



**SKP Securities Limited**

**ANNUAL REPORT  
2008-2009**

ISO 9001:2000



**moneywise**<sup>®</sup>  
creating prosperity

*SKP Moneywise Hall of Fame Awards for Business Partners*

*Felicitating Broking Partners*



*Mr. S. K. Mitra, Director, SKP Securities Ltd.  
felicitating a Business Partner for excellence in  
Retail Broking Business*



*Our Business Partners for Retail Broking*



*The SKP Moneywise  
Hall of Fame Awards  
Trophy*



*Our Business Partners for Retail Distribution*



*Mr. Naresh Pachisia, Managing Director,  
SKP Securities Ltd.  
felicitating a Business Partner  
for excellence in Retail Distribution*



### Our Corporate Personality

The moneywise logo, symbol and colours truly reflect our growth and vigour, and what SKP does – using its knowledge and wisdom acquired over decades of experience, to help people to be moneywise, creating a sense of prosperity in them, bringing happiness to their lives.

### Our Core Values

Customers First  
Ethical & Transparent  
Speed with Quality and Economy  
Knowledge sharing & Innovation  
Passion & Ownership  
Empowerment and Meritocracy  
within Team Work

### Contents

Directors' Report	3
Corporate Governance Report	7
Auditor's Report	19
Balance Sheet	22
Profit & Loss Account	23
Schedules	24
Cash Flow Statement	32

### BOARD OF DIRECTORS

- S. K. Mitra - Independent, Non - executive  
G. L. Sultania - Independent, Non - executive  
Kishore Bhimani - Independent, Non - executive  
Sanjay Chamria - Independent, Non - executive  
Naresh Pachisia - Managing Director  
Rajesh Pachisia - Managing Director

### Auditors

U.S. Agarwal & Associates  
42/1, B.B. Ganguly Street  
Kolkata 700 012

### Bankers

HDFC Bank Ltd  
United Bank of India  
Axis Bank Ltd  
State Bank of India  
Vijaya Bank

### Registered Office & Correspondence Address

Chatterjee International Centre, Level 21  
33A, Jawahar Lal Nehru Road  
Kolkata 700071, India  
Phone (033) 40077000  
Fax (033) 40077007  
E-Mail - cs@skpmoneywise.com

### Mumbai Office

73C, Mittal Court (C-wing)  
Nariman Point  
Mumbai 400 021 India  
Phone (022) 2281 9012  
Fax (022) 22830932  
E-mail – mumbai@skpmoneywise.com

### Registrar & Share Transfer Agent

Maheshwari Datamatics (P) Ltd.  
6 Mangore Lane (2nd Floor)  
Kolkata –700 001  
Phone: (033) 2248 2248

### Company Secretary

Ankita Kandoi

### **CHARTER MEMBER**

Financial Planning Standards Board, India

### **MEMBER**

National Stock Exchange of India Ltd.

Bombay Stock Exchange, Ltd.

National Commodities & Derivatives Exchange Ltd\*.

Multi Commodity Exchange of India Ltd.\*

Multi Commodity Exchange - Stock Exchange (MCX - SX)

\*SKP Commodities Ltd.

### **DEPOSITORY PARTICIPANT**

National Securities Depositories Ltd.

Central Depository Services (I) Ltd.

### **AMFI REGISTERED MUTUAL FUND ADVISOR**

Association of Mutual Funds in India

### **OUR CLIENT SEGMENTS**

Banks

Insurance Companies

Mutual Funds

Corporate & Business Houses

Charitable / Educational / Health Institutions

Non-Profit Organisations

Provident Funds

Individuals from all socio-economic strata

### **OUR SERVICES**

Equities & Derivatives Broking

Commodities Broking\*

Currency Broking

Depository Services

Mutual Funds Advisory

Life Insurance Advisory\*

Initial Public Offers

Financial Planning & Prosperity Management

\* Associate Entities

## Directors' Report

To the Members,

Your Directors have pleasure in presenting the Nineteenth Annual Report and Audited Accounts of SKP Securities Ltd. for the year ended March 31, 2009.

### Financial Highlights

Particulars	Year Ended March (in Rs Lacs)	
	2009	2008
Total Income	978.04	1543.57
Total Expenditure	919.78	1143.10
Operational Profit	58.26	400.47
Depreciation	53.49	20.57
Profit Before Tax	4.77	379.90
Provision for Tax (including Deferred Tax Liability)	(3.97)	153.27
Profit After Tax	8.74	226.63
Appropriations		
Proposed Dividend	0.00	70.19
Dividend Distribution Tax	0.00	11.93
Transferred to General Reserve	0.00	25.00
Earning Per Share (Rs.)	0.16	4.36
<b>Net Worth</b>	<b>1450.70</b>	<b>1441.96</b>

**Dividend**

Your Directors expresses regret for the company's inability to pay dividend this year due to inadequacy of profits.

**Business Performance**

SKP's performance should be reviewed in the backdrop of the performance of financial markets, particularly equity and debt markets. Rising to an all time high of over 21000 on the BSE Sensex in January 2008, equity markets crashed in the same month, setting in motion an interim bear phase, which, as reported last year, was not likely to go away in hurry. Infact, global events, which are of rarest of rare kind in history, accentuated it. In line with the rest of the world, India's stock market witnessed one of its sharpest and deepest falls ever, amidst unprecedented volatility to an intraday low of below 7700. With eroding investor wealth and confidence, volumes came down to negligible levels and so did our income. Meanwhile, except for a brief period when bonds witnessed an unprecedented fast rally in the aftermath of a period when credit risk loomed large, the debt market continued to be bearish and volatile throughout the year, keeping investors away from this market except parking in money market funds.

Income across all verticals, except Depository Services, declined sharply. However, the size of business continued to grow. In spite of a 20% fall in the overall assets under management (AUM) of the Indian Mutual Fund Industry, we maintained our AUM at the same level, just above Rs.1000 Crores in our mutual funds advisory business, enlarging our base of investor accounts to over 150,000. Size of the broking business grew to 65 institutional clients, about

15000 retail clients and 10000 demat account holders being served from over 200 outlets. We commenced Currency Futures business as a member of MCX-SX. SKP Commodities Ltd, a member of MCX and NCDEX, in which the company had 49% equity stake, has become a 100% subsidiary of the company in April 2009. Business volumes remained same as last year. We opened up an office in Delhi.

Seeing the deteriorating business conditions ahead, your company changed gears mid way in the year with a focus on downsizing of operations and cost rationalization all around. This saved the company from a negative bottomline and more competitively poised for future.

**Future Outlook**

SKP is currently in a consolidation phase. Being conservative has helped as all future options remain intact. As business confidence rise, which is expected to happen sooner than later, we shall get back to the growth path with innovative offerings.

**Corporate Governance**

Your Company has always strived to maintain the highest standards of Corporate Governance. All the stipulations set out in the Listing Agreement have been adhered to by your Directors.

A Report on Corporate Governance is attached to this report as per statutory requirements.

Certificate from the Auditors of the Company M/s. U.S. Agarwal & Associates, confirming the compliance of conditions of Corporate Governance is annexed to this Report.

### Auditors' Report

All the items on which the Auditors have commented in their report are self-explanatory.

### Directorate

In accordance with the provisions of the Companies Act, 1956, and the Articles of Association of the company, Shri G.L. Sultania, Director of the company, retires by rotation at the ensuing Annual General Meeting and is eligible for reappointment.

### Listings

The equity shares of the company are, hitherto, listed at the stock exchanges at Mumbai (BSE) and Kolkata (CSE). However, in view of consistently negligible trading at CSE, your Directors had applied for de-listing of the company's equity shares from CSE in terms of SEBI (Delisting of Securities) Guidelines, 2003, with the shareholders' approval received, at the AGM for the year 2002-2003. All the stipulated proceedings have been completed for the de-listing of the company's shares on CSE as reported in the previous four years' Directors' Report itself. However,

the confirmation is still awaited from CSE as on date.

### Auditors

The Auditors, M/s U S Agarwal & Associates, Chartered Accountants, retire and being eligible, offer themselves for re-appointment as the statutory auditors of the Company pursuant to Section 224 of the Companies Act, 1956.

### Fixed Deposits

Your Company did not accept any fixed deposits U/S 58A of the Companies Act 1956, during the year.

### Conservation of Energy, Technology Absorption and Foreign Exchange Earning/Outgo

Your Company not being a Manufacturing Company, the provisions relating to measures for conservation of energy and reduction of energy consumptions are not applicable. No comment is being made on technology absorption considering the nature of activities undertaken by your Company during the period under review. Expenditure incurred in Foreign Currency during the year is Rs.43,334.00

### Information under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975

- As required under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of employees are as under :-

Name	Designation	Qualification	Age	Joining Date	Experience (Years)	Gross Remuneration (Rs.)	Previous Employment
Naresh Pachisia	Managing Director	B Com CFP	46	Since Incorporation	27	10,50,000	-
Rajesh Pachisia	Managing Director	B Com CFP	43	Since Incorporation	25	10,50,000	-

**Director's Responsibility Statement**

In accordance with the Companies (Amendment) Act, 2000, the Directors state that:

- i. in the preparation of Annual Accounts, all applicable accounting standards have been followed with proper explanations relating to material departures.
- ii. the Directors had 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 on March 31, 2009 and of the profit of the Company for the accounting year ended on that day.
- iii. the Directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provision of the Act so as to safeguard the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors had prepared the Annual Accounts on a going concern basis.

