR'S REPORT

Your Directors have pleasure in presenting the 13th Annual Report on the business and operations of the Company for the year ended March 31, 2007.

Financial Highlights

Particulars	31/03/2007 (INR)	31/03/2006 (INR)
Gross Income	62,711,866	56,943,609
Profit before depreciation and tax	28,381,451	11,142,150
Deprecation	3,233,745	2,803,654
Profit before tax	25,147,706	8,338,496
Current Income Tax	3,600,000	2,500,000
Fringe Benefit Tax	239,975	171,312
Deferred Tax	(215,000)	(219,000)
Excess Income Tax For Previous Year	26,070	2,434
Profit after tax	21,496,661	5,883,750
Profit carried forward to the Balance Sheet	41,340,839	19,844,178
Earning per share on Equity Shares of Rs.10 each	6.89	1.20

Review of Performance:

Your Company continued to post robust growth and performance on all parameters during the period. The Company recorded Rs.6.27 Crores revenue and Rs.2.51 Crores Profit Before Tax for the year ended March 31, 2007. After providing Rs. 0.36 Crores for tax, Net Profit is Rs. 2.14 Crores. Compared to last year, revenue went up by 10%, Profit Before Tax by 201% and Net Profit by 265%. Earnings Per Share works out to Rs.6.83 compared to Rs.1.20 for the previous year.

Dividend:

The Board of Directors express their inability to recommend payment of dividend.

Directors:

Mr. Bhavuk K Makkar retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offer themselves for re-appointment.

Mrs. Jyoti Mehndiratta was co-opted by the Board as an Additional Director w.e.f. 30th April, 2007 pursuant to the provisions of the Articles of Association of the Company. She holds office till the conclusion of the ensuing Annual General Meeting of the Company. The requisite notice

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proposing Mrs. Jyoti Mehndiratta as a Director of the Company together with necessary deposit has been received pursuant to section 257 of the Companies Act, 1956.

Mr. Satish Gogia has been reappointed as Managing Director at a Board Meeting held on 30th April 2007 subject to the approval of the members of the Company.

Depository System:

As the members are aware, your Company's shares are tradable compulsorily in electronic form and your Company has established connectivity with both the Depositories i.e., National Securities Depository Limited and Central Depository Services India Limited. In view of the numerous advantages offered by the Depository System, members are requested to avail of the facility of dematerialisation of the Company's shares on either of the Depositories aforesaid.

Insurance:

The properties of the Company are adequately insured.

Fixed Deposits:

Your company has not accepted any fixed deposits from the public. As such, no amount of principle or interest is outstanding as of the balance sheet date.

Human Resource Management:

Harmonious employee relations continued to prevail in the Company. The Company continued its focus on training and development of people through internal and external management development programmes.

Particulars of Employees:

During the year under review there was no employee of the company whose particulars are required to be disclosed under the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975

Responsibility Statement:

As required under Section 217(2AA) of the Companies Act, 1956, your Directors confirm having:

- a) Followed in preparation of the Annual Accounts, the applicable standards with proper explanation relating to material departures, where applicable;
- b) 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 your Company at the end of the financial year and of the profit of your Company for that

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period;

c) 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 your Company and for preventing and detecting fraud and other irregularities; and

d) Prepared the Annual Accounts on a going concern basis:

Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The Company has nothing to report in respect of information on conservation of energy and technology absorption as required under section 217(1) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 since the Company is not engaged in manufacturing or processing business. The details regarding foreign exchange earnings and outgo are given as Annexure III to this report.

Foreign Exchange Earning and Outgo:

	Current Year	Previous Year
Earning	NIL	(NIL)
Expenditure	535678	(529536)

Corporate Governance:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges. A detailed Report on Corporate Governance forms an integral part of this Report. A certificate of Statutory Auditor confirming compliance of the Corporate Governance requirements by the Company is attached to the Report on Corporate Governance.

Management Discussion and Analysis Report:

A detailed review of operations, performance and future outlook of the Company is given separately under the head Management Discussion and Analysis Report.

Auditors:

M/s. Sunil Kulshreshtha & Associates, Chartered Accountants, Statutory Auditors of the Company retire and offer themselves for re-appointment as the Statutory Auditors of the Company pursuant to Section 224 of the Companies Act, 1956.

Acknowledgements:

Relationship with Stock Exchange and our bankers, Securities and Exchange Board of India &

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other regulatory authorities, State Government and Central Government remained excellent during the year under review. Your Directors are grateful for the support extended by them and look forward to receiving their continued support and encouragement.

Your Directors take this opportunity to thank all employees, for their dedicated service and contribution made towards the growth of the Company and also for rendering impeccable service to every one of the Company's customers.

And to you, our shareholders, we are deeply grateful for the confidence and faith that you have always placed in us.

For and on behalf of the Board of Directors

Place: New Delhi

Date : 22/05/2007

SATISH GOGIA

(Chairman & Managing Director)

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ANNEXURE TO THE DIRECTOR'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Overview:

In the year 2006-07 the bullishness of the Indian Stock Markets continued with increased momentum as a result of which the benchmark indices touched record levels. The market was supported by excellent economic growth resulting in continued expansion and profit growth of Indian Companies. India's recognition as a preferred investment destination and its emergence as an asset class by itself were further strengthened. This resulted in substantial FII inflows and the increased liquidity moved the indices to higher levels. The sustained buoyancy in the stock market generated heightened investment interest in mutual funds as well.

The positive development in the Stock Markets also increased related activities such as depository, distribution and portfolio management services. The number of registered accounts with NSDL increased substantially.

Mirroring the international trend of bullishness in commodities, the prices of many of the commodities showed good growth leading to higher futures market volumes.

Your company was well positioned to benefit from the opportunities that were available. Riding the wave of market bullishness the consolidated revenues of the Company crossed the Rs.60.00 crores mark.

Outlook 2007-08:

We operate a business, which is strongly dependent on the stock market condition. There has been some withdrawal of funds by FIIs, which contributed to the corrections. It may also be noted that the correction was dependent on global factors such as shifting of investments due to expected rise in interest rates and over bought position in emerging markets. There are also concern about uncontrolled rise in oil prices and political tensions in the Middle Eastern regions. Consequently market volumes have gone down substantially. It is however, encouraging to note that economic growth on which corporate performance depends continues to remain excellent. It is hoped that the markets will turn around in the coming months and the current situation is providing opportunities for investors.

