



2007 - 2008

DSL

DAULAT SECURITIES LIMITED

For Daulat Securities Ltd.

J. K. Kachra
Director

DAULAT SECURITIES LIMITED

Directors

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

Auditors

M/s. Bahety & Goenka

Bankers

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

Registered Office

86 Canning Street
Kolkata - 700 001

Corporate Office

87A Sarat Bose Road
Kolkata - 700 026

NOTICE

NOTICE is hereby given that the Fifteenth Annual General Meeting of the members of **DAULAT SECURITIES LTD** will be held on **19th September, 2008** at the Corporate Office of the Company at **87A, Sarat Bose Road, Kolkata – 700 026** at 11.00 A.M. to transact the following business: -

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Balance Sheet and Profit and Loss Account for the year ended 31st March 2008 and Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sohan Lal Kochar who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr Ajit Kochar who retires by rotation and being eligible, offers himself for reappointment
4. To appoint Auditors to hold office, from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

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

By Order of the Board
JITENDRA KOCHAR

(Managing Director)

Notes: -

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

Registered Office
86, Canning Street
Kolkata – 700 001.

By Order of the Board

Dated: 30th June, 2008

JITENDRA KOCHAR
(Managing Director)

**DIRECTORS' REPORT
TO
THE MEMBERS**

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

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

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

OPERATION

STOCK EXCHANGE OPERATION

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

DEPOSITORY OPERATION

The depository operation of the company continues to run smoothly.

DIVIDEND

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

DIRECTORS

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

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

CORPORATE GOVERNANCE

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

AUDITORS' REPORT

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

AUDITORS

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

PARTICULARS OF EMPLOYEES

No employee was in receipt of remuneration aggregating to Rs. 24,00,000/- per annum or Rs. 2,00,000/- per month.

CONSERVATION OF ENERGY / TECHNOLOGY / ABSORPTION / RESEARCH AND DEVELOPMENT

Particulars as required under the Companies (Disclosures of particulars in the report of Board of Directors) Rules 1975 are not applicable to the company.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- i) In the preparation of the annual accounts for the financial year ended 31st March, 2008, the applicable accounting standards have been followed and that there is no material departures;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2008 and of the Profit of the Company for said period.
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, and
- iv) the Directors have prepared the annual accounts for the financial year ended 31st March 2008 on a going concern basis.

ACKNOWLEDGEMENT

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

Registered Office
86, Canning Street
Kolkata – 700 001.

For and on behalf of the Board

Dated: 30th June 2008
Place: Kolkata

SOHANLAL KOCHAR
Chairman

BAHETY & GOENKA
Chartered Accountants

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

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

To the Members of Daulat Securities Ltd.

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

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

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

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

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

For **BAHETY & GOENKA**
Chartered Accountants

RAJENDRA BAHETY
Partner

Date: 30th June 2008
Place -Kolkata

CORPORATE GOVERNANCE

PHILOSOPHY

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

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

BOARD OF DIRECTORS

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

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

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

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

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

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

Non executive Director compensation and disclosure

Non Executive Directors were not paid any compensation other than sitting fee

Code of Conduct and Ethics for Directors and Senior Executive

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

AUDIT COMMITTEE

Broad Terms of Reference.

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

Composition, Name of Members and Chairman

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

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

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

Remuneration Committee

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

Composition

The Remuneration committee comprises three independent non-executive Director.

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

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

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

Remuneration to Director

Executive Director

Jitendra Kochar

Managing Director

Remuneration paid – Rs 3,00,000/-

SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

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

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

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

CEO/CFO Certificate

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

F. GENERAL BODY MEETINGS

i) Details of Annual General Meetings (AGMs):

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

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

- iii) No special resolution was put through postal ballot during the year 2007-08 and presently there is no proposal for passing any resolution through Postal Ballot in the ensuing AGM.
- iv) Resume and other information of the Directors retiring by rotation & getting reappointed as required to be disclosed under Clause 49VI(A) of the Listing Agreement is as under: -
 - a) Shri Sohan Lal Kochar aged about 76 years, is a renowned tax consultants and promoter of the company having rich Experience in the field of Tax & Company Law Matters. He has been Director of the Company since incorporation and is also Director in Linc Pen & Plastics Ltd.
 - b) Shri Ajit Kochar aged about 41 years is a Chartered Accountant having rich Experience in the field of Finance & Stock Market. He has been Director of the Company since 1993 and is also Director in Daulat Technology Ltd. and Bhairudan Bansilal Pvt. Ltd.

Disclosures

(1) The Company does not have any related party transactions, which may have potential conflict with interests of the Company at large. The Company has complied with the requirements of regulatory authorities on capital markets

(2) The Board Of Directors of the Company has laid down a Code Of Conduct for all its Board Members and Senior Management of the Company. A declaration of compliance with the Code of Conduct, signed by the Managing Director forms part of the Annual Report

G. MEANS OF COMMUNICATION

Financial Results and Annual Reports etc.:

The Quarterly and Half-Yearly Unaudited Financial Results and the Annual Audited Financial Results as taken on record or approved by the Board of Directors of the Company are published during the year under review in Leading National newspapers, i.e. The Financial Express, The Asian Age and Kalantar and are also sent immediately to all the Stock Exchanges with which the shares of the Company is listed. The Company is not in practice of sending Half-Yearly Report to each household of Shareholders. Notice relating to AGM & Extraordinary Meeting etc. is sent to members at their registered address. The Company does not have any website.

General Shareholder Information

1. Financial reporting for the quarter ending

- | | |
|----------------------|---------------|
| • June 30, 2007 | July, 2007 |
| • September 30, 2007 | October, 2007 |
| • December 31, 2007 | January, 2008 |

2. Registered Office:

86, Canning Street
Kolkata – 700 001.

3. Listing of Equity Shares / GDSs on Stock Exchanges

The Stock Exchange Mumbai
Dalal Street, Mumbai -400023

The Calcutta Stock Exchange
7, Lyons Range, Kolkata – 700001.

The Gauhati Stock Exchange
Saraf Building Annexure
A.T.Road, Gauhati.

4. STOCK MARKET DATA

There was no trading of the shares at any of the stock exchange where the shares of the company are listed

The equity shares of the Company were listed on the Stock Exchange, Mumbai, The Calcutta stock Exchange Association & The Gauhati Stock Exchange Association Ltd Respectively. Listing Fee for the period 2002 to 2008 of The Stock Exchange Mumbai is not paid because of certain differences. The Company is taking the matter with BSE official to sort out the dispute/differences.

Registrar and Share Transfer Agents:

M/s. Maheshwari Datametics Pvt.Ltd.
6, Mangoe Lane, 2nd floor, Kolkata- 700 001.

Share Transfer System

Trading in equity shares of the Company is permitted only in dematerialized form. Share Transfer in physical form are registered and returned between 15 to 30 days from the date of receipt, if documents are in order in all respects. The Committee of Directors (Shareholders / Investors Grievances) usually approves Transfer of shares every 15 days.