**Acknowledgement**

The Board expresses its deep gratitude and thanks to the clients, bankers, business associates and shareholders for their valuable contribution towards the progress of the Company. Your Directors particularly wish to place on record their sincere appreciation of the best efforts put in by the employees at all levels, but for which, the Company could not have achieved what it did during the year under review.

**Registered Office:**  
Chatterjee International Centre  
33A, J. L. Nehru Road, 21st Floor  
Kolkata 700 071

Dated: 08th May , 2009

For and on behalf of the Board

**Naresh Pachisia**  
Managing Director



# CORPORATE GOVERNANCE REPORT

Corporate Governance is about running the company, in letter and spirits, according to the legal framework provided by Clause 49 of Listing Agreement and other guidelines as laid down by SEBI from time to time, which aims at ethical and transparent business conduct, meeting stakeholders' aspirations and societal expectations, strengthening internal control, building trust amongst shareholders, employees, customers, suppliers and diverse stakeholders on four key elements- transparency, fairness, disclosure and accountability.

Your Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated under Clause 49 of the Listing Agreement as

on 31.03.2009, in letter and spirits, and presents the following Corporate Governance Report based on the said disclosure requirements:

## Company's Philosophy on Code of Governance

The Company's Philosophy on Corporate Governance envisages the attainment of high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally, including its interaction with employees, shareholders, creditors, and lenders and places due emphasis on regulatory compliances. The Company believes that its systems and actions must be dovetailed for enhancing corporate performance and maximizing shareholder value in the long term.

## Board of Directors

### Composition and Category as on 31.03.2009

Your company has an optimum combination of executive and non-executive directors with 67 percent of the Board of Directors comprising of non-executive directors.

- 2 Promoter, Executive Directors
- 4 Independent, Non Executive Directors

The composition of the Board of Directors as on 31.03.2009 and also the number of other Board of Directors of which they are a member are as under:

Name of Director	Category	No. of other Directorship
Shri Naresh Pachisia Managing Director	Promoter, Executive	5
Shri Rajesh Pachisia Managing Director	Promoter, Executive	1
Shri G.L. Sultania	Independent, Non-Executive	13
Shri Kishore Bhimani	Independent, Non-Executive	1
Shri Sanjay Chamria	Independent, Non-Executive	2
Shri Subrata Kumar Mitra	Independent, Non-Executive	4

Note: Private limited Companies, foreign companies and section 25 companies have been excluded for the above purpose

### **Attendance of each Director at the Board Meetings and the last Annual General Meeting**

During the financial year ended March 31 2009, four Board Meetings were held on 26<sup>th</sup> April 2008, 26<sup>th</sup> July 2008, 25<sup>th</sup> October 2008, and 17<sup>th</sup> January 2009. The maximum time gap between two meetings complies with the mandated requirement of not more than 4 months. The attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) is as under:

<b>Name of the Director</b>	<b>Number of Board Meetings attended</b>	<b>Attendance at last AGM held on 26/07/2008</b>
Shri Naresh Pachisia	4	Present
Shri Rajesh Pachisia	4	Present
Shri G.L. Sultania	4	Present
Shri Kishore Bhimani	4	Present
Shri Sanjay Chamria	4	Present
Shri Subrata Kumar Mitra	3	Present

### **Non Executive Directors compensation and Disclosures**

Non Executive Directors were not paid any compensation other than sitting fees.

### **Code of Conduct and Ethics for Directors and Senior Executives**

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

### **Audit Committee**

#### **Composition**

The Audit Committee of the Company comprises of two Independent, Non-Executive Directors and one Executive Director. All the members of the committee possess knowledge of Corporate Finance, Accounts, Audit and Company Law. The Chairman of the Committee is an Independent, Non Executive Director nominated by the Board. The Company Secretary acts as the Secretary to the Committee. The constitution of the Audit Committee is as follows:

· Shri G.L. Sultania	Chairman	Independent, Non Executive
· Shri Kishore Bhimani	Member	Independent, Non Executive
· Shri Naresh Pachisia	Member	Managing Director

#### **Broad Terms of Reference**

The Audit Committee of the Company, inter-alia, provides guidance to the Board on the adequacy of the Internal Control and financial disclosures. They also provide guidance to liaise with the Internal Auditors as well as the Statutory Auditors of the Company. The terms of reference of the Audit Committee include:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing, with the Management, the Annual Financial Statements before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by Management.
  - d. *Significant adjustments made in the financial statements arising out of audit findings.*
  - e. Compliance with Listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft Audit Report.
- Reviewing with the Management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the Management, performance of Statutory and Internal Auditors, and adequacy of the internal control systems.
- Reviewing the adequacy of Internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit.
- Discussion with Internal Auditors any significant findings and follow up there on.
- Discussion with Statutory Auditors before the Audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### Meetings & Attendance

During the financial year ended March 31, 2009 four Audit Committee Meetings were held on 26<sup>th</sup> April 2008, 26<sup>th</sup> July 2008, 25<sup>th</sup> October 2008 and 17<sup>th</sup> January 2009. The attendance at the Committee Meetings is as under:

Name of the Director	No. of meetings attended
Shri G. L. Sultania	4
Shri Naresh Pachisia	4
Shri Kishore Bhimani	4

## **Remuneration Committee**

### **Composition**

The Remuneration Committee comprises of two Independent, Non Executive Directors, constituted as follows:

- Shri G.L. Sultania                      Member                      Independent, Non Executive
- Shri Kishore Bhimani                Chairman                    Independent, Non Executive

### **Brief Description of Terms of Reference**

- To periodically review the remuneration package of Whole-Time Directors and recommend suitable revision to the Board.

### **Meetings & Attendance**

During the financial year ended March 31, 2009 one Remuneration Committee Meeting was held on 26<sup>th</sup> July, 2008

### **Remuneration to Directors**

#### **A. Executive Directors**

Name	Designation	Sitting Fee paid (Rs.)	Remuneration paid (Rs.)	Total (Rs.)
Mr. Naresh Pachisia	Managing Director	Nil	10,50,000	10,50,000
Mr. Rajesh Pachisia	Managing Director	Nil	10,50,000	10,50,000

#### **B. Non Executive Directors**

Name	Designation	Sitting Fee paid for Board	Sitting Fee paid for Audit Committee Meetings (Rs.)	Total (Rs.)
Mr. G L Sultania	Independent Director	35,000	10,000	45,000
Mr. Kishore Bhimani	Independent Director	35,000	10,000	45,000
Mr. Sanjay Chamria	Independent Director	15,000	-	15,000
Mr. Subrata Kumar Mitra	Independent Director	10,000	-	10,000

## **Shareholders'/Investor Grievance Committee**

### **Composition**

Shareholders Committee comprises of two non-executive, Independent Directors including the Chairman of the Committee, and one Executive Director, constituted as follows:

- Shri G L Sultania                      Chairman                      Independent, non-Executive
- Shri Kishore Bhimani                Member                      Independent, non-Executive
- Shri Naresh Pachisia                Member                      Promoter, Executive

### **Brief Description of Terms of Reference**

To approve inter-alia, transfer/transmission of shares, issues of duplicate share certificates and review the status of investors' grievance and redressal mechanism and recommend measures to improve the level of investor services.

### Meetings & Attendance

The Shareholders' Committee met 13 (Thirteen) times during the year on 31<sup>st</sup> May 2008, 16<sup>th</sup> June 2008, 30<sup>th</sup> June 2008, 15<sup>th</sup> July 2008, 19<sup>th</sup> July 2008, 30<sup>th</sup> August 2008, 30<sup>th</sup> September 2008, 31<sup>st</sup> October 2008, 28<sup>th</sup> November 2008, 15<sup>th</sup> December 2008, 30<sup>th</sup> January 2009, 28<sup>th</sup> February 2009 and 31<sup>st</sup> March 2009. The attendance at the Committee Meetings was as under:

Name of Director	Number of Meetings attended
● Shri G L Sultania	13
● Shri Kishore Bhimani	13
● Shri Naresh Pachisia	13

### Details of complaints received and resolved during the year ended on 31.03.2009:

a	Number of complaints pending at the beginning of the year	NIL
b	Number of complaints received from shareholders	2
c	Number of complaints redressed	2
d	Number of complaints pending share transfers	NIL

### Compliance Officer

Shri Kuldip Balasia, Company Secretary of the Company, served as the Compliance Officer of the company for the financial year ended 31.03.2009. He resigned w.e.f 8<sup>th</sup> May, 2009 as Company Secretary and Ms. Ankita Kandoi has been appointed as Company Secretary and Compliance Officer in his place w.e.f same date.

### CEO/CFO Certification

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.

### Details of Annual General Meetings

Location and time, where the last three Annual General Meetings were held is given below:

Financial Year	Date	Location of the Meeting	Time
2005-2006	29/07/2006	Merchants Chamber of Commerce at Kolkata	10.00 A.M.
2006-2007	31/07/2007	Merchants Chamber of Commerce at Kolkata	10.00 A.M.
2007-2008	26/07/2008	Merchants Chamber of Commerce at Kolkata	10.30 A.M.

