

**Seventeenth
Annual Report
2008-2009**



**DB
(INTERNATIONAL)
STOCK BROKERS LIMITED**

Board of Directors

Mr. Shiv Narayan Daga (Managing Director)
Mr. Chandra Mohan Bahety (Director)
Mr. Sanjay Kumar Mimani (Director)
Mr. Brajesh Sadani (Director)
Mr. Sachin Rathi (Director)

Company Secretary

Mr. Pramod Kumar Gupta

Auditors

Agrawal Dugar & Associates
Chartered Accountants
New Delhi

Bankers

HDFC Bank Limited
Oriental Bank of Commerce
Indusind Bank
Punjab National Bank
State Bank of Bikaner and Jaipur
ICICI Bank

Corporate Office

402, New Delhi House
27, Barakhamba Road,
New Delhi-110001
Email : investors@dbonline.in
helpdesk@dbonline.in

Registered Office

756, Sector-23A
Gurgaon-122017 (Haryana)

Registrar

Abhipra Capital Limited
A-387, Dilkhush Industrial Area,
G.T. Karnal Road,
Azadpur, Delhi-110033
Email: rta@abhipra.com

DB (INTERNATIONAL) STOCK BROKERS LIMITED

Regd. Office: 756, Sector-23A, Gurgaon -122017

NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of the Company will be held on Monday, the 20th July, 2009 at 10:00 A.M. at the Registered Office of the Company at 756, Sector 23A, Gurgaon -122017 (Haryana) to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st March, 2009 and the reports of Auditors and Directors thereon.
2. To re-appoint Mr. Sanjay Kumar Mimani who is liable to retire by rotation at the Annual General Meeting and being eligible offer himself for re-appointment.
3. To re-appoint Mr. Brajesh Sadani, who is liable to retire by rotation at the Annual General Meeting and being eligible offer himself for re-appointment.
4. To re-appoint M/s Agrawal Dugar & Associates, Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration

**By Order of the Board
For DB (INTERNATIONAL) STOCK BROKERS LIMITED**

**Place : New Delhi
Dated : 20th June, 2009**

**Sd/-
Shiv Narayan Daga
Managing Director**

Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and to vote instead of himself. A proxy need not be a member of the company. The instrument of proxy in order to be effective must be deposited at the Registered/ Corporate office of the company duly completed and signed not later than 48 hours before the commencement of the meeting.
2. A blank proxy form along with attendance slip is enclosed herewith.
3. The register of Members and Share Transfer Book will remain closed from 17th July, 2009 to 20th July, 2009 (Both days inclusive).
4. Members are requested to notify any change in their address immediately at the Corporate Office of the Company/ Registrar & Transfer Agent (RTA).
5. Members are requested to bring their copy of Annual Report at the Meeting.

DB (INTERNATIONAL) STOCK BROKERS LIMITED

Regd. Office: 756, Sector-23A, Gurgaon -122017

Directors Report

To the Memebrs

Your directors have pleasure in presenting 17th Annual Report together with the Audited Accounts for the financial year ended 31st March, 2009

Financial Results

During the year under review the financial result of your Company are as follows:

<u>Particulars</u>	<u>Period Ended 31st</u>	<u>Period Ended 31st</u>
	<u>March, 2009</u>	<u>March, 2008</u>
	<u>(Rs. Lacs)</u>	<u>(Rs. Lacs)</u>
Gross Receipts	604.00	1241.93
Profit before Depreciation	60.96	965.41
Depreciation	(26.73)	(21.68)
Profit Before Tax	34.23	943.73
Provision for Tax	(10.13)	(281.62)
Profit After Tax	24.10	662.11
Brought Forward from previous year	738.43	177.04
<u>Appropriations</u>		
Transfer to General Reserve	0.00	(100.00)
Income Tax Provision Written off	(10.03)	(0.72)
Balance Transferred to Balance Sheet	752.50	738.43

Business Operations overview

During the year under review, the gross receipts of the company are Rs.604.00 Lacs in the year 2008-2009 as against Rs.1241.93 Lacs in the previous year 2007-2008. The net profit after tax of the Company is Rs.24.10 Lacs in the current year 2008-2009 as against Rs.662.11 in the previous year 2007-2008. The earnings of your company declined due to global recession and its impact in the securities market.

The Company is a Depository Participant of CDSL. The Depository operation contributed gross revenue of Rs.9.36 Lacs during the year 2008-2009 as against Rs.15.43 Lacs in previous year 2007-2008.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Global Stock Market not performed very well in the year 2008-2009. The Indian Stock Market also affected with the trends of the global scenario of Stock Market. Even in the recession in the global market, our stock market performed little bit well.

Stock Market has always been full of uncertainties. The Political scenario, domestic/ global economic trend and individual's perception on the stock market makes the market most unpredictable one. In India the political scenario are better now a days and therefore it is expected that in the current year the stock market will perform well and also contribute to grow the wealth of the public. Hence, your Company will also earn more.

Segment-wise Performance

The Company deals in single line of business and there is no other segment apart from the main one.

Financial Performance/Operational Performance

- The bearish trend in the Stock Market resulted in the downfall in the net profit of the Company.
- Share Capital of the Company remained unchanged during the year.
- The Company has initiated the expansion process to some extent which has resulted to increase in the Capital Expenditure.