Distribution of Shareholding as on 31st March, 2008

Shares held	No Of Equity Shareholders	% Of Shareholders	Total No Shares Held	% Of Shareholding
1-500	1742	79.40	370975	7.42
501-1000	189	8.62	148100	2.96
1001-2000	90	4.11	136750	2.73
2001-3000	66	3.00	167400	3.35
3001-4000	11	0.50	37775	0.76
4001-5000	23	1.04	111100	2.22
5001-10000	25	1.14	198800	3.98
10000 and above	48	2.19	3829100	76.58
Total	2194	100	5000000	100

Categories of Shareholding (as on 31st March, 2008)

Sr. No.	Category of Holders	No. of Shares	% of Equity
1.	Promoters' Holding	2589600	51.79
	Sub-Total	2589600	51.79
2.	Mutual Funds / UTI	--	--
3.	Banks / Financial Institutions / Insurance Companies (Central / State Govt. Institutions / Non Govt. Institutions)	--	--
4.	Flls / GDR	--	--
	Sub-Total	--	--
5.	Others	--	--
	Private Corporate Bodies	697500	13.95
	Indian Public	1712900	34.26
	NRIs / OCBs / Foreign Company	--	--
	Sub Total	2410400	48.21
		5000000	100

Dematerialization of Shares and liquidity:

Over 77.20% of Equity Shares have been dematerialized up to 31st March 2008.

Investor Correspondence

Mr. S.P.Lunia
C/o Daulat Securities Ltd.
87A Sarat Bose Road
Kolkata – 700 026
Phone: (033) 24740462

GENERAL SHAREHOLDER INFORMATION

Date and Time

19th September, 2008 at 11.00 A.M

Venue:

87A Sarat Bose Road
Kolkata – 700 026.

Book Closure Dates:

15th September 2008 to 19th September 2008

CODE OF CONDUCT CERTIFICATE

I, Jitendra Kochar, Managing Director of company, hereby declare that the Board of Directors laid down a code of conduct for its Board Members and Senior Management of the company and the Board Members and Senior Management have affirmed compliance with the said Code of Conduct

Place: Kolkata
Date: 30-06-2008

For Daulat Securities Ltd

Jitendra Kochar
Managing Director

BAHETY & GOENKA
Chartered Accountants

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

AUDITORS' REPORT
TO THE MEMBERS
OF
DAULAT SECURITIES LIMITED

We have audited the attached Balance Sheet of **DAULAT SECURITIES LIMITED** as at March 31,2008, and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit also includes examination on a test basis of 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 financial statements presentation. We believe that our audit provide a reasonable basis for our opinion.

As required by the companies (Auditors Report Order 2003) 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.

We further report that:

- 1) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of audit;
- 2) In our opinion, proper Books of Account as required by law have been kept by the Company so far as appears from our examination of those books;
- 3) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the Books of Account;
- 4) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the requirements of the Accounting Standards referred to in subsection (3C) of Section 211 of the Companies Act, 1956;

- 5) On the basis of the written representations received from the directors and taken on record by the Board of Directors, we report that none of the director is disqualified as on March,31,2008 from being appointed as director in terms of clause (g) of subsection (1) of Section 274 of the Companies Act, 1956;
- 6) *In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and also 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 March 31, 2008;
 - 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 the Cash Flow Statement, of the cash flows for the year ended on that date.
- 7) As required by the Companies (Auditor's Report) Order, 2003 and according to the information and explanations given to us during the course of the audit and on the basis of such checks as were considered appropriate, we report that;
 - I)
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
 - b) As explained to us, the assets have been physically verified by the management, which in our opinion is reasonable, considering the size and the nature of its business. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification.
 - c) During the year, the company has not disposed off any substantial / Major part of Fixed Assets.
 - II)
 - a) The inventories have been physically verified by the management during the year at reasonable intervals.
 - b) The procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - c) The Company has maintained proper records of inventories and discrepancies noticed on physical verification of inventories as compared to book records were not material.
 - III)
 - a) The Company had granted unsecured loans to Companies, firms or other parties, which are not covered in the register maintained under Section 301 of the Companies Act, 1956.
 - b) The rate of interest and other terms and conditions in respect of unsecured loans given by the Company, are in our opinion, prima facie not prejudicial to the interest of the company;

- c) In respect of such loans given by the Company, where stipulations have been made, the parties generally repaid the principal amounts as stipulated and have been regular in payment of interest, where applicable.
 - d) As informed the Company has not taken any loans, secured or unsecured from Companies, Firms or other parties covered in the register maintained under section 301 of The Companies Act 1956.
- IV) In our opinion and according to the information and explanation given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, fixed assets and for the sale of goods. Further we have neither come across nor have we been informed of any instance of major weakness in the aforesaid internal control system
- V) The transactions made in pursuance of contracts or arrangements, that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been recorded in the register;
 - a) There are transactions of purchase and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs.5,00,000/- or more in respect of each party. These transactions have been done at prevailing Market prices (refer notes).
- VI) The Company has not accepted any deposit from the public.
- VII) The Company has an adequate internal audit system commensurate with its size and nature of its business.
- VIII) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Investor Education and Protection Fund, Income Tax, Service Tax and other statutory dues with appropriate authorities. According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues, which have remained outstanding as at March 31, 2008 for a period more than six months.
- IX) The Company has no accumulated losses and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- X) The company has not defaulted in repayment of its dues to banks.
- XI) The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.

- XII) The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/Societies are not applicable to the Company.
- XIII) The Company has maintained proper records of transactions in respect of trading in shares, debentures and other securities and timely entries have been made therein. The investments are held by the Company in its own name.
- XIV) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- XV) The Company has not taken any term loan during the year.
- XVI) On the basis of our examination of the Cash Flow Statement, the funds raised on short term basis have not been used for long term investments, as they have been financed out of internal accruals. The Company has not raised long-term funds during the year and hence the use of such funds for short-term investments does not arise.
- XVII) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.
- XVIII) The Company has not raised any money by way of public issues during the year.
- XIX) On the basis of our examination and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.
- XX) Other provisions of the above order are not applicable to the Company