Your Company continues to focus on the different activities in order to generate broad based revenues.

Opportunities & Threats:

For the Indian Economy, the evolving economic and business environment exhibits a number of encouraging signs that suggest reinforcement of the robust economic growth exhibited in recent years. Domestic macroeconomic and financial conditions support prospects of sustained growth momentum with stability in India. Economic expansion will result in greater disposable incomes

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and larger number of investors. There is a significant growth opportunity for your Company in this scenario.

Newer financial investment products are being introduced in the country such as mutual funds for gold and property. This will provide opportunities for diversification for products and will attract new set of investors for the Company's products.

With Indian equities on the growth path there will be more opportunities for your Company to expand into other overseas destinations.

The stock broking industry has recently witnessed intense competition, falling brokerage rates and the entry of several big players. Increasing globalisation and the role of 'hot money' has increased the volatility of the markets. Your company continues to achieve cost efficiencies through the application of technology.

Risks and Concerns:

Apart from the regular operational and business risks, which are managed through a structured risk management system, your Company's performance largely depends on the performance of the Indian Stock Market as large part of its income is from stock broking. Over the medium term, the prospects for the Indian economy are by and large positive, but characterised by significant downside risks. The growth prospects are, however, vulnerable to the growing concerns relating to high oil prices and liquidity in the markets. Your Company has developed robust risk management capabilities to handle the market risk arising out of volatilities.

The capital market industry in which your Company is operating is subject to extensive regulation. The Company has a proper and adequate system of internal control designed to ensure meticulous regulatory compliances.

Changes in technology may render the Company's current technologies obsolete or require it to make substantial capital investments. The Company evaluates the technological obsolescence and the associated risk and makes investment accordingly.

Internal Control Systems:

The Company has an adequate system of internal controls to ensure accuracy of accounting records; compliance with all laws & regulations and compliance with ail rules, procedures & guidelines prescribed by the management. Post audit reviews are also carried out to ensure follow up on the observations made. The Audit Committee of the Board determines the scope of the internal audit and it is reviewed on a regular basis.

Human Resources:

The Company is making conscious efforts on the human resources front. The company has been

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improving the skill set of the employees through various training programs. The company believes in rewarding its employees based on performance & potential hence the company has been declaring incentives to its employees not only as a reward but also to ensure commitment through financial motivation. All the employees are encouraged in getting themselves certified in relevant industry standard certifications such as NCFM certification. Majority of the employees has obtained such certification.

Cautionary Note:

Statements in this Report, describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events. These statements are subject to certain risks and uncertainties. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The actual results may be different from those expressed or implied since the Company's operations are affected by many external and internal factors, which are beyond the control of the management. Hence the Company assumes no responsibility in respect of forward looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

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REPORT ON CORPORATE GOVERNANCE

The information covered under Corporate Governance is given below in compliance with Clause 49 of Listing Agreement with Stock Exchanges:

1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Board of Directors and the Management of GISL commit themselves to:

- Strive towards enhancement of shareholders value through
 - Sound business decisions
 - Prudent financial management, and
 - High standards of ethics throughout the organization
- Ensure transparency and professionalism in all decisions and transactions of the Company
- Achieve excellence in Corporate Governance by
 - Conforming to, and exceeding wherever possible, the prevalent mandatory guidelines on Corporate Governance
 - Regularly reviewing the Board processes and the Management systems for further improvement

In addition to compliance with regulatory requirements, GISL endeavors to ensure that higher standards of ethical and responsible conduct are met throughout the organization.

2) BOARD OF DIRECTORS

(a) Composition: The Board of Directors of the Company, headed by a Executive Chairman, consisted of the following Directors, as on March 31, 2007, categorized as indicated:

- | | | |
|---------------------------------------|---|----------------------|
| 1. Independent Non-Executive Director | - | Mr. J.P. Sethi |
| 2. Independent Non-Executive Director | - | Mr. Bhavuk K. Makkar |
| 3. Independent Non-Executive Director | - | Mr. A.K. Kucchal |
| 4. Independent Executive Director | - | Mr. Ashwani Gogia |
| 5. Non-Independent Executive Director | - | Mr. Satish Gogia |

(b) Attendance at Board Meetings and last Annual General Meeting and details of Membership of Directors in other Boards and Board Committees.

Details of Board meetings held during the year 2006-07

Date of Meeting	Board Strength	No. of Directors present
April 19,2006	5	5
May 29, 2006	5	5
July 20, 2006	5	4
July 31, 2006	5	5
October 16, 2006	5	5

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November 6,2006	5	4
November 20,2006	5	5
January 4, 2007	5	5
January 31, 2007	5	5
March 24, 2007	5	4

1. The time gap between any two meetings did not exceed four months.
2. The last Annual General Meeting was held on June 23rd, 2006.

Name of Directors	No. of Board Meetings attended	Whether last AGM attended	Membership as on 31.3.07	
			in Other Boards (excluding the Company)	Board Committees (excluding the Company)
Mr. Satish Gogia	10	Yes	2	Nil
Mr. Ashwani Gogia	10	Yes	Nil	Nil
Mr. J.P. Sethi	9	Yes	Nil	Nil
Mr. Bhavuk K. Makkar	8	Yes	Nil	Nil
Mr. A.K. Kucchal	Nil	Yes	Nil	Nil

(c) Brief Resume of the Directors proposed for appointment/re-appointment

1. Mr. Bhavuk K. Makkar

Mr. Bhavuk K. Makkar is Graduate in Commerce. He had been functioning as Non-Executive Director of the Company since 31st March, 2004.

2. Mr. Satish Gogia

He has been on the Board of the Company since the incorporation of the Company. Mr. Satish Gogia is a qualified Chartered Accountant and has experience of more than 17 years in the field of Taxation, Finance, Secretarial, Legal and Administration etc. Considering his vast experience, the Board of Directors of the Company has reappointed him as Managing Director subject to the approval of the members for a period commencing from April 1st, 2007 and ending on 30th September, 2008 on the following terms and conditions as per provisions of Section 269, 309 read with Schedule XIII of the Companies Act, 1956.

3. Mrs. Jyoti Mehndiratta

She is CAIIB and MBA form IMI. She has got vast experience in Banking Sector. She has had several distinctive positions in ICICI Bank, HDFC Bank and Bank of Baroda.