Material development in human resources

Sincere efforts are being made to induct professionals and to train the existing employees to enhance their level of competence. The Company is in the process of building a team of committed professionals who can actively participate in the expansion plans of the company.

Internal Control and adequacy

The Company maintains sufficient internal control procedures commensurate with the size and nature of the business.

Future Outlook

The Company is operating with the objective of creating and building long and healthy relationship with its customers by providing specialized services to meet their various requirements. Your Company is committed to gain its customer trust and ensuring customer satisfaction. During the year under review your Company has been able to increase its client base even in tough competitive environment and economic recession and also committed to achieve better performance the same in the next year and to earn handsome profit.

Dividend

Your directors did not recommend any dividend for the financial year 2008-2009

Fixed Deposits

During the year under review, your Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 and rules made thereunder

Directors

Pursuant to the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Sanjay Kumar Mimani and Mr. Brajesh Sadani retire by rotation at the ensuing annual general meeting and both being eligible offer themselves for re-appointment.

Auditors

The Auditors of your Company, M/s Agrawal Dugar & Associates, Chartered Accountants, hold office till the conclusion of ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointed. Your directors recommend their appointment.

Listing of Securities of the Company

Presently, the shares of your Company are listed at Bombay Stock Exchange and the Annual Listing Fee for the year 2008-2009 has been paid for the same.

Corporate Governance

Report on Corporate Governance pursuant the Clause 49 of the Listing Agreement is attached and forms part of this report.

STATUTORY DISCLOSURES

1. Particulars of employees under section 217(2A)

There was no employee drawing remuneration in excess of the limits specified in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

2. Particulars of Conservation of Energy, Technology absorption and Foreign Exchange Earnings & Outgo under section 217(1)(e)

The Company did not undertake any manufacturing activities during the financial year. There is, therefore, no information to be disclosed under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

The Company do not have any foreign exchange earnings and outgo during the year under review.

3. Directors' Responsibility Statement under section 217(2AA)

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

- i) in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation 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 at the end of the financial year and of the profit or loss of the Company for that period;
- iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the directors had prepared annual accounts on a 'going concern' basis.

Acknowledgment

Your Directors wish to acknowledge their gratitude to the business associates, customers, bankers and stock exchanges for their continued patronage, assistance and guidance. They also take this opportunity to place on record a sincere appreciation for the contribution made by all the employees to the operation of the Company during the year.

**By Order of the Board
For DB (INTERNATIONAL) STOCK BROKERS LIMITED**

Place : New Delhi
Dated : 20th June, 2009

Sd/-
Shiv Narayan Daga
(Managing Director)

Sd/-
Sachin Rathi
(Director)

REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Bombay Stock Exchange

Company's Philosophy

Corporate Governance is the system by which an organization is directed and controlled to enhance their wealth generating capacity. DB (International) Stock Brokers Limited ("DB") is committed to implement sound corporate governance practice with a view to bring about transparency in its operations and maximizing shareholders value. The Company's core philosophy on the code of Corporate Governance is to ensure:

- Fair and transparent business practice.
- Accountability for performance.
- Compliance of applicable Statute.
- Transparent and timely disclosure of financial and management information.
- Effective management control and monitoring of executive performance by the Board: and
- Adequate representation of promoter, executive and independent directors on the Board.

Board of Directors

The composition and category of Board of Directors are as follows:

S.No.	Name	Designation	DIN	Category
1.	Shri Shiv Narayan Daga	Managing Director	00072264	Non Independent Whole-time Director
2.	Shri Chandra Mohan Bahety	Director	01013741	Independent Non Executive Director
3.	Shri Sanjay Kumar Mimani	Director	00072403	Independent Non Executive Director
4.	Shri Brajesh Sadani	Director	00072425	Independent Non Executive Director
5.	Shri Sachin Rathi	Director	01013130	Independent Non Executive Director

Remuneration to Directors

The Company does not pay any remuneration/compensation to the Non-executive Directors.

Shri Shiv Narayan Daga, Managing Director drew a remuneration of Rs. 6,20,000/- during the year. He was appointed Managing Director of the company for a term of 5 years w.e.f. 7th September, 2005.

During the year the Board of Directors met 10 times on 25.04.2008, 31.05.2008, 28.07.2008, 14.08.2008, 29.08.2008, 02.09.2008, 29.10.2008, 08.12.2008, 31.12.2008 and 30.01.2009. Attendance of each director at the meetings of the Board of Directors held during the year and the last Annual General Meeting and Directorship held by them in other Companies is indicated below:

Name	No. of Board Meetings Attended	Whether attended last AGM	Directorship in other Companies	Committee Membership	Status in Committee
Shri Shiv Narayan Daga	10	Yes	Daga Commodities Private Limited	--	--
Shri Chandra Mohan Bahety	7	Yes	MPA Financial Services Limited	Remuneration Committee	Member
			Ushakiran Colonizers Private Limited	Audit Committee	Member
Shri Sanjay Kumar Mimani	9	Yes	--	Share Transfer & Investors Grievance Committee	Chairman
				Audit Committee	Chairman
Shri Brajesh Sadani	8	Yes	--	Share Transfer & Investors Grievance Committee	Member
				Audit Committee	Member
				Remuneration Committee	Chairman
Shri Sachin Rathi	9	Yes	--	Remuneration Committee	Member

Audit Committee

In Compliance with Clause-49 of the Listing Agreement and Section 292A of the Companies Act, 1956, the Board of Directors has constituted an Audit Committee comprising the following Directors:

- Mr. Sanjay Kumar Mimani (Independent Non-Executive Director) Chairman
- Mr. Chandra Mohan Bahety (Independent Non-Executive Director) Member
- Mr. Brajesh Sadani (Independent Non-Executive Director) Member

During the year Committee met four times on 21.04.2008, 23.07.2008, 22.10.2008. and 27.01.2009.