No special resolution was put through postal ballot at any of the AGMs mentioned above, nor is any proposed for this year, as there is no notification for the same.

### Disclosures

- No material transaction has been entered into by the Company with the Promoters, Directors or Management, or their relatives etc, which might have a potential conflict with the interest of the Company.

- The Company has broadly complied with the requirements of regulatory authorities on capital markets and no penalties/strictures have been imposed against it during the last three years, except insignificant amounts for minor faults made during the conduct of regular business.
- The Company has complied with the entire mandatory requirements and has set up a Remuneration Committee to determine the company's policy on specific remuneration package for Executive Directors.

### **Subsidiary Company**

The Company did not have any subsidiary Company as on 31.03.2009. However it made SKP Commodities Ltd its 100% subsidiary on 01.04.2009, in which it had 49% equity stake earlier.

### **Means of Communication**

The Quarterly, Half Yearly and Annual Results are normally published in Financial Express or Economic Times (leading English National Daily), and (Dainik Lipi), Bengali newspaper. The company results are displayed on its website: [www.skpmoneywise.com](http://www.skpmoneywise.com) at as and when published along with product information, and an official press release is also made occasionally. No presentations have been made to institutional investors or analysts, although it can be done as and when required. Management Discussion and Analysis is a part of the Annual Report.

The Company also files the following information on the Electronic Data Information Filing and Retrieval (EDIFAR) website maintained by the National Informatics Centre (NIC), online as stipulated by SEBI:

- a) Full version of the Annual Report including the Balance Sheet, the Profit and Loss Account, the Directors' Report and Auditors' Report, Cash Flow Statement and Quarterly Financial Results;
- b) Corporate Governance Report;
- c) Shareholding Pattern Statement.

### **General Information for Shareholders**

Detailed information in this regard is provided below:

#### **Annual General Meeting**

Day & Date	: Saturday, July 25, 2009
Time	: 10.30 A.M
Venue	: Merchnats Chamber of Commerce 15B, Hemanta Basu Sarani, Kolkata-700001

<b>Financial Calendar</b>	: 1 <sup>st</sup> April – 31 <sup>st</sup> March
<b>Book Closure Date</b>	: 18 <sup>th</sup> July 2009 to 25 <sup>th</sup> July 2009 (Both days inclusive)

<b>Dividend</b>	: The Company has not declared dividend for the financial year ended 31.03.2009
-----------------	---

<b>Dividend Payment</b>	: NA
-------------------------	------

**Previous Dividend**

2007-2008 : 12.50%  
2006-2007 : 12.50%  
2005-2006 : 12.50%

**Listing on Stock Exchanges (Stock Code)**

: Bombay Stock Exchange Ltd (531169)  
Phiroze Jeejeebhoy Towers, Dalal Street  
Mumbai-400023

**Note**

- : 1. All formalities for delisting completed with Calcutta Stock Exchange.
- : 2. The Company has paid the Listing Fees for the year 2009-2010 to BSE.

**Stock Code**

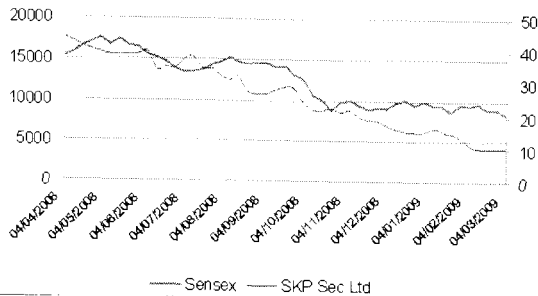
: 531169 at BSE

**Market Price Data**

: Monthly stock market data of High and Low prices of equity shares of the Company during Financial year 2008-09 and their performance in comparison with broad based index compared

Market Price Data (Monthly High and Low in 2008-09)			
Year	High	Low	Volume
Apr-08	46.75	34.10	9865
May-08	43.00	37.00	8055
Jun-08	45.00	36.70	6996
July-08	40.60	31.00	5591
Aug-08	41.75	31.30	4111
Sep-08	35.00	26.50	5711
Oct-08	30.45	23.65	5578
Nov-08	25.00	19.95	9948
Dec-08	21.90	17.10	2426
Jan-09	17.95	13.70	6580
Feb-09	16.45	13.45	590
Mar-09	12.78	10.00	2864

Performance of SKP's share price in comparison to BSE Sensex



**Registrar and Transfer agent** : M/s. Maheswari Datamatics Pvt. Ltd  
 6, Mangoe Lane (2<sup>nd</sup> Floor), Kolkata-700071  
 Phone: 033-22482248

**Share Transfer System** : Share transfer in physical and demat form are registered by Registrar and Share Transfer agent and are returned to the respective transferees within a period ranging from fifteen days to one month provided the documents lodged with the Registrar / Company are clear in all respect.

<b>Distribution Schedule as on 31.03.2009</b>						
<b>Category of Shareholders</b>			<b>No. of Shareholders</b>	<b>Percentage</b>	<b>No of Shares</b>	<b>Percentage</b>
1	to	500	1315	86.74	190558	3.39
501	to	1000	88	5.80	73756	1.31
1001	to	2000	39	2.57	58986	1.05
2001	to	3000	21	1.39	52379	0.93
3001	to	4000	10	0.66	37123	0.66
4001	to	5000	10	0.66	45487	0.81
5001	to	10000	11	0.73	81300	1.45
10001	to	above	22	1.45	5075411	90.39
<b>Grand Total:</b>			<b>1516</b>	<b>100.00</b>	<b>5615000</b>	<b>100.00</b>

<b>Shareholding Pattern Category</b>	<b>No. of shares held</b>	<b>Percentage of Shareholding</b>
Indian Promoters	4209700.00	74.97
Foreign Promoters	0.00	0.00
Banks, Fls, Insurance Companies	100.00	0.00
FIIIs	0.00	0.00
Private Corporate Bodies	257410.00	4.58
Indian Public	1138675.00	20.28
NRIs / OCBs	9115.00	0.16
<b>Total</b>	<b>5615000.00</b>	<b>100.00</b>

**Dematerialisation of Shares** : 97.31% (as on 31.03.2009)  
 With NSDL & CDSL (ISIN No. INE 709B01016)

**Number of Shareholders** : 1516

**Outstanding GDR/ADRs/Warrants** : The Company doesn't have any plan and has not issued any GDRs /ADRs /Warrants or any other convertible instruments.

**Shareholding Pattern (as on 31.03.2008)**

Promoter Group : 74.97%  
 Public : 25.03%

**Address for Correspondence** : **SKP Securities Ltd.**  
 Chatterjee International Centre  
 Level-21, 33A Jawaharlal Nehru Road  
 Kolkata-700071



## **Management Discussion and Analysis Report**

### **Industry Trends & Development**

Be it stock broking, mutual fund distribution or depository services, all the activities that your company is engaged in have huge growth opportunities due to existing low penetration levels, but are facing tremendous competitive pressures and increasing regulatory compliances. With the increasing role of technology, there is a paradigm shift in the running of these businesses. Your company is gearing up well to face all such developments by increasing its reach across geographical areas and client segments, ramping up its infrastructure and technological, financial and human resources.

### **Opportunities & Threats**

Your company's philosophy of providing professional, value-added, comprehensive and integrated broking and wealth management solutions across equities, derivatives, currencies, depository services, mutual funds and insurance advisory, to a cross-segment of society across the Eastern Region and some other parts of the country, is fast becoming a positive differentiating factor vis-à-vis erstwhile competition. These could be treated as great opportunities for the company. The rise of banks and very large broking houses with huge financial muscle power in this segment, some of them having been promoted/co-promoted by industrial conglomerates/global financial powerhouses, pose a threat to the company.

## **Business Review/ Segment wise Performance**

In spite of such competitive pressures, your company has done satisfactorily well to remain above break even levels inspite of huge slowdown in income due to its focus on costs and diversified activities within the broad core business of the company. It does not have any segments/divisions.

### **Management of Risks**

The T+2 Rolling Settlement System in the Indian Capital Markets induces safety and your company also has strict margin norms and other risk management policies. Pursuant to the steep fall witnessed in the markets in January 2008 and then in October 2008, when all risk management measures failed to some extent, some amounts have become over due from clients as reflected under sundry debtors. Although a majority portion of this has already been received at the time of compilation of this report, more is under recovery mode. The conscious overall reduction to zero levels made in the company's investment and trading exposure in the capital market, and tendency to park surplus liquidity only in debt/liquid mutual funds, has completely eliminated the market risk in the company's balance sheet. The business models and policies are being re-aligned to make the company withstand and grow within the highly competitive environment. A comprehensive risk evaluation methodology and processes for early identification and mitigation of all kinds of risks being in place, except for unforeseen circumstances and marginal exposure to financial risk in the retail capital markets division, your company is quite a risk-free business entity.

### **Internal Control Systems and their adequacy**

The scope of work for internal auditors addresses issues related to internal control systems, particularly those related to regulatory compliance. Pre-audit and post-audit checks and reviews ensure that audit observations are acted upon. The Audit Committee of the Board of Directors reviews the Internal Audit Reports and the adequacy of internal controls.