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All the information required under Annexure-1 to Clause-49 of the Listing Agreements with Stock Exchanges are being placed before the Board at every meeting, with the current status duly updated.

3) AUDIT COMMITTEE

(a) Constitution

The Audit Committee consists of three members namely Mr. J.P. Sethi, Mr. Bhavuk K.Makkar and Mr. A.K. Kuchal. Mr. J.P. Sethi (Independent Director) is the Chairman of the Committee.

(b) Power, Role & Review of Information by Audit Committee

The role and terms of reference of the Audit Committee cover the areas mentioned under Clause 49 of the Listing Agreement and Section 292-A of the Companies Act, 1956, besides other terms as may be referred by the Board of Directors. These interalia include review of Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible, reviewing annual and quarterly financial statement with the management before submission to the Board, reviewing the adequacy of internal control system with the management, external and internal auditors and reviewing the Company's financial risk and management policies.

(c) Date & number of Committee meetings held

The Audit Committee met four times during the year on May 29, 2006, July 31, 2006, October 16, 2006 and January 31, 2007.

(d) Attendance of Directors

Name of the Committee Member	No. of meetings held	No. of meetings attended
Mr. J.P. Sethi Independent Non-Executive	4	4
Mr. Bhavuk K.Makkar Independent Non-Executive	4	4
Mr. A.K. Kuchal Independent Non-Executive	4	4

4) REMUNERATION COMMITTEE

(a) The Remuneration Committee was reconstituted on May 29, 2006. The Remuneration Committee consists of consists of three members namely Mr. J.P. Sethi, Mr. Bhavuk K.Makkar and Mr. A.K. Kuchal. Mr. J.P. Sethi (Independent Non-Executive Director) is the Chairman of the Committee.

The Committee, on behalf of the Board and the shareholders, determines, with agreed terms of reference, the Company's policy on specific remuneration packages for Executive Directors.

(b) One meeting, held during the year, was attended by all its members .

(c) The details of remuneration paid/payable to the Executive Directors for the year 2006-07 are:

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Name	Salary	Employer's Contribution to Provident Fund	Amount in Rs.
			Total
Mr. Satish Gogia	1250000	150000	1400000

5) SHAREHOLDERS GRIEVANCE COMMITTEE

- (a) The Shareholders Grievance Committee consists of Mr. Ashwani Gogia, Mr. Satish Gogia and Mr. Bhavuk Makkar.

Mr. Bhavuk Makkar, Independent Director, is the Chairman of the Committee. This Committee presently deals with and approves all share transfers, transmissions etc., and also all other matters relating to investor relations and grievances.

- (b) Mrs. Jyoti Joshi, Company Secretary, is the Secretary to this Committee and is also the Compliance Officer nominated for this purpose.

- (c) The Committee reviews the performance of the Company's Registrar & Transfer Agent (R&TA) and their system of dealing with and responding to correspondence from all categories of shareholders. All complaint letters received from Stock Exchanges/ SEBI/ Dept. of Company Affairs etc., and this Committee thereto reviews the responses.

- (d) All the complaints/grievances received from the shareholders were satisfactorily attended to. No valid transfer/transmission was pending on March 31, 2007.

6) GENERAL BODY MEETINGS

The details of the AGM held during the last three years are as under:

Date	Location	No of Special Resolutions
27 th September, 2004	D-24, Green Park Main, New Delhi-110016	Two
30 th July, 2005	D-24, Green Park Main, New Delhi-110016	One
23 rd June, 2006	D-24, Green Park Main, New Delhi-110016	Nil

The Chairman of the Audit Committee was present at all the above AGMs

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There was no requirement for a postal ballot in any year.

7) DISCLOSURES

There have been no materially significant related party transactions with the Company's Promoters, Directors, the Management, their Subsidiaries or relatives that may have potential conflict with the interests of the Company. The necessary disclosures regarding the transactions with Related Parties are given in the Notes to the Accounts.

There have been no instances of non-compliance by the Company on any matters related to the capital markets, nor have any penalty/strictures been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on such matters during the last three years.

The Company had no subsidiary as on March 31, 2007

8) MEANS OF COMMUNICATION

- a) Quarterly Results : Through publication
b) Newspapers wherein results normally published : Veer Arjun & Financial Express
c) Any Website, where displayed : Yes, on the web site of
Mumbai Stock Exchange i.e.
www.bseindia.com

During the year, no presentation was made to any institutional investors/analysts.

A Management Discussion and Analysis Report is a part of the Annual Report

9) GENERAL SHAREHOLDER'S INFORMATION

a) 13th Annual General Meeting

Date	Time	Venue
27 th day of August 2007	10.00 a.m.	D-24, Green Park Main, New Delhi-110016

b) Financial Calendar

- Annual General Meeting : 27th August, 2007
Unaudited results for the quarter ending June 30, 2007 : July 31, 2007.
Unaudited results for the quarter ending September 30, 2007 : Last week of October, 2007
Unaudited results for the quarter ending December, 2007 : Last week of January, 2008
Audited Results for the year ending 2008 : Before end of June 2008

- (c) Book closure date : 13th August, 2007 to 27th August, 2007
(both days inclusive)

- (d) Dividend Payment Date : No dividend has been declared during the
Financial year 31st March, 2007

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(d) Listing of Equity Shares : Mumbai Stock Exchange Ltd.

- The Listing fees have been paid up-to-date to all the Stock Exchanges.

(e) Stock Code : 531600(BSE)

(f) Demat ISIN Number in NSDL & CDSL : INE832C01014

(g) Market Price Data

Month	Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)
April 2006	20.00	20.00	20.00	20.00
May 2006	20.00	20.40	20.00	20.40
June 2006	19.40	19.40	17.55	17.55
July 2006	18.20	18.35	13.45	13.45
August 2006	12.12	13.25	11.00	12.00
September 2006	10.85	10.85	10.85	10.85
October 2006	13.00	21.60	13.00	21.35
November 2006	22.40	22.90	17.15	19.75
December 2006	18.80	20.50	17.90	19.05
January 2007	18.15	18.15	16.10	17.05
February 2007	17.90	33.25	17.90	33.25
March 2007	34.90	34.90	30.05	30.05

(h) Performance in comparison to broad based indices such as BSE Sensex, Crisil Index etc. The shares of the Company are not considered by Stock Exchanges in their Index fluctuations.