Remuneration Committee

The remuneration Committee comprises of following Directors:

- | | |
|---|----------|
| • Mr. Brajesh Sadani (Independent Non-Executive Director) | Chairman |
| • Mr. Sachin Rathi (Independent Non-Executive Director) | Member |
| • Mr. Chandra Mohan Bahety (Independent Non-Executive Director) | Member |

During the year Remuneration Committee met once on 20.03.2009.

Share Transfer & Investors Grievance Committee

The Committee comprises of following Directors:

- | | |
|--|----------|
| • Mr. Sanjay Kumar Mimani (Independent Non-Executive Director) | Chairman |
| • Mr. Brajesh Sadani (Independent Non-Executive Director) | Member |

During the year the committee met 15 (Fifteen) times on 15.04.2008, 30.04.2008, 15.05.2008, 31.05.2008, 16.06.2008, 31.07.2008, 29.08.2008, 29.09.2008, 29.10.2008, 29.11.2008, 31.12.2008, 15.01.2009, 16.02.2009, 28.02.2009 and 30.03.2009.

During the year no complaint was received from Investors. The requests received for share transfer upto 31.03.2009 has been completed within the time frame prescribed by the statutory authorities as well as Listing Agreement.

General Body Meetings

The details of General Meeting of the Shareholders conducted in last three years are as follows:

<u>Year</u>	<u>Date</u>	<u>Time</u>	<u>Location</u>
2005-2006	30.09.2006	10:00 A.M.	756, Sector 23A, Gurgaon-122017 (Haryana)
2006-2007	27.08.2007	10:00 A.M.	756, Sector 23A, Gurgaon-122017 (Haryana)
2007-2008	29.09.2008	10:00 A.M.	756, Sector 23A, Gurgaon-122017 (Haryana)

Disclosures

- The Company has not entered into any transaction of a material nature with the Promoters, Directors or the Management, their relatives etc. that may have potential conflict with the interest of the Company
- No penalties have been imposed on the Company by the Stock Exchange, SEBI or other Statutory Authorities on any matter related to capital markets during last three years.

Means of Communication

- As per Clause 41 of the Listing Agreement, the financial results of the Company were published in the "Business Standard" (English) and "Veer Arjun" (Hindi) during the year.
- Pursuant to clause 51 of listing agreement, information like quarterly and half yearly statement and shareholding pattern are regularly updated on SEBI's website i.e. www.sebidifar.nic.in
- Management discussion & analysis report has been included in the annual report, which forms part of the Annual Reporting being sent to the shareholders of the Company.

Information for General Shareholders

- A. 17th Annual General Meeting : Will be held on Monday the 20th July, 2009 at 10:00 A.M. at 756, Sector-23A, Gurgaon-122017 (Haryana)
- B. Financial Calendar : 01.04.2008 to 31.03.2009
- C. Book Closure Date : 17.07.2009 to 20.07.2009 (Both days inclusive)
- D. Dividend : The Board of Directors did not recommend any dividend for the financial year 2008-2009
- E. Listing on Stock Exchange : The Shares of the Company are listed on Bombay Stock Exchange and the Annual Listing Fee for the year 2008-2009 has been paid.
- F. Market Price Data

Month	Highest Price	Lowest Price
April, 2008	77.35	56.00
May, 2008	95.65	76.00
June, 2008	80.15	60.95
July, 2008	64.00	48.50
August, 2008	55.00	34.50
September, 2008	36.20	25.75
October, 2008	25.50	19.35
November, 2008	22.00	18.85
December, 2008	20.25	18.35
January, 2009	17.85	11.65
February, 2009	15.71	12.55
March, 2009	33.70	16.45

- G. SCRIP CODE : 530393 (Bombay Stock Exchange)
- H. Registrar & Share Transfer agent : ABHIPRA CAPITAL LIMITED
A-387, Dilkhush Industrial Area
G.T. Karnal Road, Azadpur
Delhi-110033
Email : rta@abhpra.com
- I. ISIN : INE921B01017
- J. Share Trading/ Transfer : Trading in equity shares of the Company on BSE is permitted in dematerialized mode only. The Shares received in physical form for transfers are normally processed within a period of 30 days, provided all the formalities are completed.