For BAHETY & GOENKA
Chartered Accountants

Place : Kolkata
Date: 30th June 2008

R.K.BAHETY
Partner
Membership No-53255

DAULAT SECURITIES LIMITED

BALANCE SHEET AS AT 31ST MARCH 2008

PARTICULARS	SCHEDULE	As at 31.03.2008		As at 31.03.2007	
		Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS					
1. SHARE HOLDERS FUND					
(a) Share Capital	A		50000000		50000000
(b) Reserves & Surplus	B		34610543		27314529
LOAN FUND					
SECURED LOAN	C		219670		483274
UNSECURED LOAN		1522630	1742300	1429732	1913006
Total			<u>86352843</u>		<u>79227535</u>
APPLICATION OF FUNDS					
1. FIXED ASSETS					
Gross Block	D		10671116		7418856
Less : Depreciation			<u>4967536</u>	<u>5703580</u>	<u>4523012</u>
Net Block					2895844
2. INVESTMENTS					
	E		21484551		14089553
3. CURRENT ASSETS, LOANS AND ADVANC					
Inventories	F		22141908		23839495
Sundry Debtors			3905813		1900917
Cash & Bank Balances			12979648		9681718
Other Current Assets			285434		42866
Loans & Advances			<u>32972900</u>		<u>35139003</u>
			<u>72285703</u>		<u>70603999</u>
Less : Current Liabilities & Provisions	G		<u>13120991</u>	<u>59164712</u>	<u>8361861</u>
NET CURRENT ASSETS					62242138
Total			<u>86352843</u>		<u>79227535</u>
ACCOUNTING POLICIES & NOTES ON ACCOUNTS					
	I				

SCHEDULE A TO I FORMING PART OF THE ACCOUNTS

S. L. Kochar

Chairman

Per our report attached.
For **BAHETY & GOENKA**
Chartered Accountants

Jitendra Kochar
Ajit Kochar

Managing Director
Director

Place : Kolkata
Dated :30th June, 2008

R. K. BAHETY
Partner

DAULAT SECURITIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2008

<u>Particulars</u>	<u>Schedule</u>	<u>As at 31.03.2008</u>	<u>As at 31.03.2007</u>
<u>INCOME</u>			
Income from Operations		5830594	4863706
Profit on sale of Investments (Net)		2503490	1575147
Dividend		738726	873915
Rent Received		21800	66000
Sundry Balances Written Off		-	180289
Interest		3469059	2356032
(Tax deducted at source Rs 671130/- Previous year Rs.672906/-)			
Total		12563668	9915089
<u>EXPENDITURE</u>			
Administrative and General expenses	H	4598449	3680099
Depreciation	D	444524	456224
Total		5042973	4136323
Profit before tax		7520695	5778766
Less: Current Tax Provision		250000	700000
Profit after tax		7270695	5078766
Less : Short provision for Income tax for earlier year			44618
Less : Deferred Tax Assets for earlier year written off			469952
Add : Excess provision for Income tax for earlier year		25319	
Add : Balance brought forward from Previous Year		23304529	18740333
Balance carried forward		30600543	23304529
EARNING PER SHARE(Face Value Rs 10 Each)		1.45	1.01

**ACCOUNTING POLICIES & NOTES
ON ACCOUNTS
SCHEDULE 'A' TO 'I' FORMING PART OF THE ACCOUNTS**

Per our report attached.
For **BAHETY & GOENKA**
Chartered Accountants

S. L. Kochar Chairman
Jitendra Kochar Managing Director
Ajit Kochar Director

Place : Kolkata
Dated : 30th June, 2008

R. K. BAHETY
Partner

DAULAT SECURITIES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31.03.2008	As at 31.03.2007
	Rs.	Rs.
SCHEDULE - "A"		
SHARE CAPITAL		
Authorised		
60,00,000 Equity Shares of Rs.10/-each	60000000	60000000
	<u>60000000</u>	<u>60000000</u>
Issued, Subscribed and Paid-up		
50,00,000 Equity Shares of Rs.10/-each fully paid-up in cash	50000000	50000000
	<u>50000000</u>	<u>50000000</u>
SCHEDULE - "B"		
RESERVES AND SURPLUS		
General Reserve	4010000	4010000
Profit & Loss Account	30600543	23304529
	<u>34610543</u>	<u>27314529</u>
SCHEDULE - "C"		
LOAN FUND		
SECURED LOAN	219670	483274
UNSECURED LOAN	1522630	1429732
	<u>1742300</u>	<u>1913006</u>
SCHEDULE - "G"		
CURRENT LIABILITIES & PROVISIONS		
Current Liabilities		
Sundry Creditors	8569531	2866321
Other Liabilities	2160303	2637930
Book Over Draft from Bank (due to reconciliation)	2141157	2157610
Provision		
Provision for Taxation	250000	700000
	<u>13120991</u>	<u>8361861</u>

DAULAT SECURITIES LIMITED

SCHEDULE - " D "

FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK			
	Balance as on 01.04.07	Additions during the year	Deduction during the year	Balance as on 31.03.08	Balance as on 01.04.07	For the year	Deduction during the year	Balance as on 31.03.08	Balance as on 31.03.08	Balance as on 31.03.07
Leasehold Properties	358540			358540	163708	9740		173448	185092	194832
Office Premises	2279462			2279462	624792	82732		707524	1571938	1654670
Fax Machines	69000			69000	53929	2100		56029	12971	15071
Office Equipments	51900			51900	38364	1880		40244	11656	13536
Air Conditioners	374136			374136	238903	18812		257715	116421	135233
Cellular Phones & Pagers	87490			87490	72446	2092		74538	12952	15044
Generator	45260			45260	36549	1212		37761	7499	8711
Furniture & Fittings	372674			372674	277354	17252		294606	78068	95320
Motor Cars	1210070			1210070	635276	148816		784092	425978	574794
Computer & Peripherals	2421924			2421924	2276052	58468		2334520	87404	145872
Electricity Fittings	148400			148400	105639	7740		113379	35021	42761
Land At Karimpur		441780		441780					441780	
Building At Bondel Road		2810480		2810480		93680		93680	2716800	
TOTAL	7418856	3252260		10671116	4523012	444524		4967536	5703580	2895844
PREVIOUS YEAR	7418856			7418856	4066788	456224		4523012	2895844	3352068

LAND AT BONDEL ROAD 25/07/2007 2810480

LAND AT KARIMPUR 01/12/2007 441780

3252260

DAULAT SECURITIES LIMITED

SCHEDULE - "E"

INVESTMENTS (At cost)	Face Value	As on 31.03.2008		As on 31.03.2007	
		Holdings	Book Value	Holdings	Book Value
	Rs.	Nos.	Rs.	Nos.	Rs.