(i) Registrar & Share Transfer Agents:
 MAS Services Pvt. Ltd.
 AB-4, Safdarjung Enclave,
 New Delhi-110 029
 Tel : 26104142, 26104326
 Fax : 26181081
 E-mail : mas_serv@yahoo.com

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(j) Share Transfer System :

The system for transfer of shares in physical form is delegated to Share Transfer Committee, which meets once in a fortnight.

(k) Distribution of Shareholding as on 31.3.2007 :

Shareholding of the nominal value of	No. of Shareholders	% of the Shareholders	No. of Shares	% of total capital
Upto 5000	164	78.095	18368	0.584
5001 to 10000	23	10.952	20261	0.644
10001 to 20000	5	2.381	7154	0.227
20001 to 30000	3	1.429	7300	0.232
30001 to 40000	0	0	0	0
40001 to 50000	1	0.476	4500	0.143
50001 to 100000	1	0.476	10000	0.318
100001 and above	13	6.190	3078917	97.852
TOTAL:	210	100	3146500	100

(l) Shareholding Pattern as on 31.3.2007

<u>Shares held by</u>	<u>No. of shares held</u>	<u>% of shares</u>
Indian Promoters	2652717	84.31
Foreign Promoters(OCB)	-	-
Banks/Financial Institutions	-	-
Corporate Bodies	4332	0.14
Indian Public	489451	15.55
NRIs	-	-
	3146500	100.00

(m) Dematerialisation of Securities

Shares of the Company are under compulsory trading in demat form 2480864 equity shares representing 78% were held in demat form and balance 665636 equity shares representing 22% were in physical form as on March 31, 2006. The ISIN of the equity shares of the company is INE832C01014.

(n) Address for Correspondence

Registered Office: D-24, Green Park Main, New Delhi-110024

(o) Declaration

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As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the period ended March 31, 2007

Declaration by the Managing Director

I Satish Gogia, Managing Director of the Gogia International Securities Limited, pursuant to clause 49(1) (D) of the Listing Agreement, hereby confirm that:

- The Board of Directors of Gogia International Securities Limited has laid down a code of conduct for all board members and senior management personnel of the company.
- All the Board members and senior management have affirmed their compliances with the said code of conduct for the year ended 31st March 2007.

(Satish Gogia)
Managing Director

Place: New Delhi
Date: 22/05/2007

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CERTIFICATE

To
The Members of Gogia International Securities Ltd.

We have examined the Compliances of the conditions of Corporate Governance by Gogia International Securities Ltd for the year ended 31st March 2007 as stipulated in Clause 49 of the Listing Agreement with Stock Exchange.

The Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and as per our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governances stipulated in the above-mentioned Listing Agreement by the scheduled implementation date i.e. 31st March 2007.

We have explained that no investor grievances are pending for a period exceeding one month as on 31st March 2007, against the Company as per the records maintained by the Company.

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

For Sunil Kulshreshtha & Associates
Chartered Accountants

Place: New Delhi

Date: May 22,2007

SUNIL KUMAR
Prop

Gogia International Securities Limited
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AUDITORS' REPORT

To the Members of Gogia International Securities Limited

1 We have audited the attached Balance Sheet of Gogia International Securities Limited (the Company), as at 31st March 2007, the related Profit and Loss Account for the year ended on that date annexed thereto and the Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. These financial statements are the responsibility of the Management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.

2 We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the company (Auditor's report) Order, 2004("the order") issued by the Central Government of India in terms of sub-section (4A) of section 227 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.

4 Further to our comments in the Annexure referred to in paragraph 3 above, we report that:

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit
2. In our opinion, the Company has kept proper books of account as required by law so far as appears from our examination of those books.
3. The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account.
4. In our opinion, the financial statements dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act.
5. On the basis of written representations received from the Directors of the Company, as on 31st March 2007, and taken on record by the Board of Directors of the Company, none of the Directors of the Company is disqualified as on 31st March 2007 from being appointed as a Director in terms of clause (g) of subsection (1) of Section 274 of the Act;
6. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by The Companies Act, 1956 of India (the Act), and give, a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2007;
 - (b) In the case of the Profit and Loss Account, of the profit for the year ended on that date and
 - (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Sunil Kulshreshtha & Associates
Chartered Accountants

Place: New Delhi

Date: May 22, 2007

SUNIL KUMAR
Prop

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ANNEXURE TO THE AUDITORS REPORT
(Referred to in paragraph 3 of our report of even date)

- (I) (a) The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management at reasonable intervals. No material discrepancies between the book records and the physical inventory have been noticed.
- (c) None of the Company's fixed assets have been disposed of by the Company during the year.
- (II) (a) The securities held as stock in trade have been physically verified by the Management/confirmed with the statement of holdings provided by the National Securities Depository Limited (NSDL) at the financial year-end. In our opinion, the frequency of verification/ confirmation is reasonable.
- (b) In our opinion, the procedures of physical verification/confirmation of securities held as stock in trade followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records of the Company relating to securities held as stock in trade, in our opinion the Company has maintained proper records of stock in trade and no material discrepancies between the book records and the physical inventory have been noticed.
- (III) (a) As per the information furnished by the management, the company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained pursuant to provisions of section 301 of the Companies Act, 1956. In terms of subsection (6) of Section 370 of the Act, provisions of the section are not applicable to a company on or after 31st October 1998.
- (b) As per the information furnished by the management the company has not given any loans, secured or unsecured to companies, firms or other parties listed in the register maintained pursuant to provisions of section 301 of the companies Act, 1956. . In terms of subsection (6) of Section 370 of the Act, provisions of the section are not applicable to a company on or after 31st October 1998.
- (c) During the year the Company has not granted short-term loans and advances, recoverable in cash or in kind.
- (IV) 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 the nature of its business in respect of purchase and sale of securities held as stock-in-trade and purchase of fixed assets. Further on the basis of our examination of the books of account and according to the information and explanations given to us, we have not come across nor have we been informed of any instance of weaknesses in internal control procedures.