K. Distribution Schedule as on 31.03.2009

Shareholding of Nominal Value of Rs.	No. of Shareholders	No. of Shares
Upto 2500	805	80512
2501 - 5000	118	46292
5001 - 10000	50	38565
10001 - 20000	25	39916
20001 - 30000	5	12608
30001 - 40000	4	15064
40001 - 50000	5	22523
50001 - 100000	16	129818
100001 & above	44	2614702
Total	1072	3000000
Category	No. of shares	% of Shareholding
Promoters	1543000	51.43
Other	1457000	48.57
Total	3000000	100.00

L. Dematerialization of Shares : 28,64,828 Equity Shares representing 95.49% of Total paid up Capital in Dematerialized Form and 1,35,172 Equity Shares representing 4.51% of Total paid up Capital in Physical Form as on 31.03.2009

M. Address for Correspondence: Shareholders' correspondence may be addressed to the Company Secretary, DB (International) Stock Brokers Limited at its corporate office at 402, New Delhi House, 27, Barakhamba Road, New Delhi-110001
Email : investors@dbonline.in

**On behalf of the Board of Directors
For DB (INTERNATIONAL) STOCK BROKERS LIMITED**

Place : New Delhi
Dated : 20th June, 2009

Sd/-
Shiv Narayan Daga
(Managing Director)

Sd/-
Sachin Rathi
(Director)

CEO/CFO CERTIFICATION

Certificate of Managing Director on Financial Statement under Clause 49 of the Listing Agreement

I, Shiv Narayan Daga, Managing Director hereby certify that :

- a. I have reviewed financial statement and the cash flow statement of the financial year ended 31.03.2009 and that to the best of my knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) 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.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violative of the Company's code of conduct.
- c. I am responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d. I have indicated to the auditors and the Audit Committee that:
 - i) there have been no significant changes in internal control over financial reporting during the year.
 - ii) There have been no significant changes in accounting policies during the year; and
 - iii) There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi
Dated : 20th June, 2009

Sd/-
Shiv Narayan Daga
(Managing Director)

Auditors' Certificate

To
The Members
DB (INTERNATIONAL) STOCK BROKERS LIMITED

We have examined the compliance conditions of Corporate Governance by **DB (International) Stock Brokers Limited** (hereinafter referred as "the Company") for the year ended 31st March, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion of the Financial Statements of the Company.

In our opinion and to the best of our information and according to explanations given to us, we verify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We have examined that no investor grievances are pending for a period exceeding one month as at 31st March, 2009 against the Company as per the records maintained by the Company.

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

For Agrawal Dugar & Associates
Chartered Accountants

Place : New Delhi
Dated : 20th June, 2009

Sd/-
Vinod Kumar Dugar
(Partner)
Membership No. 84262

AUDITORS' REPORT

To

The Members,
DB(INTERNATIONAL) STOCK BROKERS LIMITED
756, SECTOR 23A,
GURGAON -122017

- 1) We have audited the attached Balance Sheet of DB(International) Stock Brokers Limited as at 31st March, 2009, and also the Profit and loss Account for the year ended on that date annexed thereto. 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 the 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 (Auditors' Report) Amendment 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 & 5 of the said order.
- 4) Further to our comments in the Annexure referred to above, we 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 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 account.
 - d) In our opinion, the balance sheet, profit & loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the Directors, as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a Director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956;
 - f) Subject to note (P) on disclosure of Accounting Standard 15, given in notes on accounts, in our opinion and to the best of our information and according to the explanation given to us, said statement of accounts read together with notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:

- 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 & Loss Account, of the profit of the company for the year ended 31st March,2009
- III) In the case of the cash flow statement, of the cash flows for the year ended 31st March, 2009.

FOR AGRAWAL DUGAR & ASSOCIATES
Chartered Accountants

Sd/-
(Vinod Kumar Dugar)
Partner
Membership No. 84262

Place : New Delhi
Dated : 20th June, 2009

ANNEXURE TO THE AUDITORS' REPORT

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) All the assets have been physically verified by the management during the year. There is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
(c) During the year, the company has not disposed off substantial part of fixed assets.
2. (a) The inventory has been physically verified at reasonable intervals by the management.
(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. We are informed that the company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. The company has also not granted any unsecured loan to companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956;
4. 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 purchases of inventory, fixed assets and with regard to the sale of goods and also correct the major weakness in internal control system.
5. In our opinion and according to the information and explanation provided by the management, we are of the opinion that no transactions have been made in pursuance of contracts or arrangements to be entered in to the registers maintained under Section 301.
6. In our opinion and according to the information and explanation given to us, the company has complied with the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. No order has been passed by the Company Law Board or RBI or national company law board or any court or any other tribunal.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. Para VIII is not applicable to the company.
9. According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, income tax and other statutory dues applicable to it. According to the information and explanation given to us, no undisputed amounts payable in respect of income tax, wealth tax, Sales tax, Service tax, customs duty and excise duty were outstanding, as at 31st March, 2009 for a period of more than six months from the date they become payable.

10. The Company does not have any accumulated losses. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. Based on our examination and on the information and explanation given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution or bank.
12. Based on our examination of documents and records, we are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. Para (XIII) is not applicable to the company.
14. Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that proper records have been maintained of the transaction and contracts and timely entries have been made in those records. We also report that the company has held the shares, securities, debentures and other investment in its own name.
15. The company has not given any guarantee for loans taken by others from bank or financial institutions.
16. The company has not taken any term loan.
17. In our opinion and according to the information and explanation given to us, the funds raised on short term basis have not been used for long term investments.
18. We are informed that 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.
19. The company has not issued debentures and hence requirement of reporting regarding creation of security or charge in respect of debentures issued does not arise.
20. The company has not raised any money by public issue.
21. Based upon the audit procedures performed and as per information and explanation given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

FOR AGRAWAL DUGAR & ASSOCIATES
Chartered Accountants

Sd/-

(Vinod Kumar Dugar)
Partner
Membership No. 84262
Place : New Delhi
Dated : 20th June, 2009

DB (INTERNATIONAL) STOCK BROKERS LIMITED
BALANCE SHEET AS ON 31st MARCH, 2009

(Amount in Rs.)