TRADE

A. QUOTED EQUITY SHARES FULLY PAID-UP

Assam Carbon Product Ltd.	10	200	7500	200	7500
Cairn India Ltd	10	1000	149800	0	0
Charminar Beverages Ltd.	10	1000	4000	1000	4000
Colgate Palmolive Ltd.	1	3875	904655	5075	1157638
Dalmia Cement Bharat Ltd.	10	810	19249	0	0
DSQ Bio-Tech	10	2000	84200	2000	84200
Herdilla Unimers Ltd.	10	150	4500	1500	4500
IG Petrochemicals Ltd.	10	237657	4799733	237657	4799733
Induj Enertech	10	250	1050	3350	14070
Ingersol Rand India Ltd.	10	200	52300	200	52300
ITC Ltd.	1	1300	193060	0	0
Jindal Vijayanagar Steels	10	60	23625	1500	23625
Kerala Ayurvedic Ltd.	10	700	1925	700	1925
Lifeline Medicare Ltd.	10	300	1200	300	1200
Midland Plastics Ltd.	10	3400	20570	3400	20570
Narmada Cement Ltd.	10	100	950	100	950
NTPC Ltd	10	0	0	2000	170700
Pentamedia Graphics Ltd.	10	10000	1745020	10000	1745020
Pochiraju India Ltd	10	0	0	5000	230000
PPIL Ltd.	10	200	700	200	700
Reliance Capital Ltd.	10	0	0	155	36363
Reliance Comm Venture Ltd.	10	300	104760	800	279360
Reliance Energy Ltd.	10	100	88017	232	204197
Reliance Industries Ltd.	10	2100	3037670	0	0
Reliance Natural Resourced Ltd.	10	0	0	3100	19530
Reliance Petroleum Ltd	10	1300	95420	0	0
Restile Ceramic Ltd.	10	1660	8300	1660	8300
Tata Chemicals Ltd.	10	5828	921651	8750	1389171
Tayo Rolls Ltd.	10	1000	140000	0	0
Uni Legwears Ltd.	10	5000	20000	5000	20000
UTI ARS Bond	100	0	0	1440	144000
Shaw Wallace India Ltd	10	800	186984	2000	450909
State Bank Of India	10	500	504490	0	0

Sub Total	(A)		13121329		10870461
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Investment In Mutual Fund(un quoted)	(B)		8363222		3219092
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TOTAL	A+B		21484551		14089553
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Aggregate Market Value of Quoted Investments (in Rupees)			21770594		17552092
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DAULAT SECURITIES LIMITED**SCHEDULE - "F"**

	As at 31.03.2008	As at 31.03.2007
	Rs.	Rs.
CURRENT ASSETS, LOANS & ADVANCES		
Inventories	22141908	23839495
Sundry Debtors (Unsecured, considered good)		
Debts outstanding for a period exceeding six months	446094	254387
Other Debts	<u>3459719</u>	<u>1646530</u>
Cash & Bank Balances		
Cash in hand	317685	409159
Balance with Scheduled Banks		
In Current Accounts	2030963	141559
In Fixed Deposit Accounts	<u>10631000</u>	<u>9131000</u>
Other Current Assets	285434	42866
Loans & Advances (Unsecured, considered good)		
Loans	17418648	21242229
Advances (receivable in cash or in kind or for value to be received)	2555695	1214623
Income Tax Deducted At Source	671557	531151
Membership & Stock Exchange Deposits	11302000	10976000
Other Deposits	<u>1025000</u>	<u>1175000</u>
	<u>72285703</u>	<u>70603999</u>

SCHEDULE - "H"**ADMINISTRATIVE AND GENERAL EXPENSES**

Advertisement Expenses	61665	77051
Auditors Remuneration	11000	11000
Internal-Audit Fees	24000	24000
Bank Charges	110504	95592
Car Expenses	164635	146793
Computer Expenses	136966	160388
Director fee	7000	7000
Electricity Charges	143208	110528
Insurance	91640	87602
Membership & Subscription	126500	110000
Miscellaneous Expenses	218861	229772
Office Maintenance	18980	38858
Postage & Courier	119952	122043
Printing & Stationery	154704	116213
Registrar & Share transfer agents Fees	14606	31550
Rates & Taxes	131430	112495
Repair & Maintenance	44221	33484
Retainership Fee	48000	48000
Salary	2138350	1765350
Software Charges	50000	-
Sundry Balances Written Off	296000	-
Staff Welfare	83488	76725
Telephone & Fax	233061	186308
Travelling & Conveyance	<u>169679</u>	<u>89346</u>
	<u>4598449</u>	<u>3680099</u>

SCHEDULE – “ I ”

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2008 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

SIGNIFICANT ACCOUNTING POLICIES

(1)

- a) **System of Accounting:**
All income and expenses are accounted for on accrual basis.
- b) **Fixed Assets:**
Fixed Assets are stated at cost of acquisition inclusive of expenses incidental to their acquisition as reduced by accumulated depreciation thereon.
- c) **Depreciation:**
Depreciation on Fixed Assets has been provided on the written down value method at the rates specified in Schedule XIV of the Companies Act, 1956.
- d) **Investments:**
Investments are valued at cost. Expenses relating to transfer are charged to revenue. Provision for diminution in value is not considered unless such diminution is permanent in nature. Gains / Losses on disposal of the investments are recognized as Income / Expenditure.
- e) Inventories are valued at cost or market value whichever is lower.
- f) **Accounting for Taxes on Income:**
Deferred tax is recognised on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised only if there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized. Such assets are reviewed as at each Balance Sheet date to reassess reliability thereof.

INFORMATION PURSUANT TO THE PROVISIONS OF PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956

2. Leasehold premises is yet to be registered in the name of the Company.
3. Membership Deposit includes Rs. 2000/- towards equity shares of Ludhiana Stock Exchange Association Limited for attaining corporate membership of the Exchange.

- 4 The Income tax including fringe benefit tax for current year comes to Rs 18,40,000/- and after adjusting securities transaction tax paid under section 88E of the Income Tax Act, there remains a net provision for taxation of Rs 2,50,000/- and the same is provided in accounts
5. Quantitative details in respect of shares, debentures and other securities dealt in during the year ended 31st March 2008.

Particulars	Quantity (Nos.)	Amount(Rs.)
Opening Stock	1338096	23839495
	(1314413)	(16298818)
Purchase	11609313	1246030367
	(14689092)	(1081735284)
Sales	11749827	1251806004
	(14665409)	(1079287652)
Closing Stock	1197582	22141908
	(1338096)	(23839495)
(Figures in Brackets indicate those of the Previous year)		

6. Previous year's figures have been rearranged / regrouped where ever found necessary.

7. Related party transaction

<u>Name</u>	<u>Purchase of Securities</u>	<u>Sale of Securities</u>
B DAULAT LTD.	2355118	1904955
NARENDRA KOCHAR	196323	747068
SOHAN LAL KOCHAR	1680269	508113
JITENDRA KOCHAR	45433	6233916
AJIT KOCHAR	---	8905907
NALINI KOCHAR	1137108	1264402

8. The Company has not received any information from any of the suppliers of there being Small Scale Industries Unit. Hence, the amount due to Small Scale Industries units outstanding as on 31st March 2008 are not ascertainable.