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- (V) (a) To, the best of our knowledge and belief and according to the information and explanation given to us, we are of the opinion that there are no contracts arrangements, the particulars of which need to be entered into the register maintained under Section 301 of the companies Act, 1956
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangement entered in the register in pursuance of Section 301 of the Act and exceeding the value of Rs. 500,000 in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time or are considered to be of special nature for which no comparison of prices could be made as explained by the Management of the Company.
- (VI) In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public during the year covered by our audit report.
- (VII) The Company has not accepted any deposits from the public under the provisions of Section 58A and 58AA of the Act and the rules framed there under.
- (VIII) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- (a) According to the books of account and records as produced and examined by us, in accordance with generally accepted auditing practices in India and also Management representations, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities in India.
- (b) According to the information and explanations given to us as at 31st March 2007 there are no dues which have not been deposited on account of any dispute in respect of sales tax, income tax, customs duty, wealth tax, excise duty and cess.
- (IX) The Company has neither accumulated losses as at 31st March 2007 nor has it incurred any cash loss either during the financial year ended on that date or in the immediately preceding financial year.
- (X) According to the books of account and records of the Company, there has been no default in repayment of dues to any financial institution or bank or debenture holders during the year.
- (XI) The Company is dealing in securities for which proper records have been maintained of the transactions and timely entries have been made therein. Securities held as stock in trade by the Company are held in the name of the Company or in the name of its nominees except to the extent of the exemption granted under Section 49 of the Act. (xii) In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purpose for which they were obtained.

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- (XII) According to the information and explanations given to us, no personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with the generally accepted business practices.
- (XIII) The Company is not a sick industrial company within the meaning of clause (o) of Sub-Section (1) of section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
- (XIV) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (XV) The Central Government has not prescribed the maintenance of costs records under section 209(1)(d) of the Companies Act, 1956 for any of the activities of the company.
- (XVI) According to the records of the company, Provident Fund have been regularly deposited during the year with the appropriate authorities and there are no arrears of Provident Fund as at 31st March, 2007
- (XVII) In respect of services rendered:
(a) The nature of services rendered by the company is such that it does not involve consumption of materials.
(b) Considering the nature of services rendered and the basis of billing it is not considered necessary to have a system of allocation of man-hours utilized to the relative jobs
- (XVIII) In our opinion, the company is not chit fund or nidhi /mutual benefit fund/society. Therefore the provision of clause 4(xiii) of the companies (Auditor Report) Order, 2004 are nor applicable to the company.
- (XIX) During the course of examination of the books of account and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have not come across any fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.
- (XX) The other clauses of the Companies (Auditor's Report) Order, 2004 are not applicable to the Company for the current year.
- (XXI) To the best of our knowledge and belief and according to the information and explanation given to us, no fraud on or by the Company was noticed or reported during the year.

For Sunil Kulshreshtha & Associates
Chartered Accountants

Place: New Delhi

Date: May 22,2007

SUNIL KUMAR
Prop

Gogia International Securities Limited
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Balance Sheet As On 31-03-2007

		(Amount in Rs)	
	Schedule	31 st March 2007	31 st March 2006
<u>SOURCES OF FUNDS</u>			
I) Shareholder's Funds			
Share Capital	1	31,465,000	41,086,538
Reserves and Surplus	2	51,193,433	20,075,234
Deferred tax Liability	3	1,552,353	1,767,353
II) Secured Loan	4	26,065,835	Nil
TOTAL		110,276,621	62,929,125
<u>APPLICATION OF FUNDS</u>			
I) Fixed Assets			
Gross Block	5	61,356,323	23,312,014
Less: Depreciation		16,844,907	13,611,162
Net Block (A)		44,511,416	9,700,852
II) Investments (B)	6	7,625,960	19,167,822
III) Current Assets, Loans and Advances			
Cash and Bank Balances	7	47,924,123	44,975,526
Sundry Debtors	8	31,284,285	31,340,288
Loans and Advances	9	24,047,263	21,883,317
Stock In Hand	10	1,403,896	6,170,080
TOTAL (C)		104,659,567	104,369,211
Less: Current Liabilities And Provisions (D)	11	48,010,046	71,798,485
Net Current Assets (C-D=E)		56,649,520	32,570,725
IV) Miscellaneous Expenditure (F) (To the extent not Written off or adjusted)	12	1,489,725	1,489,725
TOTAL (A+B+E+F)		110,276,621	62,929,125

Notes to the Financial Statements 18
This is the Balance Sheet referred to in our report of even date
For Sunil Kulshreshtha & Associates
Chartered Accountants

For and behalf of the Board

Sunil Kumar
(Prop.)

Satish Gogia
CMD

Ashwani Gogia
Whole time Director

Place: New Delhi
Date: 22/05/2007

Jyoti Joshi
Company Secretary

Gogia International Securities Limited
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Profit And Loss Account For The Year Ended 31-03-2007			
(Amounts in Rs)			
	Schedule	31 st March 2007	31 st March 2006
Income			
Income From Operations	13	57,027,195	53,919,004
Other Incomes	14	5,684,671	3,024,606
Total		62,711,866	56,943,609
Expenditure			
Personnel Expenditure	15	9,387,124	7,144,285
Financial Charges	16	4,648,540	1,610,034
Administrative & Other Expenses	17	20,294,751	37,047,140
Depreciation		3,233,745	2,803,654
Total		37,564,160	48,605,113
Profit Before Tax		25,147,706	8,338,496
Less: Taxation For The Year			
Current Income Tax		3,600,000	2,500,000
Fringe Benefit Tax		239,975	171,312
Deferred Tax		(215,000)	(219,000)
Excess Income Tax For Previous Year		26,070	2,434
Net Profit During The Year		21,496,661	5,883,750
Add: Profit Brought Forward		19,844,178	13,960,428
Profit Available For Appropriation		41,340,839	19,844,178
Appropriations			
Amount Transferred To General Reserve		NIL	NIL
Balance Carried To Balance Sheet		41,340,839	19,844,178
Total		41,340,839	19,844,178
Notes to the Financial Statements	18		

This is the Profit and Loss Account referred to in our report of even date

For Sunil Kulshreshtha & Associates

Chartered Accountants

Sunil Kumar
(Prop.)