	SCHEDULE	AS ON 31st March, 2009	AS ON 31st March, 2008
<u>SOURCES OF FUNDS</u>			
SHARE HOLDERS FUNDS			
a) Share Capital	1	30,000,000	30,000,000
b) Reserves & Surplus	2	99,365,630	97,958,951
c) Deferred Tax Liabilities		1,350,232	1,203,203
TOTAL		130,715,862	129,162,154
<u>APPLICATION OF FUNDS</u>			
Fixed Assets	3		
a) Gross Block		21,012,646	17,026,696
b) Less: Depreciation		11,905,370	9,232,444
c) Net Block		9,107,276	7,794,252
<u>CURRENT ASSETS, LOANS & ADVANCES</u>			
a) Sundry Debtors	4	3,555,366	8,357,180
b) Inventory		35,907	22,890
c) Cash & Bank Balances	5	83,212,951	92,768,616
d) Other Current Assets	6	4,745,743	31,623,182
e) Loans & Advances	7	--	1,442,679
f) Security Deposits	8	64,341,395	38,788,595
		155,891,362	173,003,142
<u>LESS: CURRENT LIABILITIES & PROVISIONS</u>			
Current Liabilities & Provisions	9	34,282,777	51,635,240
NET CURRENT ASSETS		121,608,585	121,367,902
		130,715,862	129,162,154
Notes to Accounts	12		

AUDITOR'S REPORT

As per Report of even date attached

for AGRAWAL DUGAR & ASSOCIATES
Chartered Accountants

For & On Behalf of Board of Directors

Sd/-
(Vinod Kumar Dugar)
Partner
M.No. 84262

Sd/-
(Shiv Narayan Daga)
Managing Director

Sd/-
(Sachin Rathi)
Director

Sd/-
(Pranod Kumar Gupta)
Company Secretary

Place : New Delhi
Dated : 20-06-2009

DB (INTERNATIONAL) STOCK BROKERS LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2009

(Amount in Rs.)

SCHEDULE	As on 31st March, 2009	As on 31st March, 2008
<u>INCOME</u>		
Brokerage Income	15,359,815	23,604,319
Income from Trading of securities	39,023,072	95,613,060
Interest Income	4,606,930	3,405,787
Income from Depository Participant	936,164	1,543,017
Dividend Income	293,460	3,617
Other Income	167,192	-
Increase/(Decrease) in Stock	13,017	22,890
TOTAL (A)	60,399,650	124,192,690
<u>EXPENSES</u>		
Employees Cost	10,670,628	8,553,623
Administrative and other Expenses	11 43,633,164	19,097,781
Depreciation	2,672,926	2,167,896
TOTAL (B)	56,976,717	29,819,300
Profit / (loss) for the year (A-B)	3,422,932	94,373,390
Provision For Income Tax	(819,978)	(28,000,000)
Provision For FBT	(45,546)	(51,931)
Provision For Deferred Tax	(147,029)	(110,534)
Profit / (loss) After Tax	2,410,379	66,210,925
Surplus Brought forward from previous year	73,843,433	17,704,731
Income Tax Provision Written Off	(1,002,506)	(72,223)
Provision for FBT 2007-2008 Written Off	(1,195)	-
Profit Transfer to General Reserve	-	(10,000,000)
	75,250,112	73,843,433

Notes to Accounts 12

AUDITOR'S REPORT

As per Report of even date attached
for AGRAWAL DUGAR & ASSOCIATES
Chartered Accountants

For & On Behalf of Board of Directors

Sd/-
(Vinod Kumar Dugar)
Partner
M.No. 84262

Sd/-
(Shiv Narayan Daga)
Managing Director

Sd/-
(Sachin Rathi)
Director

Sd/-
(Pranod Kumar Gupta)
Company Secretary

Place : New Delhi
Dated : 20-06-2009

DB (INTERNATIONAL) STOCK BROKERS LIMITED

(Amount in Rs.)

SCHEDULE	As on 31st March, 2009	As on 31st March, 2008
<u>SCHEDULE `1` SHARE CAPITAL</u>		
<u>Authorised</u> 31,00,000 Equity Shares of Rs. 10/- each	<u>31,000,000</u>	<u>31,000,000</u>
<u>Issued, Subscribed and Paid Up</u>		
30,00,000 Equity Shares of Rs. 10/- each fully paid up.	30,000,000	30,000,000
<u>SCHEDULE `2` RESERVES AND SURPLUS</u>		
GENERAL RESERVE		
Opening Balance	24,115,518	14,115,518
Add: Transfer from Profit & Loss A/c	-	10,000,000
	<u>24,115,518</u>	<u>24,115,518</u>
Balance as per profit & loss account	75,250,112	73,843,433
	<u>99,365,630</u>	<u>97,958,951</u>