Signature to Schedule A to I

Per our report attached.	S.L.Kochar	Chairman
For BAHETY & GOENKA	Jitendra Kochar	Managing Director
Chartered Accountants	Ajit Kochar	Wholetime Director

Place: Kolkata
Dated: 30th June, 2008

R. K. BAHETY
Membership No-53255
Partner

DAULAT SECURITIES LIMITED

INFORMATION PURSUANT TO PART 1 OF SCHEDULE VI OF THE COMPANIES ACT, 1956 STATEMENT OF NATURE AND EXTENT OF INVESTMENT IN INVENTORIES

Name of Company	Nature of Investment	Face Value (Rs.)	As at 31st Mar'08	As at 31st Mar'07	Name of Company	Nature of Investment	Face Value (Rs.)	As at 31st Mar'08	As at 31st Mar'07
3I INFOTEC LTD	EQ	10	500	400	FACT LTD.	EQ	10	2400	15806
A S ROTOTECH LTD	EQ	10	50	50	FEDDER LLYOD LTD	EQ	10	50	600
ADITYA BIRLA NOVO LTD	EQ	10	1000		FERRO ALLOY CORP LTD	EQ	10	1450	5000
ADLABS FILMS LTD	EQ	5	200		FINOLEX IND LTD	EQ	10	1000	
AIR DECCAN LTD	EQ	10	1200		GALLANT METAL	EQ	10		5000
ALLAHABAD BANK	EQ	10	500	1300	GANGADHARAM APPLIANCES	EQ	10	500	500
ALOK INDUSTRIES LTD	EQ	10	1000		GARDEN SILK	EQ	10	200	600
ALPINE INDUSTRIES LTD	EQ	10	1279	1279	GINNI FILAMENTS LTD	EQ	10	3400	
ALSTHOM LTD	EQ	10		200	GITANJALI GEMS LTD	EQ	10	100	467
AMI COMPUTERS (I) LTD	EQ	10	100	100	GLOBAL CAPITAL MKT LTD	EQ	10	2	2
ANDHRA SUGAR	EQ	10		1000	GODREJ COMMODITIES	EQ	10	500	500
ANDREW YULE LTD	EQ	10	1100	2000	GOUTAM RESOURCES LTD	EQ	10	1	1
APOLLO TUBES LTD	EQ	10	2500	2500	GR MAGNETS LTD	EQ	10	23001	23001
ARIHANT IND LTD	EQ	4	50	50	GRAPCO GRANITE LTD	EQ	10	3200	3200
ARS BOND UTI 6.607%	BOND	100		2199	GRAPCO MINING LTD	EQ	10	3000	3000
ARVIND MILL	EQ	10	2100	400	GTC INDUSTRIES LTD	EQ	10	150	400
ARVIND REMEDIES LTD	EQ	1	20500	500	GTL INFRAS	EQ	10	10400	9800
ASHOK LEYLAND LTD	EQ	1	200	400	GTN IND LTD	EQ	10	3550	
ASSAM COMPANY LTD	EQ	1	5000	5000	GTN TEXTILR	EQ	10	400	2241
ATN INT	EQ	4	250	250	GUJ STATE PETRONET	EQ	10	400	864
AXIX IT LTD	EQ	5	2000		GUJARAT ALKALI LTD	EQ	10		200
BAJAJ HOLDING & INV LTD	EQ	10	200		GUJARAT HEAVY CHEMICAL	EQ	10		2
BALARAMPUR CHINI	EQ	1	2100	6200	GUJARAT SIDHI LTD	EQ	10	4231	36499
BALLURGHAT TECH. LTD	EQ	10	17402	17402	GUJARAT TELEPHONE	DEB	10		117
BANG OVERSEAS LTD	EQ	10	525		GUJRAT OPTICAL LTD	EQ	10	100	100
BENCHMARK GOLD	UNIT	10	302	520	GUJRAT TELEPHONE CABLE LTD	EQ	10	814	814
BHARAT COMMERCE	EQ	10	289	289	GULF OIL LTD	EQ	2	1000	
BHOPAL SUGAR LTD	EQ	10	100	100	GVK POWER	EQ	1	1000	100
BHOR INDUSTRIES LTD	EQ	10	100	100	HANUNG TUYS	EQ	10		700
BIRLA ERICSSON	EQ	10	700	1000	HAVELS INDIA	EQ	5	350	700
BLUE CHIP INDIA LTD	EQ	2	3991	3991	HIMACHAL FUTURISTIC COMM.LTI	EQ	10	18867	25000
BNK CAPITAL MARKETS LTD	EQ	10	400	800	HIMADRI CHEMICALS	EQ	10	330	
BOC INDIA	EQ	10	300	900	HIND SYNTEX LTD	EQ	10	5801	5801
BOI BONANZA80CCBG	EQ	10		600	HIND UNILEVER LTD	EQ	1	600	
BONGAIGOAN REFINERY LTD	EQ	10	100	1000	HINDALCO	EQ	1	2715	3015
BPL LTD	EQ	10	400	1300	HINDALCO PARTLY PAID UP	EQ	0.25		171
BRABOURNE ENTERPRISES LTC	EQ	10	1588		HINDUSTAN LEVERS LTD	EQ	1		600
BRITANIA INDUSTRIES LTD	EQ	10	25	25	HINDUSTAN MOTORS LTD	EQ	10	2700	4600
BTW INDUSTRIES LTD	EQ	10	200	200	HINDUSTAN ORGANIC	EQ	10		300
CAIRN INDIA	EQ	10		2100	HINDUSTAN PETROLEUM	EQ	10	200	200
CENTURIAN BANK OF PUNJAB L	EQ	1	400	1000	HINDUSTHAN ENGG.LTD	EQ	10	4772	4772
CENTURY EXTRUSION LTD	EQ	1	4200	5740	HT MEDIA LTD	EQ	2	400	680
CESC LTD	EQ	10	100		I G PETROCHEMICALS LTD	EQ	10	12623	22500
CHAMBAL FERTILISERS LTD	EQ	10	200	1151	IBDI BANK LTD	EQ	10	100	100
CHESLIND INDUSTRIES	EQ	10	100	100	ICICI BANK LTD	EQ	10		700
CHICAGO PNEMATIC LTD	EQ	10		21	IBDI LTD	EQ	10	100	
CIMCO BIRLA LTD	EQ	10	1600	2000	IDFC LTD	EQ	10	100	267
CINEMAX	EQ	10		45	IFB INDUSTRIES LTD	EQ	10	400	229
CMC	EQ	10		200	IFB AGRO INDUSTRIES LTD	EQ	10	300	500
CONSOLIDATED FIBRES & CHEM	EQ	10	1000	1000	IFCI LTD	EQ	10	32850	56250
CORE BIOTECH LTD	EQ	10	300	300	INDIA FOILS LTD	EQ	10	100	
CORPORATION BANK	EQ	10	200	500	INDIAN HOTELS LTD	EQ	1	300	500
COSMO FILMS	EQ	10		287	INDIAN OVERSEAS BANK LTD	DEB	10	300	600
CRESENT FINSTOCK LTD	EQ	10	68	68	INDIAN PETROCHEMICAL	EQ	10		23
DATAMATICS LTD	EQ	5		200	INDIAN SEAMLESS METAL TUBE	EQ	10	125	125
DATAR SWITHGEAR LTD	EQ	10	1500	1500	INDIAN TELEPHONE INDS LTD	EQ	10		1000
DEEPAK FERTILISER LTD	EQ	10	2000		INDO BIOTECH	EQ	10	400	400
DENA BANK	EQ	10	2100	5400	INDO BRATIAN AGRO FARMS LTD	EQ	10	1	1
DEWAN TYRES LTD	EQ	10	70	70	INDOWIND ENERGY LTD	EQ	10	1000	
DSQ SOFTWARE	EQ	10	2000	2000	INDUJ ENTER TECH	EQ	10		200
DUNCAN INDUSTRIES LTD	EQ	10	2000	2800	INDUJ INFOTECH LTD	EQ	10	1500	1612
DUNLOP INDIA LTD	EQ	10	300	300	INDUSIND BANK LTD	EQ	10		300
EAST INDIA HOTELS LTD	EQ	2	150	250	INFOMEDIA INDIA	EQ	10	400	767
EDELWESS CAPITAL LTD	EQ	5	20		INFORMATION TECH (I) LTD	EQ	10	5000	5000
ELB SCHILRR	EQ	10	100	100	INFOSYS TECHNOLOGY	EQ	5	90	40
ELECTROSTEEL CASTINGS LTD	EQ	1	300		INGERSOLL RAND (I) LTD	EQ	10	400	500
EMPEE DISTILRY LTD	EQ	10	500		INTER GLOBE FINANCE LTD	EQ	10	300	300
ENIL LTD	EQ	10	174		IOL BROAD BAND	EQ	10		149
ENTEGRA LTD	EQ	10	97		IPITATA SPONGE IRON.	EQ	10	250	999
ENTERTAINMENT NET WORK	EQ	10		396	ISHWAR MEDICAL SERVICES LTD	EQ	1	24000	24000
ESSAR STEELS LTD	EQ	10	3413		ISMT LTD	EQ	5	400	718
EUROTEC IND LTD	EQ	10	2525		ISPAT INDUSTRIES	EQ	10	1000	6503
EVERON SYSTEM LTD	EQ	10	65		ITC LTD	EQ	1		2300