Place: New Delhi
Date: 22/05/2007

For and behalf of the Board

Satish Gogia **Ashwani Gogia**
CMD Whole time Director

Jyoti Joshi
Company Secretary

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SCHEDULES FORMING PART OF BALANCE SHEET

	(Amount in Rs)	
	31 st March 2007	31 st March 2006
SCHEDULE 1: SHARE CAPITAL		
Authorized Capital		
56,00,000 Equity Shares of Rs. 10/- each	5,60,00,000	5,60,00,000
Issued, Subscribed and Paid Up Capital		
31,46,500 (50,70,800) Equity Shares of Rs. 10/- each fully paid up in		
Cash	31,465,000	50,708,000
Less: Calls in Arrears	Nil	(9,621,462)
Total	31,465,000	41,086,538
SCHEDULE 2: RESERVES AND SURPLUS		
General Reserve	9,852,594	231,056
Transfer From Profit And Loss Account	41,340,839	19,844,178
Total	51,193,433	20,075,234
SCHEDULE 3: DEFERRED TAX LIABILITY		
Prior Period Adjustment	1,767,353	1,986,353
Current Year	(215,000)	(219,000)
Total	1,552,353	1,767,353
SCHEDULE 4: SECURED LOAN		
IndusInd Bank (Loan against Shares)	5,704,535	Nil
ABN Amro Bank (Loan against Building)	19,773,927	Nil
Kotak Mahindra Bank (Loan against Motor Vehicle)	587,373	Nil
Total	26,065,835	Nil

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SCHEDULE 5: Fixed Assets

Particulars	Gross Block			Depreciation			Net Block			
	As on 01/04/06	Addition	Sales	Total	As on 01/04/06	During the Year	Reversed on sales	Total	As on 31/03/07	As on 31/03/06
Building	2,600,000	36,720,000		39,320,000	235,355	245,818		481,173	38,838,827	2,364,645
Computers	14,295,234	522,410		14,817,644	10,821,095	2,361,574		13,182,669	1,634,975	3,474,139
Furniture	1,024,381			1,024,381	585,034	64,843		649,877	374,504	439,347
Air Conditioner	404,946			404,946	124,478	25,633		150,111	254,835	280,468
Office Equipment	748,778	38,500		787,278	440,742	106,706		547,448	239,830	308,036
Motor vehicle	3,990,363	763,399		4,753,762	1,326,389	417,376		1,743,765	3,009,997	2,663,974
Water cooler	22,512			22,512	10,661	1,069		11,730	10,782	11,851
Generator	225,800			225,800	67,408	10,726		78,134	147,667	158,392
Total	23,312,014	38,044,309		61,356,323	13,611,162	3,233,745		16,844,907	44,511,416	9,700,852

Previous Year 21,716,844 1,965,634 370,464 23,312,014 10,807,508 2,812,718 9,064 13,611,162 9,700,852 10,909,335

SCHEDULE 6: INVESTMENTS

Investment in Unlisted Companies	7,625,960	15,251,920
Investment in Listed Companies	Nil	3,915,902
Total	7,625,960	19,167,822

SCHEDULE 7: CASH AND BANK BALANCES

Cash In Hand	1,898,878	1,581,767
Balance With Scheduled Banks on Current Accounts	3,485,836	(2,206,676)
Balance With Schedule Banks on Fixed Deposit Account	42,539,409	45,600,435
Total	47,924,123	44,975,526

SCHEDULE 8: SUNDRY DEBTORS

Debts considered good for which company hold no other security than debtors personal security

Debts Outstanding for a Period Exceeding

(a) Six months	Nil	Nil
(b) Others	31,284,285	31,340,288
Total	31,284,285	31,340,288

SCHEDULE 9: LOANS AND ADVANCES

(Unsecured But Considered Good)

Advances recoverable in Cash or in Kind or for Value to be Received	1,947,013	483,067
Security Deposits	14,300,250	14,300,250
NSE Membership Fees	5,000,000	5,000,000
Advance Income Tax	2,800,000	2,100,000
Total	24,047,263	21,883,317

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SCHEDULE 10: STOCK IN HAND

Stock In Hand (Valued at Cost as Certified by the Management)	1,403,896	6,170,080
Total	1,403,896	6,170,080

SCHEDULE 11: CURRENT LIABILITIES AND PROVISIONS

a) Current Liabilities

Sundry Creditors	39,963,660	61,547,856
Other Liabilities	1,044,764	2,594,445
Security (Clients and VSATs)	3,401,622	5,156,184
Total (a)	44,410,046	69,298,485

b) Provisions

For Income Tax	(b) 3,600,000	2,500,000
Total (a+b)	48,010,046	71,798,485

SCHEDULE 12: MISCELLANEOUS EXPENDITURE (ASSETS)

(To the Extent not written off or adjusted)

Preliminary Expenses	17,050	17,050
Public Issue Expenses	1,472,675	1,472,675
Total	1,489,725	1,489,725

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT

(Amount in Rs)

31st March 2007 31st March 2006

SCHEDULE 13: INCOME FROM OPERATIONS

Brokerage (Net)	40,892,315	42,638,722
Transaction Charges (Net)	447,075	4,833,151
Portfolio Management Fees	Nil	108,062
Depository Service	4,199,510	4,598,199
Profit/Loss On Derivative Trading	(1,603,673)	412,468
Profit/Loss On Sale Of Investment	13,889,709	1,297,946
Profit/Loss On Sale Of Stock	(797,741)	30,456
Total	57,027,195	53,919,004

SCHEDULE 14: OTHER INCOME

Interest	3,445,729	1,894,696
Miscellaneous Incomes	473,215	493,798
Delayed Payment Charges	1,765,727	636,112
Total	5,684,671	3,024,606

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SCHEDULE 15: PERSONNEL EXPENSES

Salary	8,487,903	6,363,080
Staff welfare	188,572	257,454
Contribution towards PF and ESI	710,649	523,751
Total	9,387,124	7,144,285

SCHEDULE 16: FINANCIAL CHARGES

Bank Charges	1,681,997	1,100,881
Bank Interest	2,645,065	509,153
Exchange Fluctuation	321,479	Nil
Total	4,648,540	1,610,034

SCHEDULE 17: ADMINISTRATIVE AND OTHER EXPENSES

Advertisement	434,579	453,187
Audit Fees	28,060	27,550
Bad Debts	Nil	4,436,821
Band Width Charges (Net)	90,964	265,892
Brokerage Paid	576,133	3,500,476
Business Promotion	281,920	332,225
Car Repair And Maintenance	Nil	249,894
Commission Paid	489,065	340,592
Computer Maintenance	233,137	112,099
Computer Software	96,098	1,915,725
Depository Expenses	868,902	1,192,552
Electricity And Water Charges	544,987	497,585
Loss On Account Of Trades Not Confirmed By Clients, Error Trades	Nil	3,913,749
Facility Management Charges	3,893,775	4,678,502
Fees, Subscription And Periodicals	118,528	112,537
Insurance Premium	227,319	65,396
Lease Line Expenses	1,262,478	1,304,735
Legal And Consultancy Charges	1,270,166	1,310,563
Loss On Sale Of Asset	Nil	220,464
Miscellaneous Expenses	1,255,289	1,075,028
Municipal Taxes	19,260	17,056
Transaction Tax	Nil	3,487,357
Office Repairs And Maintenance	924,588	356,907
Printing And Stationary	953,945	746,130
Rent	1,242,500	984,884
SEBI Registration Expenses	Nil	105,000
SEBI Turnover Tax	151,844	84,880
Short and Excess	Nil	47,649
Software Maintenance	584,035	252,808
Stamp Duty Paid	1,220,679	1,126,932
Telephone, Postage And Telegram	1,404,712	1,310,542
Traveling And Conveyance	745,013	805,463
VSAT Charges	1,376,775	1,715,960
Total	20,294,751	37,047,140