DB (INTERNATIONAL) STOCK BROKERS LIMITED

SCHEDULE '3' FIXED ASSETS (Forming Part of the Balance Sheet)											
PARTICULARS	Rate of Depreciation	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost as at 31/03/2008	Additions during the year	Sales during the year	Cost as at 31/03/2009	Upto 31/03/2008	For the year	Dep. On sold assets	Upto 31/03/2009	As at 31/03/2009	As at 31/03/2008
COMPUTERS	16.21%	11,538,899	3,362,890	-	14,901,789	7,070,304	21,97,475	-	9,267,779	5,634,010	4,468,595
ELECTRICAL EQUIPMENT	7.07%	2,398,325	116,810	-	2,515,135	280,752	177,820	-	458,572	2,056,563	2,117,573
FURNITURE & FIXTURES	6.33%	199,394	506,250	-	705,644	146,938	44,667	-	191,605	514,039	52,456
GENERATOR	7.07%	71,672	-	-	71,672	55,898	5,067	-	60,965	10,707	15,774
INVERTOR	7.07%	21,202	-	-	21,202	19,561	1,499	-	21,060	142	1,641
OFFICE EQUIPMENTS	7.07%	551,610	-	-	551,610	295,909	38,999	-	334,908	216,702	255,701
VEHICLES	9.50%	2,001,444	-	-	2,001,444	1,256,419	190,137	-	1,446,556	554,888	745,025
AIR CONDITIONERS	7.07%	244,150	-	-	244,150	106,663	17,261	-	123,924	120,226	137,487
TOTAL		17,026,696	3,985,950	-	21,012,646	9,232,444	26,72,926	-	11,905,370	9,107,276	7,794,252
PREVIOUS YR. TOTAL		14,279,471	2,747,225	-	17,026,696	7,064,548	2,167,896	-	9,232,444	7,794,252	7,214,923

DB (INTERNATIONAL) STOCK BROKERS LIMITED

	As on 31st March, 2009	As on 31st March, 2008
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SCHEDULE `4` : SUNDRY DEBTORS

(Forming part of the Balance Sheet)

(Unsecured, Considered good for recovery
by the management)

Outstanding for a period exceeding six months	100,178	100,178
Others	3,455,188	8,257,002
	3,555,366	8,357,180

SCHEDULE `5` : CASH AND BANK BALANCES

(Forming Part of the Balance Sheet)

Cash in hand	98,562	29,760
Balance with schedule Banks		
in Current Accounts	31,768,076	42,667,213
in Fixed Deposits	51,346,313	50,071,643
	83,212,951	92,768,616

SCHEDULE `6` : OTHER CURRENT ASSETS

(Forming Part of the Balance Sheet)

Income tax refundable	1,474,243	735,290
Tax Deducted at source	949,242	738,953
NSE TDS Receivable	193,023	144,699
Advance Income tax	100,000	28,000,000
Unutilised STT	-	1,002,507
FBT Paid	45,546	47,319
Stamp in Hand	1,598	6,848
Service Tax recoverable	36,360	107,626
Accrued interest	197,308	162,781
Prepaid Expenses	1,748,423	677,159
	4,745,743	31,623,182

SCHEDULE `7` : LOANS & ADVANCES

(Forming Part of the Balance Sheet)

Advances Recoverable in Cash or in kind or value to be received	-	1,442,679
	-	1,442,679

DB (INTERNATIONAL) STOCK BROKERS LIMITED

	As on 31st March, 2009	As on 31st March, 2008
SCHEDULE `8` : SECURITY DEPOSITS (Forming part of the Balance Sheet)		
National Stock Exchange of India	5,000,000	5,000,000
Bombay Stock Exchange of India	10,500,000	10,500,000
Deposits For Membership of F&O	3,300,000	3,300,000
Security Deposits for vsat/lease line	3,688,295	3,688,295
Security Deposits for Telephone	-	18,000
Office Premises	543,100	282,300
Additional Base Capital (Future)	40,000,000	15,000,000
Additional Base Capital (BSE))	500,000	500,000
BSE Contingency Fund	250,000	250,000
Security (derivative exchange)	310,000	-
Security deposit (CDSL)	250,000	250,000
	64,341,395	38,788,595

SCHEDULE `9` CURRENT LIABILITIES & PROVISIONS

(Forming Part of the Balance Sheet)

Sundry Creditors & Deposit	32,579,844	22,789,700
Audit Fees Payable	19,854	18,192
Liabilities for Expenses	97,153	85,779
TDS Payable	60,875	75,678
NSE Charges payable	659,527	613,960
Provision for Income Tax	819,978	28,000,000
Provision for FBT	45,546	51,931
	34,282,777	51,635,240

SCHEDULE `10` EMPLOYEES COST

(Forming Part of the Profit & Loss Account)

Staff Salary	9,710,885	8,056,693
EPF (Employer's Contribution)	227,984	324,989
Staff Welfare Expenses	111,759	171,941
Directors Remuneration	620,000	720,000
	10,670,628	9,273,623