### **Financial Performance**

A snapshot of financial performance is furnished in the Directors' Report. The economic slowdown and complete meltdown in capital markets has brought down the income of the company for the first time in seven years. Since the company was in a growth mode prior to that, implying higher costs as explained in the previous years' report, it took a while to bring down costs. Substantial investments made in technology led to substantially higher depreciation. This resulted in profits crash in to negligible levels.

### **Future Outlook**

With hopes of economic revival in the near future and the indicative rise in the capital markets in the recent past, we can expect business to improve. After a phase of consolidation, the company may get back to its growth path in spite of the competitive environment. Substantial investments are continuing to be made in technology for this purpose. Conscious efforts are being made to keep the expenses under check so that resources could be deployed for strategic growth. From herein onwards, the company can only look at better times.

### **Human Resource Management**

Employees are vital to SKP. We have created a favorable work environment that encourages innovation and meritocracy. We have also set up a scalable recruitment and human resource management process, which enables us to attract and retain high caliber employees. No material development has taken place on the Human Resources/Industrial Relations front during the year, except for the consciously reduced head count.

**AUDITORS CERTIFICATE ON CLAUSE 49 COMPLIANCE**

**To,**

**The Members of SKP Securities Ltd.**

We have reviewed the records concerning the Company's compliance with Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges of India for the financial year beginning April 1, 2008 and ending on March 31, 2009.

The compliance of conditions of Corporate Governance is the responsibility of the management. The objective of our review is to give our opinion on whether the Company has complied with the provisions of Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges of India.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for review and the information and explanations given to us by the Company.

Based on such review, in our opinion and to the best of our information, we certify that the Company has complied with conditions of Corporate Governance as stipulated in the Clause 49 of the Listing Agreement of the Stock Exchanges of India.

For and on behalf of  
**U.S. AGARWAL & ASSOCIATES**  
*Chartered Accountants*

Kolkata, May 08, 2009

**U.S. AGARWAL**  
Partner  
(Membership No. 051895)

**To,**

**The Members of SKP Securities Ltd.**

**Compliance with the Code of Conduct under Clause 49 (I) (D) (ii) of the Listing Agreement**

This is to confirm that the company has adopted Code of Conduct to be followed by the Members of the Board and Senior Management Personnel of the Company in compliance with clause 49 of the Listing Agreement with the Stock Exchanges.

I confirm that the Company has in respect of the financial year ended 31<sup>st</sup> March, 2009 received from the Members of the Board and senior Management Personnel, a Declaration of Compliance with the Code of Conduct as applicable to them.

Place: Kolkata  
Date: May 08, 2009

**Naresh Pachisia**  
**Managing Director**

### CEO Certification under Clause 49(v) of the Listing Agreement

The Board of Directors  
**SKP Securities Ltd.**

I, Naresh Pachisia, Managing Director and CEO of SKP Securities Ltd. do hereby certify to the Board in terms of the requirement of Clause 49(v) of the Listing Agreement, that I have reviewed the financial statements and the cash flow statement of the company for the financial year ended 31.03.2009:

1. To the best of my knowledge I certify that:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
  - b. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
  - c. there are no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
2. For the purpose of this reporting I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls.
3. I do further certify that there has been:
  - a. no significant changes in internal control over financial reporting during the year;
  - b. Following changes were made in accounting policies:
    - Change in rate of depreciation on Computer hardware and Computer software, and
    - Change in treatment of renovation expense at branches, from charging to revenue, to capitalising and then writing off.
  - c. no instances of significant fraud of which I am aware.

Place : Kolkata  
Dated : 8th May, 2009

Naresh Pachisia  
Managing Director

# AUDITORS REPORT

## To the Members of SKP Securities Limited,

1. We have audited the attached Balance Sheet of SKP Securities Limited as at 31st March, 2009, the Profit and Loss Account and also 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 these financial statements based on our audit.
  2. We conducted our audit in accordance with the 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 management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
  3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) Order, 2004 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 to the extent applicable.
- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the applicable Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - e) 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 Directors is disqualified as on March 31, 2009 from being appointed as a Director in terms of Clause (g) of subsection (1) of Section 274 of the Companies Act, 1956;
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts *subject to Note no. 1(iv) in Schedule 12 regarding change in accounting policy for Computer Software where by the Profit before Tax for the year is higher by Rs. 34,23,486/-* and read together with other notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
- I. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
  - II. in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and

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

- a) 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;
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;

- III. in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For U.S. AGARWAL & ASSOCIATES  
*Chartered Accountants*

U S Agarwal  
*Partner*  
Membership No. 051895

Kolkata  
Dated: 8th May, 2009



ANNEXURE TO THE AUDITORS' REPORT OF SKP SECURITIES LIMITED  
for the year ended 31st March, 2009  
(Referred to in paragraph 3 of our report of even date)

- i) a) The Company has maintained proper records showing full particular including quantitative details and situation of fixed assets.
- b) As explained to us, the fixed 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) In our opinion and according to the information and explanations given to us, the Company has not disposed off substantial part of its fixed assets during the year.
- ii) a) The inventories have been physically verified by the management during the year at reasonable intervals and in our opinion, the frequency of such verification is reasonable.
- 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) In our opinion and according to the information and explanations given to us, the Company has neither granted nor taken any loans secured or unsecured to / 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 explanations given to us, there are adequate internal control systems, 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 and services. Further, during the course of our audit we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in internal control system.
- v) a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions of purchase and sale of goods and services made in pursuance of contracts or arrangements entered in the register maintained u/s 301 and exceeding the value of Rs. Five Lacs in respect of any party during the year are reasonable having regard to the prevailing market prices at the relevant time.
- vi) The Company has not accepted any deposits under the provisions of section 58A and 58AA or any other relevant provisions of the Act and the rules framed there under.
- vii) The Company has an adequate internal audit system, which in our opinion, is commensurate with the size of the company and the nature of its business.
- viii) Provisions of this clause regarding maintenance of cost records are not applicable to the Company.
- ix) a) According to the records of the Company, Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it have been regularly deposited during the year with the 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 31st March, 2009 for a period of more than six months from the date on which they became payable.
- b) In our opinion and according to the information and explanations given to us, there are no dues of sales tax, income tax, wealth tax, excise duty, custom duty, service tax and cess which have not been deposited on account of any dispute as at 31st March, 2009.

- x) The Company has no accumulated losses as at 31st March, 2009, and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- xi) The Company has not defaulted in repayment of its dues to banks.
- xii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- xiii) The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/Societies are not applicable to the Company.
- xiv) The Company has maintained proper records of transactions in respect of trading in shares, debentures and other investments and timely entries have been made therein. The investments are held by the Company in its own name.
- xv) 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.
- xvi) Term Loans obtained by the Company during the year have been applied for the purposes for which they were obtained.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short term basis have been used for long-term investments by the company.
- xviii) The Company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix) The Company has not issued any Debentures during the year. As such, the provisions of clause 4(xix) of the order are not applicable to the Company.
- xx) The Company has not raised any money by way of public issues during the year.
- xxi) According to the information and explanations given to us and on our examination of books and records, no fraud on or by the Company has been noticed or reported during the year.

## AUDITORS REPORT

To the Shareholders of SKP Securities Ltd

We have audited the attached Balance Sheet of M/s. SKP Securities Ltd as at March 31, 2009, and Profit and Loss Account for the year ended on that date annexed thereto and report that:

- a. We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of account and records as specified in Rule 15 of the Securities Contracts (Regulation) Rules, 1957 have been kept so far as appears from our examination of such books.
- c. The member has complied with the requirements of the Exchange, so far as they relate to maintenance of accounts and was regular in submitting the required information to the Exchange.
- d. The Balance Sheet and Profit & Loss Account referred to in this report are in agreement with the accounts.
- e. In our opinion and to the best of our information and according to the explanation given to us, the said Balance Sheet and the Profit & Loss A/c. read together with the notes thereon give a true and fair view in so far as it relates to the Balance Sheet, of the state of affairs of M/s. SKP Securities Ltd. and in so far as it relates to the Profit & Loss Account, of the Profit of M/s. SKP Securities Ltd. for the year ended as on that date.