Gogia International Securities Limited
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SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNTS

SCHEDULE 18: NOTES TO THE FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

1. ACCOUNTING CONVENTIONS

The accounts and financial statement have been prepared on historical cost of accounting and on the basis of going concern concept. The cost is adjusted to reflect the changing value in purchasing power of money.

2. METHODS OF ACCOUNTING

The accounts are prepared in accordance with generally accepted accounting principles. The company follows accrual methods of accounting.

3. FIXED ASSETS

Fixed assets are valued at the cost of acquisitions including taxes, duties, and identifiable direct expenses are net of depreciation charges thereon.

4. DEPRECIATION

The company has charged depreciation on its fixed assets following the straight line methods on pro basis at the rate prescribed in schedule XIV of the Companies Act, 1956 as amended by notification number GSR/756 [E] dated 16/12/1994.

5. INVESTMENT AND STOCK IN TRADE

- i) The securities acquired with the intention of short term holding for the trading activities are considered as stock-in-trade and shown as current assets and other are considered as long term investment.
- ii) The securities held as stock-in-trade under current assets are quoted one and are valued at acquisition cost.
- iii) Investment other than stock-in-trade are valued at cost.

6. REVENUE RECOGNITION

- i) Brokerage on secondary market transactions is recognized as per Stock Exchange Guidelines.
- ii) Profit or loss on sale of investment and stock in trade are recognized on the contract dates.

7. GENERAL RESERVE

Share Forfeiture Reserve is transferred to General Reserve.

8. STOCK EXCHANGE MEMBERSHIP

The deposits made by the company with the National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE) towards acquiring the membership of the exchange is considered as Loans & Advances.

9. NOTES TO THE ACCOUNTS

i) SOFTWARE EXPENSES

The cost of software user licenses purchased is charged to revenue in the year the software is acquired.

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ii) **FOREIGN CURRENCY TRANSACTIONS**

Earnings in Foreign Currency were Nil and expenditure in foreign currency on traveling was Rs. 535,678.00 (Previous Year Rs. 5,29,536.00)

iii) **RETIREMENT BENEFITS**

No provision for gratuity has been made.

iv) Since the company is not a manufacturing company, information required under clause 4C of Part-II of schedule VI of the Companies Act, 1956 has not been furnished.

v) **CONTINGENT LIABILITES**

	As on 31.03.2007	As on 31.03.2006
Bank Guarantee	725 lacs	900 lacs
Underwriting commitment	Nil	Nil

vi) **AUDITOR'S REMUNERATION**

	As on 31.03.2007	As on 31.03.2006
Audit fees	Rs. 28,060	Rs. 27,550
Out of Pocket Expenses	Nil	Nil

vii) **QUANTITATIVE DETAILS**

Quantitative Details of securities held as stock in trade:

i) Details of Opening & Closing Stock

	Opening Stock		Closing Stock	
	Qty.	Value	Qty.	Value
	Nos.	Rs.	Nos.	Rs.
Equity Shares-Current Year	6488	6,170,080	15000	1,403,896
Equity Shares-Previous Year	15070	374,127	6488	6,170,080

Closing Stock Details:

Scrip Name	Quantity	Value
GDL	3000	428,926
IOB	3000	286,473
ESTL	4000	144,280
KOHINOOR	5000	544,217
Total	15000	1,403,896

Gogia International Securities Limited
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ii) Details of Purchases and Sales during the year

	Purchase		Sales	
	Qty.	Value	Qty.	Value
	Nos.	Rs.	Nos.	Rs.
Equity Shares-Current Year	207019	11,654,293	198507	11,654,293
Equity Shares-Previous Year	148937	43,139,707	157519	37,374,535

viii) **REMUNERATION TO MANAGING DIRECTOR**

	As on 31.03.2007	As on 31.03.2006
Salary	1,250,000	900,000
Contribution to P.F.	150,000	108,000

ix) **DEFERRED TAXATION**

Deferred tax resulting from timing differences between book profits and tax profits is accounted for under the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallize.

x) **RELATED PARTY TRANSACTIONS**

- a) Subsidiary Nil
- b) Associate/Joint Venture Nil
- c) Key Management Personnel Satish Gogia-M.D
- d) Companies Controlled by Directors/Relatives Nil

❖ There is no provision for doubtful debts or amounts written off/back during the year in respect of dues from or to related parties.

❖ The following transactions were carried out with the related parties in the ordinary course of business

- Remuneration to Key Management Personnel – Rs. 1,400,000/-.
- Rent was paid to Satish Gogia (HUF).
- Satish Gogia carried trading in Derivatives in his Account.

xi) **BUSINESS SEGMENT**

The Operation of the company relates to only Stock Broking Services and Depository Services.

xii) Earning Per Share computed in accordance with Accounting Standard 20 issued by the institute of Chartered Accountants of India.

Particulars	As on 31.03.2007	As on 31.03.2006
Profit after Taxation	21,685,591	61,00,316
Number of Equity Shares during the year	3,146,500	50,70,800
Nominal Value of Equity Share (Rs.)	10/-	10/-
Basic Earning Per Share (Rs.)	6.89	1.20
Diluted Earning Per Share (Rs.)	6.89	1.20

xiii) Debit and credit balances of the various parties are subject to confirmation.

Gogia International Securities Limited
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- xiv) The figures for the previous year have been rearranged/regrouped wherever necessary so as make them comparable with current year.

Signatures to Schedule 1 to 18 forming part of the financial statements and to above notes

For **Sunil Kulshreshtha & Associates**

Chartered Accountants

For and behalf of the Board

Sunil Kumar
(Prop.)