DB (INTERNATIONAL) STOCK BROKERS LIMITED

	As on 31st March, 2009	As on 31st March, 2008
SCHEDULE `11` : Administrative and other Expenses		
(Forming Part of the Profit & Loss Account)		
Advertisement Expenses	26,640	16,580
<u>Auditors' Remuneration:</u>		
-Audit Fees	14,339	14,607
-Tax Audit Fees	5,515	5,618
Annual Maintenance Charges	647,044	550,640
Bank Charges	1,338,340	1,045,719
Computer Expenses	761,356	561,108
Conveyance	66,810	11,636
Depository Expenses	613,172	1,160,224
Electricity Charges	815,232	566,184
Fees & Taxes	31,193,745	8,845,321
Insurance Premium	55,944	62,979
Legal & Professional Charges	343,175	256,717
Listing Fees	10,000	10,000
Misc Expenses	17,497	37,823
Office Maintenance	352,166	324,653
Postage & Telegram	177,846	94,388
Printing & Stationary	280,246	102,768
Rent	2,050,220	1,419,030
Telephone Expenses	444,490	568,862
Client Introduction Charges	93,984	-
Vehicle Running Expenses	48,000	51,354
VSAT & Lease Line Charges	4,277,403	2,671,570
	43,633,164	18,377,781

SCHEDULE '12': NOTES ON ACCOUNTS

Significant Accounting Policies

A) BASIS OF ACCOUNTS

The Financial Statements are prepared under the historical cost convention in accordance with the applicable Accounting Standards.

B) REVENUE RECOGNITION

The company follows mercantile system of accounting and recognize income & expenditure on accrual basis.

C) DEPRECIATION

Depreciation on fixed assets have been provided for on Straight Line Method as per the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on addition/ deletions to fixed assets is Provided on pro-rata basis from the date the assets is put to use/discarded.

D) AMORTISATION

There are no preliminary and public issue expenses.

E) GRATUITY & OTHER EMPLOYEE'S BENEFIT

No provision for payment of gratuity and other benefits to employees have been made in the books of accounts and will be paid as and when will be due.

F) FIXED ASSETS

Fixed Assets are accounted for in the books at Cost including incidental charges related to such acquisition less accumulated depreciation.

G) SECURED LOANS FROM BANK AND OTHERS:

Loan from Banks and others (Rs.) : NIL

H) SEPARATE REPORTABLE SEGMENTS

There are no separate reportable segments as per Accounting Standard 17 as the entire operations of the Company relate to one segment viz share broker.

I) FOREIGN CURRENCY TRANSACTION:

Income: : Nil, Expenditure : Nil
Dividend Income : Nil, Dividend Remittance : Nil

J) Managerial Remuneration under section 198 of the companies Act,1956:

<u>Particulars</u>	<u>2008-09</u>	<u>2007-08</u>
	<u>Rs.</u>	<u>Rs.</u>
Salary	6,20,000	7,20,000

K) TAX ON INCOME:

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

L) FRINGE BENEFIT TAX:

The Fringe Benefit Tax has been calculated in accordance with the provisions of the Income Tax Act, 1961.

M) DEFERRED TAX:

In compliance with the Accounting Standard 22 relating to "Accounting for taxes on income" the Company has recognized a net cumulative deferred tax Liabilities of Rs. 13,50,232/-. The Breakup of deferred tax as at March 31, 2009 is as under:

Opening Balance of Deferred Tax Liabilities	:	12,03,203
Deferred Tax provision for the year	:	1,47,029
Net Deferred Tax Liabilities for the year	:	13,50,232

N) EARNING PER SHARE (EPS)

	<u>2008-2009</u>	(Amount in Rs.) <u>2007-2008</u>
Profit after Tax as per Profit & Loss Account	24,10,379	6,62,10,925
Number of Equity Share	30,00,000	30,00,000
Face Value of Equity Share	10/-	10/-
Basic & diluted EPS	0.80	22.07

O) DISCLOSURE OF RELATED PARTIES TRANSACTIONS

Disclosure in respect of related parties as defined in Accounting Standard 18 with whom transactions have taken place during the year are nil.

P) DISCLOSURE AS PER ACCOUNTING STANDARD 15 ON EMPLOYEE'S BENEFIT

No amount could be ascertained by the management in respect to gratuity and other employee's benefit and hence we are unable to comment on this point. As given in accounting policy of the Company all payments shall be made on due basis.

NOTES ON BALANCE SHEET AS AT 31ST MARCH, 2009

A) Contingent liabilities not provided for in respect of:-

Guarantees issued by banks: Rs.10.00 Crore (Previous year: Rs. 10.00 Crores)

B) Loans & Advances:

Debtors, Security deposits and other assets have value on realization in the ordinary business at least equal to the amount at which they are stated in the Balance Sheet.

C) The expenses incurred by branches have been incorporated in respective heads of Accounts.

GENERAL

I) Previous year figures have been regrouped/rearranged wherever considered necessary.

II) Figures have been rounded off to the nearest rupee.

III) Schedules from 1 to 12 form an integral part of the Accounts.