For U S AGARWAL & ASSOCIATES  
*Chartered Accountants*

U S Agarwal  
*Partner*  
Membership No. 051895

42/1 B B Ganguly Street  
Kolkata 700 012

Dated: 8<sup>th</sup> May, 2009  
Place: Kolkata

**BALANCE SHEET AS AT 31ST MARCH 2009**

		AS AT	AS AT
		31.03.2009	31.03.2008
		Rs.	Rs.
<b>SHAREHOLDERS' FUNDS</b>			
a) Share Capital	1	56150000	56150000
b) Reserve & Surplus	2	88960374	88086312
<b>LOAN FUNDS</b>			
Secured Loans	3	6855864	11503315
<b>DEFERRED TAX LIABILITY</b>		1199714	1959289
<b>TOTAL</b>		<b>153165952</b>	<b>157698916</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	4	39776594	28349082
Less : Depreciation		9364192	4657381
Net Block		30412402	23691701
Investments	5	7400000	4900000
<b>Current Assets, Loans &amp; Advances</b>			
a) Current Assets	6	114704938	117578119
b) Loans & Advances	7	77089573	99952236
		191794511	217530355
c) Less : Current Liabilities & Provisions	8	76480961	88503140
Net Current Assets		115313550	129027215
Miscellaneous Expenditure (To the extent not written off or adjusted)			
Preliminary Expenses		40000	80000
<b>TOTAL</b>		<b>153165952</b>	<b>157698916</b>

Notes on Accounts & Accounting Policies 12

Schedules 1 to 8 and 12 referred to above form an integral part of the Balance Sheet

As per our report of even date  
**For U S AGARWAL & ASSOCIATES**  
*Chartered Accountants*

**For and on behalf of Board of Directors**

U S Agarwal  
(Partner)  
(Membership No. 051895)  
Kolkata  
Dated : 8th May, 2009

**Naresh Pachisia Rajesh Pachisia**  
Managing Directors

**Ankita Kandoi**  
Company Secretary



**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009**

SCHEDULES	2008-2009	2007-2008
	Rs.	Rs.
<b>INCOME</b>		
Income from Operations 9	94899492	151745437
Interest (Gross) (TDS Rs 643773/-, P.Y Rs.618896/-)	2904654	2611162
	97804146	154356599
<b>EXPENDITURE</b>		
Operative Expenses 10	31258632	43189397
Administrative & Other Expenses 11	59597171	68089294
Interest	989494	2265980
Loss on sale of Fixed Assets	71759	0
Depreciation	5349230	2057273
Bad Debts written off	21204	725000
Preliminary Expenses written off	40000	40000
	97327490	116366944
Profit Before Tax	476656	37989655
Provision for Tax	21169	11100000
Add: Excess Provision Written Back	0	770628
Less: Income Tax For Earlier Years	0	3216134
(Less)/Add:Deferred Tax Liability	759575	(1344850)
Less : Provision for FBT	341000	436000
Profit After Tax	874062	22663299
Add : Balance Brought Forward	54545312	42593599
<b>AMOUNT AVAILABLE FOR APPROPRIATION</b>	<b>55419374</b>	<b>65256898</b>
<b>APPROPRIATIONS</b>		
Amount transferred to General Reserve	0	2500000
Proposed Dividend	0	7018750
Dividend Distribution Tax	0	1192836
Surplus Carried to Balance Sheet	55419374	54545312
	55419374	65256898
Basic & Diluted Earnings per Share of Rs. 10/- each	0.16	4.36

Notes on Accounts & Accounting Policies 12

Schedules 9 to 12 referred to above form an integral part of the Profit & Loss Account

As per our report of even date

**For U S AGARWAL & ASSOCIATES**

*Chartered Accountants*

U S Agarwal  
(Partner)  
(Membership No. 051895)  
Kolkata

Dated : 8th May, 2009

**For and on behalf of Board of Directors**

**Naresh Pachisia Rajesh Pachisia**  
Managing Directors

**Ankita Kandoi**  
Company Secretary

**SCHEDULES TO THE ACCOUNTS**

<b>SHARE CAPITAL</b>	<b>AS AT</b>	<b>AS AT</b>
	<b>31.03.2009</b>	<b>31.03.2008</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>SCHEDULE - 1</b>		
Authorised :		
100,00,000 Equity Shares of Rs. 10/- each	<b>100000000</b>	<b>100000000</b>
Issued, Subscribed & Paid-up :		
5615000 Equity Shares of Rs.10/- each fully paid up (Out of which 27,50,000 Equity Shares of Rs. 10/- each allotted as fully paid up pursuant to the scheme of amalgamation of SKP Brokerage Ltd with the Company)	56150000	56150000
	<b>56150000</b>	<b>56150000</b>

<b>RESERVES &amp; SURPLUS</b>	<b>AS AT</b>	<b>AS AT</b>
	<b>31.03.2009</b>	<b>31.03.2008</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>SCHEDULE - 2</b>		
General Reserve (As per Last Balance Sheet)	10376000	7876000
Add : Transfer from Profit & Loss Account	0	2500000
	<b>10376000</b>	<b>10376000</b>
Share Premium Account	23165000	23165000
Profit & Loss Account Balance	55419374	54545312
	<b>88960374</b>	<b>88086312</b>

<b>SECURED LOANS</b>	<b>AS AT</b>	<b>AS AT</b>
	<b>31.03.2009</b>	<b>31.03.2008</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>SCHEDULE - 3</b>		
Term Loan	4291075	6611864
OD with HDFC Bank	2412498	4109763
Auto Loans	152291	781688
	<b>6855864</b>	<b>11503315</b>

SCHEDULE - 4

SCHEDULES TO THE ACCOUNTS

FIXED ASSETS

(all figures in Rs.)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 01.04.08	Additions	Deletion/ Discard	Total as at 31.03.09	Upto 01.04.08	For the year	Deletion/ Discard	Total as at 31.03.09	As at 31.03.09	As at 31.03.08
<b>Tangible Assets:</b>										
Plant	69874	0	0	69874	44683	3319	0	48002	21872	25191
Computer	9377377	1154151	0	10531528	2315761	1657643	0	3973404	6558124	7061616
Office Equipments	3955842	312742	0	4268584	464819	212808	0	677627	3590957	3491023
Furniture & Fixtures	10221854	1013408	0	11235262	288032	679567	0	967599	10267663	9933822
Vehicles	4524135	0	834178	3689957	1544086	350546	642419	1252213	2437744	2980049
<b>Intangible Assets:</b>										
Computer Softwares	0	9781389	0	9781389	0	2445347	0	2445347	7336042	0
Stock Exchange										
Membership Card	200000	0	0	200000	0	0	0	0	200000	200000
<b>TOTAL</b>	<b>28349082</b>	<b>12261690</b>	<b>834178</b>	<b>39776594</b>	<b>4657381</b>	<b>5349230</b>	<b>642419</b>	<b>9364192</b>	<b>30412402</b>	<b>23691701</b>
Previous Year	12674537	15674545	0	28349082	2600108	2057273	0	4657381	23691701	

Note :Cost of Stock Exchange Card represents face Value of one Equity Share of Rs.250/- of The Calcutta Stock Exchange Association Limited.

**SCHEDULES TO THE ACCOUNTS**

<b>INVESTMENTS</b>	<b>AS AT 31.03.2009 Rs.</b>	<b>AS AT 31.03.2008 Rs.</b>
<b>SCHEDULE - 5</b>		
In Fully Paid Equity Shares, other than Trade Unquoted In shares 490000 in SKP Commodities Ltd (Face Value Rs.10/-)	4900000	4900000
In Mutual Funds Birla Sun Life Income Plus-Growth (Current Value Rs.24,86,965/-)	2500000	0
	<u>7400000</u>	<u>4900000</u>
<b>CURRENT ASSETS</b>	<b>AS AT 31.03.2009 Rs.</b>	<b>AS AT 31.03.2008 Rs.</b>
<b>SCHEDULE - 6</b>		
Sundry Debtors (Unsecured, considered good)		
Over Six Months	5831397	673083
Less than Six Months	14584840	16363895
Cash-in-hand (Including stamps of Rs.86112/- Previous year- Rs.82210/-)	862021	807684
Balances with Scheduled Banks in Current Accounts	56053650	64525373
Fixed Deposits	35866884	34762851
Accrued Interest	1422469	147951
Other Current Assets	83677	297282
	<u>114704938</u>	<u>117578119</u>
<b>LOANS &amp; ADVANCES</b>	<b>AS AT 31.03.2009 Rs.</b>	<b>AS AT 31.03.2008 Rs.</b>
<b>SCHEDULE - 7</b>		
(Unsecured, Considered good)		
Deposits with Stock Exchanges	31172985	73773635
Deposits with Depositories	1250000	1260000
Security Deposit for Office Premises	4645306	3369041
Other Security Deposits	324351	324351
Advances recoverable in cash or in kind or for value to be received	26100030	8779081
Prepaid Expenses	504524	1893966
Advance Income Tax & FBT	13092377	10552162
	<u>77089573</u>	<u>99952236</u>
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>	<b>AS AT 31.03.2009 Rs.</b>	<b>AS AT 31.03.2008 Rs.</b>
<b>SCHEDULE - 8</b>		
Margin Money from Clients	22227922	43688576
Sundry Creditors	262979	216933
Liabilities for Expenses	2051266	10554340
Advances from Clients	39981973	13594393
Other Liabilities	58651	701312
	<u>64582791</u>	<u>68755554</u>
Provision for Tax	11121170	11100000
Proposed Dividend	0	7018750
Dividend Distribution Tax	0	1192836
Provision for Fringe Benefit Tax	777000	436000
	<u>11898170</u>	<u>19747586</u>
	<u>76480961</u>	<u>88503140</u>