Satish Gogia
CMD

Ashwani Gogia
Whole Time Director

Place: New Delhi
Date: 22/05/2007

Jyoti Joshi
Company Secretary

Gogia International Securities Limited
13th Annual Report 2006-2007

Cash Flow Statement For The Year Ending 31st March, 2007

	(Year ended 31/03/2007)	(Year ended 31/03/2006)
	(Amount in Rs.)	(Amount in Rs.)
A. Cash Flow From Operating Activities		
Net Profit before Tax and Extra-Ordinary Items	25,121,636	8,336,062
Adjustment for depreciation	3,233,745	2,803,654
Miscellaneous Expenditure Written-off	Nil	Nil
Operating Profit Before Working Capital Changes	28,355,381	11,139,716
Adjustment for Trade and other receivables	-2,107,943	3,734,899
Inventories	4,766,185	-5,795,954
Trade and other payables	-23,788,439	36,712,828
Provision for taxation	-3,839,975	-2,671,312
Net Cash from Operating Activities (A)	3,385,209	43,120,177
B. Cash Flows From Investing Activities		
Purchase of Fixed Assets	-38,044,309	-1,595,170
Proceeds from sale of Fixed Assets	Nil	Nil
Increase in Investments	11,541,862	-13,745,612
Net Cash from Investing Activities (B)	-26,502,447	-15,340,782
C. Cash From Financing Activities		
Proceeds from issuance of Share Capital	Nil	3,876,000
Proceeds from Secured Loans	26,065,835	-9,834,868
Net Cash from Financing Activities (C)	26,065,835	-5,958,868
Net Increase in cash or Cash Equivalents (A+B+C)	2,948,597	21,820,527
Cash and Cash Equivalents at beginning	44,975,526	23,154,999
Cash and Cash Equivalents at the end of the period	47,924,123	44,975,526

Auditor Report - As per our separate report of even date attached

For Sunil Kulshreshtha & Associates
Chartered Accountants

For and behalf of the Board

Sunil Kumar

Satish Gogia
CMD

Ashwani Gogia
Whole time Director

(Prop.)

Jyoti Joshi
Company Secretary

Place: New Delhi

Date: 22/05/2007

Gogia International Securities Limited
13th Annual Report 2006-2007

AUDITOR'S CERTIFICATE

To

The Board of Directors
Gogia International Securities Limited
D-24, Green Park Main
New Delhi - 110016

We have verified the above Cash Flow Statement of **GOGIA INTERNATIONAL SECURITIES LIMITED** derived from audited financial statements of the Company for the period ending 31.03.2007 covered by our Report of 22nd May, 2007 and found the same to be drawn in accordance therewith and also with the requirements of Clause 32 of the listing agreements with Stock Exchange.

For Sunil Kulshreshtha & Associates
Chartered Accountants

SUNIL KUMAR
Prop.

Place: New Delhi
Date: 22.05.2007

Gogia International Securities Limited
13th Annual Report 2006-2007

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.

5 9 6 7 4

State Code

5 5

Balance Sheet Date

3 1 0 3 2 0 0 7

II. Capital raised during the year (Amount in Rs. Thousands)

Public Issue

N I L

Bonus Issue

N I L

Rights Issue

N I L

Private Placement

N I L

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities

7 4 0 7 6

Total Assets

1 5 6 7 8 7

Source of Funds

Paid-up Capital

3 1 4 6 5

Secured Loans

2 6 0 6 5

Reserve & Surplus

5 1 1 9 3

Un-secured Loans

N I L

Application of Funds

Net Fixed Assets

4 4 5 1 1

Net Current Assets

5 6 6 4 0

Accumulated Losses

N I L

Investments

1 9 1 6 7

Misc. Expenditure

1 4 9 0

N I L

IV. Performance of Company (Amount in Rs. Thousands)

Turnover

5 7 0 2 7

Profit Before Tax

2 5 1 4 8

(Please tick appropriate box+ for profit, - for loss)

Earning Per share in Rs.

6 . 8 9

Total Expenditure

3 7 5 6 4

Profit/Loss after Tax

2 1 6 8 6

Dividend rate %

N I L

V. Generic Names of Three Principal Products/Services of Company (as per Monetary terms)

Item Code No.

Gogia International Securities Limited
13th Annual Report 2006-2007

(ITC Code)
Products Description
(ITC Code)
Products Description

Brokerage on Stocks and Shares
Depository Services

Auditor Report - As per our separate report of even date attached

For **Sunil Kulshreshtha & Associates**
Chartered Accountants

For and behalf of the Board

Sunil Kumar
(Prop.)

Satish Gogia
CMD

Ashwani Gogia
Whole time Director

Place: New Delhi
Date: 22.05.2007

Jyoti Joshi
Company Secretary

GOGIA INTERNATIONAL SECURITIES LIMITED

D-24, Green Park Main, New Delhi - 110 016

ATTENDANCE SLIP

No. of Shares.....

Folio No.....

I hereby record my presence at the Annual General Meeting of the Company on Monday, the 27th August, 2007 at 10.00 AM at D-24, Green Park Main, New Delhi-110016.

NAME OF MEMBER / PROXY

SIGNATURE OF MEMBER / PROXY

Note:

A member / proxy attending the meeting must complete this Attendance Slip and hand over it at the Registration Counter.

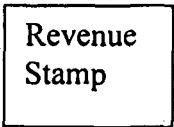
GOGIA INTERNATIONAL SECURITIES LIMITED

D-24, Green Park Main, New Delhi - 110 016

PROXY FORM

I / We.....S/o, W/o or D/o.....
Resident of.....
being a member(s) at the Gogia International Securities Limited hereby appointof
Resident of.....or failing him / her.....of
or failing him / her.....of
.....resident for me / us and on my / our proxy
and to vote for me / us on my / our behalf at the Annual General Meeting of the Company to be
held at Monday, the 27th August, 2007 at 10.00 AM and at any adjournment thereof. As witness
my / our hand(s) this... ..day.....2007.

Signature of the said.....



NOTES:

1. The form should be signed across the stamp as per specimen signature registered with the Company.
2. The Proxy Forms duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the aforesaid Annual General Meeting.



D-24, Green Park Main, New Delhi-110016 India
Ph.-91-11-26529441/2/3, Fax : 91-11-26532767

Email:info@gogiacap.com Website- www.gogiacap.com

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