IVRCL LTD	EQ	2	100	350	NIIT TECH	EQ	10	1107	
J F LABORATORIES LTD	EQ	10	9	9	NISSAN COPER	EQ	10	263	363
J K CEMENT	EQ	10		262	NOIDA TOOLS	EQ	10	13000	
J K LAKSHMI CEMENT	EQ	10	1100	135	NTPC	EQ	10	860	
J K SYNTHETICS LTD	EQ	10	1	1	ODESSY VIDEO LTD	EQ	10	400	400
JAGARAN PRAKASHAN LTD	EQ	2	250	120	OIL COUNTRY TUBULAR LTS	EQ	10	300	4850
JAI BALAJI INDUSTRIES LTD	EQ	10	33		OMNITECH INFOSOLOUTION	EQ	10	1000	
JAI CORP LTD	EQ	1	20		ONGC	EQ	10	140	20
JAIN STUDIO LTD	EQ	10	200	400	ORCHID CHEMICALS LTD	EQ	10	750	
JCT LTD	EQ	10	26000	27000	ORIENT TRIMEX	EQ	10		3000
JET AIRWAYS LTD	EQ	10	15	135	ORIENTAL BANK OF COMMERCE	EQ	10	100	200
JINDAL SOUTHWEST HOLD LTD	EQ	10	20		ORKAY INDUSTRIES LTD	EQ	10	790	790
JIYAJEERAO COTTON MILLS LTD	EQ	10	2600	2600	OSWAL CHEMICALS LTD	EQ	10	1400	4000
JP ASSOCIATES LTD	EQ	2	500	300	P AND G	EQ	10	121	121
JP HYDRO	EQ	10	4300	10400	PADMINI POLYMERS LTD	EQ	10	1	1
K S OIL LTD	EQ	1	150		PANCHMAHAL CEMENTS LTD	EQ	10	9100	9100
KAASHYAP RADIANT LTD	EQ	10	840	840	PASUPATI ACYLON LTD	EQ	10	7650	7650
KAKATIYA CEMENTS LTD	EQ	10	8241	4328	PASUPATI SHEYONG LTD	EQ	10	100	100
KCP SUGAR	EQ	1	4200	17280	PATHEJA FORGING LTD	EQ	10	100	100
KEC INFRASTRUCTURE LTD	EQ	10	1600	1336	PATSPIN LTD	EQ	10	18242	7723
KEC INTL LTD	EQ	10	176		PENTA SOFTWARE LTD	EQ	10	1735	1735
KEDIA DISTILLER LTD	EQ	10	100	100	PETRONET LNG	EQ	10	300	800
KITPLY INDUSTRIES	EQ	10	12662	12662	PFIZER	EQ	10	575	
KNR CONSTRUCTIONS LTD	EQ	10	500		PIRAMID RETAIL	EQ	10	100	150
KOTHARI ORIENT FINANCE LTD	EQ	10	600	600	PNB GILTS	EQ	10		1400
KOTHARI PLANTATION LTD	EQ	10	100	100	POCHIRAJU IND	EQ	10	1100	
KOTHARI SUGAR	EQ	10	1000	1000	POLARISH SOFT	EQ	5	1600	
KRISHNA LIFE LTD	EQ	1	13000	13000	POWER FINANCE CORP.	EQ	10	400	952
KSB PUMPS LTD	EQ	10	100	100	PRAJ IND	EQ	2	500	300
LAKSHMI PRECISION	EQ	10	500	500	PRAKASH IND	EQ	10	1000	
LAXMI VILAS BANK LTD	EQ	10	300		PRISM CEMENTS LTD	EQ	10		6478
LIMTEX INVESTMENT	EQ	10	1	1	PRUDENTIAL MOULI SUGAR LTD	EQ	10	700	700
LINK PEN	EQ	10	500	500	PUNJAB CHEMICAL	EQ	10		55
LLOYDS STEEL IND. LTD	EQ	10	1000	1000	PUNJAB NATIONAL BANK	EQ	10	100	271
LML LTD	EQ	10	12000		RADIANT FINANCE	EQ	10	1	1
MADHUSUDAN INDUSTRIES LTD	EQ	10	100	100	RAGHAV IND	EQ	10	1	1
MADRAS MOTOR FINANCE CO L	EQ	10	650	650	RAJENDRA STEEL LTD	EQ	10	100	100
MAGNUM VENTURES LTD	EQ	10	100		RAMA NEWSPRINT	EQ	10	5500	10990
MAHABIR SPINNING	EQ	10	24	24	RANA SUGAR	EQ	10	11400	18400
MAHANAGAR TELEPHONE	EQ	10	1200	500	RANBAXY LTD	EQ	5	500	700
MAHARAJA SHREE UMED MILL	EQ	10	400	400	RASHEL AGRO	EQ	10	2500	2500
MALANPUR LTD	EQ	10	203548	253781	RASTIYA CHEMICAL FERT	EQ	10	584	2000
MALWA COTTON	EQ	10	1070		RAVI LEELA GRANITE LTD	EQ	10	200	200
MANAKSIA LTD	EQ	2	1060		RAYMOND WOOLEN	EQ	10		1
MANALI PETRO	EQ	5	931	5153	RELIANCE CAPITAL LTD	EQ	10	25	200
MANGALAM CEMENT	EQ	10	27	200	RELIANCE ENERGY LTD	EQ	10		100
MANGLORE REFINARY	EQ	10	400		RELIANCE NATURAL RESOURCES	EQ	5		500
MARDIA CHEMICALS LTD	EQ	10	53	53	RELIANCE PETROLIUM LTD	EQ	10		2215
MARSONS LTD	EQ	10	5000	7500	RELIANCE POWER LTD	EQ	10	133	
MATRIX LAB	EQ	2	100	100	RELINACE IND INFRA LTD	EQ	10		10
MAWANA SUGAR	EQ	10	666		RELINACE INDUSTRIES LTD	EQ	10	558	1715
MCDOWELL HOLDINGS	EQ	10	10		RINKI PETRO CHEMICALS LTD	EQ	10	2000	2000
MCLEOD RUSSEL	EQ	5	500	4150	ROLTA INDIA LTD	EQ	10	35	
MELSTAR INF.TECH	EQ	10	500	1200	ROYEL ORCHID	EQ	10	1	1
MERCANTILE CREDIT CORP.LTD	EQ	1	1800	1800	RPG LIFE SCIENCE	EQ	10	1588	138
MERK LTD	EQ	10	244	244	RPG CABLE	EQ	10	400	
MESCO PHARMA LTD	EQ	10	200	200	RPG TELECOM LTD	EQ	10		400
MICO	EQ	10	10	10	RPG TRANSMISSION	EQ	10		400
MIDLAND PLASTIC LTD	EQ	10	87400	87400	S & S POWER SWITCHGEAR LTD	EQ	10	53	53
MIRZA TANNERS LTD	EQ	2	675		SAH PETRO	EQ	5		180
MODI ALKALI LTD	EQ	10	150	150	SAI TELEVISION	EQ	10	1000	1000
MOOLCHAND EXPORT LTD	EQ	10	300	300	SANGHI INDUSTRIES LTD	EQ	10	100	175
MOREPEN LABORATORIES LTD	EQ	2	200	200	SANGHI POLYESTER LTD	EQ	10	3330	3330
MORGAN STANLEY	EQ	10	10500		SASKAN COMM	EQ	10		75
MOSEAR BEAR	EQ	10	150	150	SATYAM COMPUTER	EQ	2	200	
MOTOROL (I) LTD	EQ	10	6650	6650	SAURASTRA CEMENT LTD	EQ	10	25	25
MRPL	EQ	10		2300	SENBO IND LTD	EQ	10	2	2
MSL IND	EQ	10	100	100	SHIPPING CORP OF INDIA LTD	EQ	10		200
MSP STEEL	EQ	10		500	SHIVA CEMENT	EQ	10	3200	7500
MSSHOES LTD	EQ	10	735	735	SHREE KRISHNA PETRO LTD	EQ	10	250	250
MUKUND ENGG LTD	EQ	10	23	23	SHREE KRISHNA POLY LTD	EQ	10	1300	1300
MUKUND LTD	EQ	10	250	500	SHREE SYNTHETICS LTD	EQ	10	2760	2760
MUNDRA PORT	EQ	10	240		SHREYANS INDUSTRIES LTD	EQ	10	400	400
NAHAR EXPORT	EQ	10	2500	1890	SHRI DIGVIJAY CEMENT	EQ	10	5000	
NAHAR INVEST HOLDING	EQ	5	200		SIEMENS LTD	EQ	2	900	
NAHAR SPINING	EQ	5	1773	1485	SILVERLINE ANIMATION LTD	EQ	10	128	
NALCO LTD	EQ	10	150	300	SILVERLINE TECHNOLOGY LTD	EQ	10	320	3200
NATIONAL ORGANIC CHEMICALS	EQ	10	5000	3000	SIRPUR PAPER	EQ	10	762	205
NATIONAL PLASTICS LTD	EQ	10	100	100	SKF BEARING LTD	EQ	10	200	200
ND TV LTD	EQ	4	90	190	SOMA TEXTILE	EQ	10	5043	104