**SCHEDULES TO THE ACCOUNTS**

<b>INCOME FROM OPERATIONS</b>	<b>2008-2009 Rs.</b>	<b>2007-2008 Rs.</b>
<b>SCHEDULE - 9</b>		
Income from Operations	93690312	150865283
Proprietary Investments	8656	0
Dividend	271136	171099
Bad Debts written back	47694	0
Miscellaneous Receipts	881694	709055
	94899492	151745437
<b>OPERATIVE EXPENSES</b>	<b>2008-2009 Rs.</b>	<b>2007-2008 Rs.</b>
<b>SCHEDULE - 10</b>		
Connectivity Charges	2700136	2024495
Bank Charges	606612	590191
Commission on Brokerage	19287828	27933324
Stamp Duty	3229233	6096815
Transaction Charges	2533737	3250271
Security Transaction Tax	72912	133306
Depository Charges	1269736	1345045
Database Expenses	1558438	1815950
	31258632	43189397
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>	<b>2008-2009 Rs.</b>	<b>2007-2008 Rs.</b>
<b>SCHEDULE - 11</b>		
Employees Remuneration & Benefits	32140054	33942664
Contribution to PF & ESI	143998	109664
Staff Welfare	1337908	1495954
Service Charges	2655868	2914633
Professional Fees	1336916	2479577
Directors' Fees	130000	71000
Travelling Expenses	1442159	1874235
Conveyance Expenses	753671	993024
Computer Expenses	701411	2549884
Vehicle Expenses	495731	497138
Communication Expenses	1709707	2476840
Printing & Stationary	1661763	2655047
Postage	949855	1319024
Rent	7559203	6931216
Electricity	1705999	1304562
Repairs to : Building	1482072	662073
Machinery	1018212	1066912
Rates & Taxes	166106	173440
Insurance	152085	164201
Advertisement	615752	1340429
Auditors' Remuneration :		
Audit Fees	75000	75000
Tax Audit Fees	25000	25000
For Certification	20000	20000
Subscriptions & Registration Fee	354853	437311
Miscellaneous Expenses	963848	2510466
	59597171	68089294

**SCHEDULES TO THE ACCOUNTS**

**SCHEDULE -- 12 NOTES ON ACCOUNTS AND ACCOUNTING POLICIES**

**1. SIGNIFICANT ACCOUNTING POLICIES**

- i) Basis of Accounting:
  - a. The financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and adopted consistently by the Company.
  - b. The Company follows the Mercantile System of Accounting and recognizes Income and Expenditure on accrual basis.
- ii) Fixed Assets & Depreciation:
  - a. Fixed Assets are stated at their original cost of acquisition including all the related expenses for installations.
  - b. Depreciation on Fixed Assets (Other than Stock Exchange Membership Card) for the year has been provided on Straight Line Method at the rates and in the manner as specified in Schedule XIV to the Companies Act, 1956.
- iii) Investments: Long-term investments are valued at cost.
- iv) Computer Software: Computer Software was considered as intangible assets and the same were amortized over a period of two years up to 31.03.2008. In view of long term use of such software, the same are being amortized over a period of four year from the accounting year ending 31st March 2009. Due to this change in accounting policy, the software expense debited to Profit & Loss Account is lower by Rs 34,23,486/- and the Profit before Tax for the year is higher by Rs 34,23,486/-.
- v) Gratuity liability has been provided as per Actuarial Valuation as per revised Accounting Standard 15 and has been paid to an approved Gratuity Fund.

**2. Information pursuant to the provisions of Part II of Schedule VI to the Companies Act, 1956.**

Traded Items	2008-2009		2007-2008	
	Quantity	Amount	Quantity	Amount
Opening Stock Equity Shares/Mutual Fund Units	-	-	-	-
Purchases Equity Shares /Mutual Fund Units	2512437.011	80000000.00	495688.703	45171098.52
Sales Equity Shares/ Mutual Fund Units	2449649.759	77779791.66	495688.703	45171098.52
Closing Stock Equity Shares/Mutual Fund Units	62787.252	2500000.00	-	-

3. a) Term Loan from HDFC Bank has been obtained under an Equipment Finance Scheme and is secured by Fixed Assets of the company financed by them and against Fixed Deposit.
- b) Overdraft from HDFC Bank is secured against a fixed deposit.
- c) Auto Loans are secured against vehicle financed by the respective financier.
4. Contingent liability not provided in respect of Bank Guarantees of Rs.260.00 Lacs (Previous Year Rs.335.00 Lacs) obtained from Banks to be utilized as and when required.
5. a) Fixed Deposits of Rs.198,50,943/- (Previous Year Rs. 287,78,486/-) with Banks are under lien against Bank Guarantees.

- b) Deposit of Rs.9,84,365/- (Previous Year.Rs.9,84,365/-) and Fixed Deposit of Rs.50,00,000/-(Previous Year. Rs.50,00,000/-) are deposited with The Calcutta Stock Exchange Association Ltd. and National Stock Exchange of India Ltd. respectively towards margin to be utilised as and when required.
- c) Fixed Deposits of Rs.100 Lacs (previous Year Rs.125 Lacs) is under lien with bank for Overdraft & Equipment Finance facility enjoyed by the Company.
6. Total Interest amount of Rs.989494/- Includes interest on Term Loan taken by the company amounting to Rs. 673112/- (Previous Year- Rs. 346226/-)

7. Earnings Per Share:

	2008-09 Rs.	2007-08 Rs.
Net profit for the year attributable to Equity Shareholders (Rs.)	8,74,061	2,26,63,299
Weighted Average Number of Equity Shares	56,15,000	51,96,535
Basic & Diluted earnings per share of Rs.10 each	Rs.0.16	Rs.4.36

8. Deferred tax Liability:

Depreciation difference	11,99,714	19,59,289
<b>NET DEFERRED TAX LIABILITY</b>	<b>11,99,714</b>	<b>19,59,289</b>

9. The Company has adopted Accounting Standard 15 on employees' benefits w.e.f 01.04.2008. Pursuant to the adoption, the transitional liability amounting to Rs. 4,47,407/- towards gratuity has been charged to Profit & Loss Account for the year ended 31.03.2009.

Details in respect of Gratuity are given as under:

<b>Liability to be recognized in Balance Sheet as on 31.03.09</b>	Rs.
Present value of Obligations	9,78,667
Fair Value of Plan Assets	10,59,531
Net Asset	80,864

**Change in Plan Assets (Reconciliation of Opening & Closing Balances)**

Fair Value of Plan Assets as on 01.04.08	6,97,000
Expected Return on plan Assets	0
Actuarial Gain/(Losses)	-47,174
Contributions	4,47,407
Benefits Paid	93,462
Fair Value of Plan Assets as at 31.03.09	10,59,531

**Reconciliation of Opening and Closing Balances of obligation**

Change in defined Benefit obligation	
Obligation as at 01.04.08	10,76,521
Current Service Cost	2,72,104
Interest cost	77,234
Actuarial Losses/(Gain)	-3,53,730
Benefits Paid	93,462
Obligation as on 31.03.09	9,78,667

**Expenditure to be recognized during the year**

Current Service Cost	2,72,104
Interest Cost	77,234
Expected Return on Plan Assets	55,760
Net Actuarial Losses/(Gain) Recognized during the year	-3,06,556
Total Expenditure included in Employees Emoluments	-12,978

**Assumptions**

Discount Rate ( Per Annum)	7.50%
Expected Rate of Return on Assets (Per Annum)	8.00%
Salary Escalation Rate	--

**10. Managerial Remuneration**

	<b>2008-09</b>	<b>2007-08</b>
	<u>Rs.</u>	<u>Rs.</u>
Salary to Managing Directors	21,21,900	48,00,000

**11. Related Party Transactions:**
**a. Parties where control exists –**

- Shri Naresh Pachisia, Managing Director (Brother of Shri Rajesh Pachisia)  
 Shri Rajesh Pachisia, Managing Director (Brother of Shri Naresh Pachisia)

**b. Key Management Personnel & Relatives:**

- M/s Surender Kumar Pachisia & Sons (HUF)  
 Shri Kishore Bhimani  
 Smt Rita Bhimani  
 Shri Nikunj Pachisia

**c. Enterprises over which significant influence exercised by**
**i. Director**

- Magma Shrachi Finance Ltd.

**ii. Major Shareholders/Directors**

- SKP Commodities Ltd

*(All figures in Rs.)*

Nature of Transaction	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Significant influence exercised by Directors & Major Shareholders	Total	
				2008-09	2007-08
Purchase of Securities	1058770	551	0	1059231	18223955
Sale of Securities	797437	0	0	797437	24758086
Remuneration	2121900	130000	0	2251900	4871000
Rent Received			114000	114000	0
Hire Installments Paid			60713	60713	234168
Outstanding Balances as at 31st March, 2009	- Nil -	- Nil -	- Nil -	4108568	47853041

12. The Company has not received any information from any of the suppliers as defined under the "Micro, Small and Medium Enterprises Act". Hence, the amount due to these units outstanding as on 31st March 2009 are not ascertainable.

13. The Equity Shares of the Company is listed at BSE Ltd. and the annual listing fees have been paid for the year. Application for delisting of shares has been made to Calcutta Stock Exchange Association Ltd. for which the Company has completed all formalities.

14. In the opinion of the Board, current assets, loans and advances have a value on realization in the ordinary course of the business at least equal to the amount at which they are stated.