"As per our report of even date attached"

FOR AGRAWAL DUGAR & ASSOCIATES
Chartered Accountants

For & On Behalf of Board of Directors

Sd/-
(Vinod Kumar Dugar)
Partner
M.No. 84262

Sd/-
(Shiv Narayan Daga)
Managing Director

Sd/-
(Sachin Rathi)
Director

Sd/-
(Pramod Kumar Gupta)
Company Secretary

Place : New Delhi
Dated : 20.06.2009

DB (INTERNATIONAL) STOCK BROKERS LIMITED

Cash Flow Statement for the year ended 31st March, 2009

(Rs. in 000)

PARTICULARS	For the Year ended 31st March, 2009	For the Year ended 31st March, 2008
A. Cash Flow from Operating Activity:		
Net Profit Before Taxes and Extraordinary Item.	3,423	94,373
ADD:		
Depreciation	2,673	2,168
Preliminary Public issue Expenditure W/off	-	-
Interest Expenses	-	-
Interest Income	(4,607)	(3,406)
Operating profit before working capital changes	1,489	93,135
Adjustment for:		
Debtors	4,802	(7,362)
Other Current Assets	26,877	(21,505)
Inventory	(13)	(23)
Loan & Advances	1,443	(1,275)
Security Deposits	(25,553)	(17,105)
Current Liabilities	(19,221)	12,529
Cash Generated from Operations	(10176)	58,394
LESS:		
Interest Paid	-	-
Net Cash Flow from Operating Activity	(10,176)	58,394
B : Cash Flow from Investing Activity		
Investment	-	-
Purchase of Fixed Assets	(3,986)	(2,747)
Sale of Fixed Assets	-	-
Interest Received	4,607	3,406
Net Cash Flow from Investing Activity	(621)	659
C: Cash Flow from Financing Activities		
Repayment of Borrowing	-	-
Public Issue Expenses	-	-
Interim Dividend/Proposed Dividend	-	-
Share capital	-	-
Net Cash used in Financing Activities	(9,555)	59,053
Net Increase in cash and cash Equivalants (A+B+C)	(9,555)	59,053
Cash and cash equivalent as at 31.03.2008	92,768	33,715
Cash and cash equivalent as at 31.03.2009	83,213	92,768

For & On Behalf of Board of Directors

Place : New Delhi
Dated : 20.06.2009

Sd/-	Sd/-	Sd/-
(Shiv Narayan Daga)	(Sachin Rathi)	(Pramod Kumar Gupta)
Managing Director	Director	Company Secretary

Auditors Certificate

We have verified the above Cash Flow Statement for the year ended 31st March, 2009 of DB (International) Stock Brokers Limited with the Books and Records of the Company and according to the information and explanation given to us, found the same to be in accordance therewith.

For Agrawal Dugar & Associates
Chartered Accountants

Sd/-
(Vinod Kumar Dugar)
Partner
M.No. 84262

Place: New Delhi
Dated : 20.06.2009

DB (INTERNATIONAL) STOCK BROKERS LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Registration details

CIN	L67120HR1992PLC035349
Balance Sheet date	31.03.2009

Capital raised during the year

Public issue	NIL
Bonus issue	NIL
Right issue	NIL
Private Placement	NIL

Position of mobilisation and Deployment of Funds (Rs. in '000)

Total liabilities	130,716
Total Assets	130,716

I) Source of funds

Paid up capital	30,000
Reserve capital	99,366
Secured loans	NIL
Unsecured loans	NIL

II) Application of funds

Net fixed assets	9,107
Investments	NIL
Net current assets	121,609
Miscellaneous Exp.	NIL

Performance of the Company

Total Income	60,400
Total Expenditure	56,977
Profit before tax	3,423
Profit after tax	2,410
Earning per share(in Rs.)	0.80
Interim Dividend	NIL

Generic name of the principal services of the Company

Trading of shares and securities

For & On Behalf of Board of Directors

Sd/- (Shiv Narayan Daga) Managing Director	Sd/- (Sachin Rathi) Director	Sd/- (Pramod Kumar Gupta) Company Secretary
--	------------------------------------	---

Place: New Delhi
Dated : 20.06.2009

DB (INTERNATIONAL) STOCK BROKERS LIMITED

Regd. Office : 756, Sector-23A, Gurgaon-122017

PROXY FORM

Folio No.

No. of Shares held

I/We of
being a member/members of DB (International) Stock Brokers Limited do hereby appoint
..... of
..... or failing him
..... of
..... as my/our proxy to attend and vote for me/us
on my/our behalf at the 17th Annual General Meeting of the Company to be held on Monday,
the 20th July, 2009 at 10:00 A.M. at the Registered Office of the Company and at any
adjournment thereof.

Signed this Day of2009

**Affix Revenue
Stamp of Rs.1/-**

Signature of Proxy

Signature of Member

Note: The proxy form duly completed in all respect should reach company's registered office not later than 48 hours before the scheduled time of the meeting.

DB (INTERNATIONAL) STOCK BROKERS LIMITED

Regd. Office : 756, Sector-23A, Gurgaon-122017

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall. Joint Shareholders may obtain additional attendance slips on request.

Folio No. :

Name and Address of Shareholder(s)/ Proxy :

No. of Shares held :

I hereby record my presence at the 17th Annual General Meeting of DB (International) Stock Brokers Limited held on Monday, the 20th July 2009 at 10:00 A.M. at the Registered Office of the Company.

Signature of Shareholder (s) or of Proxy

BOOK POST

If undelivered please return to :

DB (INTERNATIONAL) STOCK BROKERS LIMITED

402, New Delhi House,

27, Barakhamba Road,

NEW DELHI-110001