SONATA SOFTWARE	EQ	1		50	WORLD DIGITAL	EQ	10	100	100
SOUTH ASIA FINANCE EXP.LTD	EQ	10	500	500	XPRO INTERNATIONAL LTD	EQ	10	2000	2317
SOUTH ASIAN PETRO LTD	EQ	10	1298		YOGI PHARMACEUTICALS LTD	EQ	10	1000	1000
SOUTH INDIAN BANK	EQ	10	100	100	ZEENEWS	EQ	1		300
SOUTHERN BIOTECH	EQ	10	10000		ZUARI AGRO	EQ	10	875	1909
SPIC	EQ	10	1000	1500					
SPL IND	EQ	10		200					
SPL LTD	EQ	10	1573	1573					
SREI INTERNATIONAL	EQ	10		2500					
SRF LTD	EQ	10	4200	400					
SRI RAMRUPAI BALAJI	EQ	10		100					
STANDARD ORGANIC LTD	EQ	10	100	100					
STATE BANK OF INDIA	EQ	10		300					
STEEL AUTHORITY OF INDIA	EQ	10		100					
SUBEX SYSTEM	EQ	10		100					
SUMEDHA FISCAL LTD	EQ	10	1600	1800					
SUN PHARMA ADVANCE	EQ	1	850						
SUN SOURCE LTD	EQ	10	600	600					
SUNIL HITECH	EQ	10		400					
SUPER FORGING & STEEL LTD	EQ	10	300	300					
SUPREME PETROCHEMICAL	EQ	10	400	5000					
SURLUX DIAGONSTIC LTD	EQ	10	1000	1000					
SURYA LAKSHMI COTTON	EQ	10	2008	200					
SURYA PHARMA	EQ	10	100	100					
SUVEN LIFE INSURANCE	EQ	1	300						
SUZLON ENERGY	EQ	2	250	100					
SVC SUPERCHEM	EQ	10	800	800					
TAI IND.	EQ	10	500	500					
TAJ GVK HOTEL	EQ	2	500						
TALBROS AUTOMOBILE	EQ	10	206	206					
TAMILNADU PETRO PRODUCTS	EQ	10	100	100					
TATA CHEMICALS LTD	EQ	10	25						
TATA ELEXI LTD	EQ	10		100					
TATA INVESTMENT	EQ	10	50	75					
TATA METALIKS LTD	EQ	10		200					
TAYO ROLLS	EQ	10		1000					
TCS LTD	EQ	2		18					
TECH MAHINDRA	EQ	10	25						
TELCO LTD	EQ	10	100	100					
TELE DATA INFORMATIC LTD	EQ	4	1000	2000					
TELEDATA MARINE SOLOUTION	EQ	3	500						
TELEDATA TECHNOLOGY SOLOI	EQ	3	500						
TEXMACO	EQ	10	30	50					
THAPAR MILLS IND LTD	EQ	10	1400	1400					
THE BANK OF RAJASTHAN LTD	EQ	10	25	400					
TISCO LTD	EQ	10	160	400					
TISCO LTD	CCPS	100	5876						
TOURISM FINANACE	EQ	10		19901					
TTML LTD	EQ	10	4300	7138					
TV TODAY	EQ	5	500						
UCO BANK	EQ	10	100	400					
UNIMERS INDIA LTD	EQ	10	153	1638					
UNIPLAS LTD	EQ	10	1000	1000					
UNIVERSAL CABLES LTD	EQ	10	582	862					
US 64 BOND	BOND	100	389	322					
USHA MARTIN INFOTECH LTD	EQ	5	6930	8830					
UTI GOLD LTD	EQ	100	700						
UTI US64 CASH INCOME	UNIT	10	5460	5460					
UTTAM STEEL	EQ	10	201	201					
UTV SOFTWARE	EQ	10	80						
VAIBHAV GEMA	EQ	10	500						
VARDHMAN ACR	EQ	10	18450	30950					
VARDHMAN POLY	EQ	10	600	990					
VARUN SHIPPING	EQ	10	900	400					
VATSA INDUSTRIES LTD	EQ	1	262000	262000					
VIJAYA BANK	EQ	10	800	1800					
VINTAGE CARD	EQ	10	100	100					
VIP IND.	EQ	10	200	300					
VISAKA IND	EQ	10	200	200					
VISHAL EXPORT	EQ	1	22000						
VISHAL LACTO INDIA LTD	EQ	10	400	400					
VISU INTERNATIONAL	EQ	10	400						
VSNL	EQ	10	50	100					
W I SUGAR LTD	EQ	10	400	400					
WATERBASE LTD	EQ	10	6000	6000					
WELMANN INCANDESC LTD	EQ	10	100	100					
WESTERN PAQUES INDIA LTD	EQ	10	5000	5000					
WHIRLPOOL	EQ	10	50	50					
WIPRO LTD.	EQ	2	200	200					
WIRE & WIRELESS	EQ	1	1000						