**15. Expenditure in Foreign Currency:**

	<b>2008-09</b>	<b>2007-08</b>
	<u>Rs.</u>	<u>Rs.</u>
Subscription	43,334	49,284

16. Segment Reporting: The Company has only one segment; hence, segment reporting is not required.

17. Figures for the Previous Year have been regrouped / rearranged wherever necessary.



17. Additional Information Pursuant to Part IV of Schedule VI to the Companies Act, 1956  
Balanced Sheet Abstract and Company's General Business Profile

**a. Registration Details**

Registration No. L74140WB1190PLC049032	State Code No.	21
Balance Sheet Date 31.03.2009		

**b. Capital Raised during the Year**

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

**c. Position of Mobilisation and Deployment of Funds (Rs in thousands)**

Total Liabilities	153166	Total Assets	153166
-------------------	--------	--------------	--------

**Sources of Funds**

Share Capital	56150	Reserves & Surplus	88960
Secured Loans	6856	Unsecured Loans	0
		Deferred Tax Liability	1200

**Application of Funds**

Net Fixed Assets	30412	Investments	7400
Net Current Assets	115314	Misc. Expenditure	40
Accumulated Losses	NIL		

**d. Performance of the Company**

Turnover	97804	Total Expenditure	97328
Profit Before Tax	476	Profit After Tax	874
Earning Per Share (in Rs.)	0.16	Dividend Rate %	NIL

**e. Generic Names of Three Principal Products/Services of the Company (as per monetary terms)**

ITC CODE No.	(Not Classified)	Products Description	(Not Classified)
--------------	------------------	----------------------	------------------

Signature to Schedules 1 to 12

**For U S AGARWAL & ASSOCIATES**

*Chartered Accountants*

**U S Agarwal**

*Partner*

Membership No. 051895

Kolkata

Dated : 8th May, 2009

**For and on behalf of Board of Directors**

**Naresh Pachisia Rajesh Pachisia**

Managing Directors

**Ankita Kandoi**

Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH 2009**

	Year Ended 31.03.2009	Year Ended 31.03.2008
	Rs.	Rs.
<b>A. Cash flow from operating activities :</b>		
<b>Net profit before tax and extra-ordinary items</b>	476656	37989655
Adjustments for :		
Depreciation	5349230	2057273
Bad Debts written off	21204	725000
Issue/Preliminary Expenses written off	40000	40000
Interest/Dividend	-3175790	-2782261
<b>Operating profit before working Capital changes</b>	2711300	38029667
Adjustments for :		
Trade & other receivables	-3379259	-14878170
Other Current Assets	24341965	-36708275
Misc. Expenses	0	0
Trade Payables	-4172763	40109204
<b>Cash generated from operation</b>	<u>19501243</u>	<u>26552426</u>
Direct taxes paid	2540215	15480177
<b>Cash flow before extraordinary items</b>	<u>16961028</u>	<u>11072249</u>
Net cash from operating activities	16961028	11072249
<b>B. Cash flow from investing activities :</b>		
Purchase of Fixed assets	-12091134	-15674544
Sale/Discard of Fixed Assets	0	0
Purchase/Sale of Investments	-2500000	-1960000
Interest Received	2904654	2611162
Dividend Received	271136	171099
<b>Net cash used in investing activities</b>	<u>-11415344</u>	<u>-14852283</u>
<b>C. Cash flow from financial activities :</b>		
Proceeds from Issuance of Equity Share Capital	0	28815000
Secured Loan	-4647451	4759313
Dividends Paid including Tax on Dividend	-8211586	-7206508
<b>Net cash used in financing activities</b>	<u>-12859037</u>	<u>26367805</u>
Net increase in cash and cash equivalents	-7313353	22587771
Cash and cash equivalents as at 01.04.2008	100095908	77508137
Cash and cash equivalents as at 31.03.2009	92782555	100095908

**C E R T I F I C A T E**

We have verified the annexed Cash Flow Statement of SKP Securities Ltd. derived from the financial statements for the year ended March 31, 2009 and found the same to be in accordance therewith and also with the requirements of Clause 32 of the Listing Agreement the Stock Exchange.

**For U S AGARWAL & ASSOCIATES**  
**Chartered Accountants**

**U S Agarwal**  
(Partner)  
(Membership No. 051895)  
42/1, B.B. Ganguly Street  
Kolkata - 700 012.  
Dated : 8th May, 2009

### Our Branch Network

Kolkata (Head Office) Burra Bazar Howrah New Alipore Salt Lake Mumbai Delhi	Bhubaneswar Durgapur Dhanbad Guwahati Jamshedpur Patna Raipur	Siliguri
---	---	----------

### Our Mutual Funds Distribution Network

Assam	Bihar	Chhatisgarh	Jharkhand	Manipur	Mizoram	Madhya Pradesh (E)	Nagaland	Sikkim	Tripura	Uttar Pradesh (E)	West Bengal	Orissa
Guwahati Digoai Jorhat Sivasagar Shillong Tinsukhia	Patna Bhagalpur Biharsharif Darbhanga Katihar Munger Rohtas Aurangabad Sitamarhi Khagaria	Raipur Durg Rajnandgaon Dhamtari Dantewara Jagdal Pir Bachel Bilaspur	Jamshedpur Ranchi Bokaro Dhanbad Singhbhum (W) Singhbhum (E) Giridih Dumka Ghatsila Jhuguda Reikha Mines Chakradharpur Hazaribag	Imphal	Aizawl	Jabalpur Katni	Dimapur	Gangtok	Agartala	Varanasi Sonbhadra Saharanpur Mirzapur	Kolkata Howrah 24 Prgs (N) 24 Prgs (S) Hooghly Jalpaiguri Darjeeling Coochbehar Coochbehar Malda Murshidabad Birbhum Bardhaman Nadia Bankura Medinipur (W) Medinipur (E) Dinapur (N) Dinapur (S)	Bhubaneswar Cuttack Angul Taicher Roorkela Sambalpur Balasore Bargarh Boudh

### Our Retail Broking Outlets

For Kolkata Outlets see the chart below

West Bengal	Assam	Bihar	Chhatisgarh	Jharkhand	Maharashtra	Manipur	Madhya Pradesh	Orissa	Tripura	Uttar Pradesh	Meghalaya	Tamil Nadu	Rajasthan	Delhi
Asansol Barakar Bagnan Bongaon Chandrakona Coochbehar Darjeeling Dakshin Durgapur Egra Garhbeta Goalter Habra Haldia Haringhata Helencha Hoemgarh Jagulia Katwa Kharai Lankuthi Madhyamgram Maja-MTPS Malda Memari Midnapore Nabachrip Parulsi Radhanagar Sainthiya Satgachhia Shantipur Siliguri Sonamukhi Smtlapal Toofanganj	Guwahati (3) Naugaon Kamrup Deraon Golaghat Nalbari Jorhat Chariali	Arrah Buxar Chhapra Darbhanga Hajpur Patna Ramnagar Sasaram (2)	Bilhal (3) Bilaspur Korba Nagpur Raipur (2)	Agra Jamshedpur Bokaro Dhanbad Jamshedpur Ranchi	Jalgaon Mumbai	Imphal	Jabalpur Bhopal	Bhubaneswar Balasore (3) Cuttack	Agartala	Gopiganj Ordeley Bazar Taktakpur Varanasi	Shillong	Coimbatore	Udaipur	New Delhi

Kolkata Bally Barasat B B D Bagh Bag Bazar Bagrae Market Baguihati Basirhat	Barabazar Barabourne Road Barot Bottals Bulbulkalia Chowringhee Road Chitpur	Dalhousie Danop Darnidum Park Garahat Gangauly Bagan Hatibagan Jadubabur Bazar	Jygrabazar Jorabagan Jorasanko Kankinara Lake Town Madan Street Muttai	Netaji Nagar New Alipore Poste Rammandir Salt Lake Solepur Vivekananda Road	Greater Kolkata Kadamtalla Lilaah Serampore Sobepur Behampur Chandanpukur Dattapukur Ichapur	Howrah Salma
--	--	--	--	---	--	-----------------

# Notes



# SKP Securities Ltd

Registered Office : Chatterjee International Centre  
Level 21, 33A, Jawahar Lal Nehru Road, Kolkata - 700 071

## ADMISSION SLIP

To be handed over at the entrance of the Meeting Hall

Members Folio Number/ DP ID & Client ID	Name of the attending Member ( IN BLOCK LETTERS)	No. of Shares held

Name of the Proxy\* : .....  
(IN BLOCK LETTERS)

(\*To be filled in if the Proxy attends instead of the member )

I hereby record my presence at the 19th ANNUAL GENERAL MEETING of the members of SKP Securities Limited at Merchant's Chamber of Commerce, 15B Hemant Basu Sarani, Kolkata 700 001 on Saturday, 25th July, 2009 at 10:30 am.

.....  
Member's / Proxy's signature

(To be signed at the time of handing over this slip )

Note : Please carry the copy of this Annual Report for 2008 - 09 at the Meeting Hall.

# SKP Securities Ltd

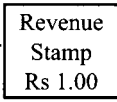
Registered Office : Chatterjee International Centre  
Level 21, 33A, Jawahar Lal Nehru Road, Kolkata - 700 071

## PROXY FORM

I / We .....  
Of .....  
Being a member / members of the above named Company, hereby appoint Mr/Mrs/Miss.....  
of.....or failing him appoint Mr/Mrs/Miss .....  
of .....  
as my/our proxy to attend and vote for me / us on my / our behalf at the 19th ANNUAL GENERAL MEETING of the Company to be held at Merchant's Chamber of Commerce, 15B Hemant Basu Sarani, Kolkata 700 001 on Saturday, 25th July, 2009 at 10:30 am and / or at any adjournment thereof.

No. of Shares .....  
member's Folio Number / DP ID & Client ID .....  
As witness my / our hand (s) this ..... Day of .....2009

Signature.....



Note : Proxy must reach the Company's Registered Office not less than 48 hours before the meeting



## NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the Members of the Company will be held on Saturday, the 25th day of July 2009, at 10.30 a.m. at Merchants' Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata – 700 001, to transact the following business:

### Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit & Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri G. L. Sultania who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

### Special Business

4. To consider and, if thought fit, to pass with or without modification(s), the following resolutions as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to Section 198, 269 & 309 & 310 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded for the reappointment of Shri Naresh Pachisia as Managing Director of the company for a period of three years w.e.f 01.04.2009 on the revised monthly remuneration of Rs. 2,00,000/- including House Rent Allowance of Rs. 75,000/-.

**“RESOLVED FURTHER THAT** the other terms & conditions in relation to the reappointment of Managing Directors including payment of commission and other prerequisites would remain unchanged.”

**“RESOLVED FURTHER THAT** in case of absence or inadequacy of profits, the Managing Directors shall be paid remuneration as determined by Remuneration Committee.”

Kolkata 700 071  
Dated June 30, 2009

BY order of the Board  
For SKP Securities Ltd.

**Ankita Kandoi**  
Company Secretary

**Notes:**

1. The relative Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the business under Item Nos. 4 & 5 is annexed hereto. The relevant details of the Directors under Item Nos. 2, 4 & 5 as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges are also annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE AFORESAID MEETING.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 18th July 2009 to 25th July 2009 (both days inclusive) for the purpose of Annual General Meeting.
4. The member of the Company, who is holding more than one share certificate in the same name under different folio numbers, is requested to apply for consolidation of such folio numbers and to send relevant Equity Share Certificate to the Registrar & Share Transfer Agent – M/s. Maheshwari Datamatics Private Limited, 6 Mangoe Lane, 2nd Floor, Kolkata 700 001.
5. Members may please address all their documents / correspondence relating to the equity shares of the Company directly to the Company's Registrar and Transfer Agent, at the address as stated in Note No. 4 above.
6. Nomination facility for shares is available for members. The prescribed format in this regard can be obtained from the Company's Registrar & Share Transfer Agent at the address as stated in Note No. 4 above.
7. Copy of the Resolution passed by the Board of Directors at its meeting held on 8th May, 2009 in respect of the re-appointment of Managing Directors may be inspected at Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day except Saturday and public holidays up to the date of next Annual General Meeting.
8. Shareholders seeking any information with regard to Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
9. Register of Directors' Shareholding under section 307 of the Act will be available for Inspection by the Members at AGM
10. Register of Contracts under section 301 of the Act, will be available for Inspection by the Members at the Registered Office of the Company.
11. Members attending the Annual General Meeting are requested to bring with them (a) DP & Client ID Numbers or Folio Numbers, (b) Attendance Slip and (c) Copy of the Annual Report & Notice, as no copies thereof would be distributed at the Meeting.

**Explanatory Statement under section 173(2) of the Companies Act, 1956**

The following Explanatory Statement sets out material facts relating to Special Business under item No. 4 & 5 in the accompanying Notice and should be considered as a part of the Notice.

**Item No 4 & 5.**

**Re-appointment of and remuneration payable to, Managing Directors**

By a resolution passed by the members of the company at their Annual General Meeting held on 29th, July 2006, both Shri Naresh Pachisia and Shri Rajesh Pachisia were appointed as Managing Directors of the Company for a period of three years from 1st April, 2006 which tenure ended on 31st March, 2009.

During their tenure, the remuneration payable to the said Managing Directors was approved at Rs. 2, 00,000/- p.m., in accordance with the stipulations set under the Companies Act, 1956 and accordingly the resolutions were passed by the members at the Annual General Meeting held on 29th July, 2006.

In view of the continuing contributions made to the Company and also acknowledging the sustained and dedicated efforts in steering the Company as well as considering the fact that their continued involvement is inevitable to achieve further growth, the Board of Directors at their meeting held on 8th May, 2009 unanimously recommended the re-appointment of Shri Naresh Pachisia and Shri Rajesh Pachisia, as Managing Directors for a further period of three years from 1st April, 2009 till 31st March 2012.

The Remuneration Committee as well as the Directors recommend that the remuneration payable to Shri Naresh Pachisia and Shri Rajesh Pachisia, during the presently proposed three year commencing from 1st April, 2009 and ending with 31st March 2012, be fixed in accordance with the presently applicable guidelines and provisions of Companies Act, 1956 relating to managerial remuneration and detailed in respective resolutions contained in the Notice.

	Salary	HRA	Total
Shri Naresh Pachisia	Rs.125000	Rs.75000	Rs.2,00,000/-
Shri Rajesh Pachisia	Rs.125000	Rs.75000	Rs.2,00,000/-

None of the Directors of the Company, except Shri Naresh Pachisia and Shri Rajesh Pachisia are interested in these resolutions.

**Place :** Kolkata

**Date :** June 30, 2009

**Regd. Office:**

Chatterjee International Centre, Level 21

33A, J.L Nehru Road

Kolkata-700001

BY order of the Board  
For SKP Securities Ltd.

**Ankita Kandoi**  
Company Secretary



**Details of the Directors seeking re-appointment in forthcoming  
 Annual General Meeting  
 (in pursuance of Clause 49 of the Listing Agreement)**

Name of Director	Shri G.L. Sultania	Shri Naresh Pachisia	Shri Rajesh Pachisia
Date of Birth	16.12.1945	26.09.1962	03.05.1966
Date of Appointment	01.05.1991	18.05.1990	18.05.1990
Expertise in Specific Functional Areas	Corporate Finance, Law & Secretarial Matters	Financial Market Services & Capital Market	Finance Market Services & Capital Market
Qualifications	B.Com, FCA, FCS	B.Com, CFP	B.Com, CFP
Directorship held in other public companies (excluding foreign companies)	S.R. Continental Ltd Paco Exports Ltd Bhilwara Holdings Ltd Sarvottam Vanijya Ltd Somany Retail Ltd Hindware Home Retail Pvt. Ltd HSIL Associates Ltd Kirtivardhan Finvest Services Ltd.	SKP Commodities Ltd Diana Tea Company Ltd Linc Pen & Plastics Ltd Murlidhar Ratanlal Exports Ltd Sarda Plywood Industry Ltd	SKP Commodities Ltd
Membership/ Chairmanship of Committees of their public companies (includes only Audit Committees and Shareholders'/ Investors' Grievance Committee)	<b>Audit Committee – Chairman</b> Schablona India Ltd  <b>Audit Committee – Member</b> Somany Ceramics Limited SPA Capital Services Ltd.  <b>Shareholders/Investors Grievance Committee – Chairman</b> Schablona India Ltd  <b>Shareholders/Investors Grievance Committee – Member</b> Hindustan Sanitaryware & Industries Ltd Somany Ceramics Limited  <b>Remuneration Committee - Member</b> Somany Ceramics Limited The United Provinces Sugar Co Ltd SPA Capital Services  <b>Finance Committee – Member</b> The United Provinces Sugar Co Ltd	<b>Audit Committee – Chairman</b> None  <b>Audit Committee – Member</b> Linc Pen & Plastics Ltd. Diana Tea Company Ltd. Sarda Plywood Industries Ltd. <b>Shareholders/Investors Grievance Committee – Chairman</b> Diana Tea Company Ltd.  <b>Shareholders/Investors Grievance Committee – Member</b> Linc Pen & Plastics Ltd. Diana Tea Company Ltd.  <b>Remuneration Committee - Member</b> Linc Pen & Plastics Ltd. Diana Tea Company Ltd.  <b>Finance Committee – Member</b> None	None
Shareholdings in the Company	Nil	2296850	1261150

*Educating & Empowering Investors*



*Investor's Education Camp organised with CDSL at Garbbeta, West Bengal*



*Section of Investors at the Camp*



*Investor Awareness Camp in North Kolkata*



*Investor Awareness Camp in South Kolkata*

*Human Resource Initiatives*



*A Team SKP Moneywise Training Retreat at Ibiza, Kolkata*



*An Interactive Session at the Training Retreat*

*If undelivered please return to :*

**Maheshwari Datamatics (P) Ltd.**

6 Mangore Lane (2nd Floor)

Kolkata -700 001

Phone: (033) 2248 2248

or

**SKP Securities Ltd.**

Chatterjee International Centre, Level 21

33A, Jawahar Lal Nehru Road, Kolkata 700071, India

Phone (033) 40077000, Fax (033) 40077007

E-Mail - [cs@skpmoneywise.com](mailto:cs@skpmoneywise.com)



Equities • Derivatives • Commodities • Depository Services • Mutual Funds  
Life Insurance • Financial Planning • Currency