DAULAT SECURITIES LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2008**

Pursuant to Clause 32 of Listing Agreement with Stock Exchange

	For the Year Ended on 31.03.2008	For the Year Ended on 31.03.2007	
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before Tax & Extra Ordinary Items		7520695	5778766
Adjustment for :			
Depreciation	444524	456224	
Write - Off	296000	740524	456224
Adjustment for :		8261219	6234990
Dividend Received	738726	873915	
Interest Recd	3469059	2356032	
Profit on sale of Investment	2503490	1575147	
		6711274	4805094
Operating Profit before Working Capital changes		1549945	1429896
Adjustment for :			
Current Assets	1676390	-826635	
Current Liabilities	5209130	-7901229	-8727864
(Increase) / Decrease in Net Current Assets			
Add :Taxation		-674681	-1094618
Cash Generated from Operations			
Net Cash from Operating Activities		7760784	-8392586
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of FIXED ASSETS	-3252260		
Purchase of Investments	-8697300	-920001	
Sale of Investments	3108216	9380315	
Interest Received	3469059	2356032	
Dividend Received	738726	873915	11690261
Net Cash flow from Investing Activities		-4633560	11690261
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings		170706	-142610
Net Cash from Financing Activities		170706	-142610
Net Increase / (Decrease) in Cash and Cash Equivalent		3297930	3155065
Cash and Cash Equivalents at the beginning of the year		9681718	6526653
Cash and Cash Equivalents at the close of the year		12979648	9681718

S. L. Kochar	Chairman
Jitendra Kochar	Managing Director
Ajit Kochar	Wholetime Director

Place : Kolkata
Dated :30th June, 2008

We have verified the above Cash Flow Statement of DAULAT SECURITIES LIMITED derived from the audited financial statements for the year ended 31st March, 2008 and found the same is drawn in accordance thereafter and also with the requirements of Clause 32 of the listing agreement with the Stock Exchange.

Per our report attached
For **BAHETY & GOENKA**
Chartered Accountants

Place : Kolkata
Dated :30th June, 2008

R. K. BAHETY
Partner

DAULAT SECURITIES LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

I Registration Details			
Registration No.	56831	State Code	21
Balance Sheet Date	31.03.2008		
II Capital raised during the year (Amount in Rs. Thousands)			
Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil
III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)			
Total Liabilities	86353	Total Assets	86353
Sources of Funds			
Paid up Capital	50000	Reserves & Surplus	34610
Secured Loans	220	Unsecured Loans	1523
Application of Funds			
Net Fixed Assets	5703	Investments	21485
Net Current Assets	59165		
IV Performance of Company (Amount in Rs. Thousands)			
Turnover & Other Income	12564	Total Expenditure	5043
Profit before Tax	7521	Profit after Tax	7271
Earning per share in Rs.	1.45	Dividend Rate	
V Generic Names of Three Principal Products/Services of Company (as per monetary terms)			
<u>Products / Services</u>		<u>Item Code No.</u>	
Stock Broking		Not Applicable	

Per our report attached.
For **BAHETY & GOENKA**
Chartered Accountants

R. K. BAHETY
Partner

S. L. Kochar Chairman
Jitendra Kochar Managing Director
Ajit Kochar Wholetime Director

Place : Kolkata
Dated :30th June, 2008

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PROXY FORM

DP ID *	
Client ID *	

Folio No.....
No. of Shares held.....

I/We.....of
.....being a Member / Members of
Daulat Securities Ltd. hereby appoint.....
of.....
as my/our proxy to attend and vote for me/us, on my/our behalf at the 15th Annual General Meeting of the Company to be held on Friday, the 19th September, 2008 at 11.00 A.M.and at any adjournment thereof.

Signed this.....day of2008.

*** Applicable for investors holding shares in electronic form.**

Note : This proxy must be deposited at the Registered office of the Company at 86, Canning Street, Kolkata - 700 001 not less than Forty eight hours before the time for holding the meeting.

Affix a Re. 1.00 Revenue Stamp

ATTENDANCE SLIP

DP ID *	
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DAULAT SECURITIES LIMITED
Regd. Office : 86 Canning Street, Kolkata -700 001

Client ID *	
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1. Full name of Shareholder
2. Registered Folio No.....
3. Full name of Proxy, if any.....

I hereby record my presence at the 15th Annual General Meeting of the Company held at 87A Sarat Bose Road, Kolkata - 700 026 on Friday, the 19th September, 2008 at 11.00 A.M.

Signature of Member/Proxy

*** Applicable for investors holding shares in electronic form.**

NOTE : This attendance slip must be handed over at the entrance of the Meeting Hall duly signed.

BOOK POST

If undelivered please return to :

DAULAT SECURITIES LIMITED
86 Canning Street
Kolkata - 700 001