



**DB (International)
Stock Brokers Ltd.**

*Global in VISION
Rooted in INDIAN VALUES*

21ST ANNUAL REPORT 2012-2013

2013 2012-2013 2012-2013 2012-2013 2012-2013
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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. Yashwant Kumar Gupta

Auditors

Chaudhry Vigg James & Company
Chartered Accountants
New Delhi

Bankers

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

Corporate Office

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

Registered Office

756, Sector 23-A
Gurgaon - 122017

Registrar

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

NOTICE is hereby given that the Twenty First Annual General Meeting of DB (International) Stock Brokers Limited will be held on Monday, 30th September, 2013 at 5:00 p.m. at 756, Sector 23A, Gurgaon 122017 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit and Loss Statement for the year ended on the date and the reports of Auditors and Board of Directors thereon.
2. To appoint a director in place of Mr. Sanjay Kumar Mimani who is liable to retire by rotation at the Annual General Meeting and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr. Brajesh Sadani who is liable to retire by rotation at the Annual General Meeting and being eligible offers himself for re-appointment.
4. To re-appoint M/s Chaudhry Vigg James & Company, Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.
5. To declare dividend on equity shares for the year ended 31st March, 2013.

SPECIAL BUSINESS

6. To consider and if thought fit to pass with or without modification(s) the following resolution as special resolution.

"RESOLVED THAT pursuant to the provisions of Section 314 and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or re-enactment thereof for the time being in force, the consent of the Company be and is hereby accorded to the appointment of Ms. Shikha Daga, aged 27 years, for a period of three (3) years, as Senior Vice President to the Company with effect from April 1, 2013 on total remuneration of Rs. 75,000/- per month (Rupees Seventy Five Thousand Only) in connection with the services to be rendered by her to the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take, perform and execute such further steps, acts, deeds and things, as may be necessary to give effect to this resolution"

For DB (International) Stock Brokers Limited

Shiv Narayan Daga
Managing Director
Place : New Delhi
Date : 12th July, 2013

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. The register of Members and Share Transfer Book will remain closed from 27th September, 2013 to 30th September, 2013 (Both days inclusive) for determining the names of Members eligible for dividend on Equity Shares, if any, declared at the meeting.
3. Dividend on Equity Shares, if declared at the meeting, shall be paid on or after 30th September, 2013, to the shareholders whose names appear on the Register of Members of the Company on Monday, 30th September, 2013. In case of shares held in dematerialized form, the dividend thereon shall be paid to the beneficial owners as on 30th September, 2013, as per list provided by the Depositories for the said purpose.
4. An Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956, relating to Special Business under item No 6 set out above is annexed hereto.
5. Members are requested to notify any change in their address, bank details/ECS (Electronic Clearing Services) immediately at the Corporate Office of the Company/ Registrar & Transfer Agent (RTA)/Depository Participant (DP).
6. A blank proxy form along with attendance slip is enclosed herewith.
7. Members/Proxies are requested to bring attendance slip duly filled in along with copy of Annual Report at the Meeting.
8. For any investor related queries, communication may be sent to us by email to investors@dbonline.in.
9. Shareholders who have not encashed/ received dividend for the previous financial years upto 31st March, 2012, may please approach the company and /or Registrar and transfer agent (RTA).

Explanatory Statement

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 6.

Ms. Shikha Daga is a MBA from Amity University & CFA, ICFAI, Hyderabad. She is having experience in the Stock Market segment. The Board of Directors, at its meeting held on 12.07.2013, appointed her as Senior Vice President with total remuneration of Rs. 75,000/- per month (Rupees Seventy Five Thousand Only) for a period of three (3) years from April 1, 2013.

The Company needs to obtain approval under section 314 of the Companies Act, 1956, since Ms. Shikha Daga is related as a daughter to Mr. Shiv Narayan Daga, Managing Director of the Company.

As per notification issued by the Ministry of Corporate Affairs, approval of the Shareholders in General meeting as Special resolution is required if the total amount payable to the person is less than Rs. 2,50,000 per month. The total remuneration to be paid to Ms. Shikha Daga is within the above limit. The appointment is on the terms and conditions contained in the agreement entered into with Ms. Shikha Daga. The Board of Directors recommends the resolution in Item No. 6 of the Notice for the approval of the Members as a Special Resolution.

Except Mr. Shiv Narayan Daga, none of the other Directors is concerned or interested in the above resolution.

For DB (International) Stock Brokers Limited

Sd/-

Shiv Narayan Daga
Managing Director

Place : New Delhi

Date : 12th July, 2013

Directors Report

To the Members

Your directors have immense pleasure in presenting Twenty First Annual Report on the business and operations of the company together with the Audited statement of Accounts for the financial year ended 31st March, 2013.

Financial Results

During the year under review, the financial results of your Company are as follows

Particulars	Period Ended 31st March, 2013 (₹. Lacs)	Period Ended 31st March, 2012 (₹. Lacs)
Gross Receipts	1410.72	1207.29
Profit before Depreciation	860.42	346.80
Depreciation	(48.09)	(60.76)
Profit Before Tax	812.33	286.04
Provision for Tax	(145.84)	(45.86)
Profit After Tax	666.49	240.18
Brought Forward from previous year	971.02	865.76
Appropriations		
Proposed Dividend	(105.00)	(105.00)
Corporate Dividend Tax	(17.84)	(17.03)
Income Tax Provision Written off		(0.88)
Transfer to General Reserve	(33.32)	(12.01)
Balance Transferred to Balance Sheet	1481.34	971.02

Figures in bracket indicate negative figures

Review of Business Operations

Financial Year 2013 Key Financial Highlights

1. The Total Revenue of the Company is ₹. 1410.72 Lacs in FY 2012-13 as compared to ₹. 1207.29 Lacs in FY 2011-12. A growth of 16.85%.
2. The Profit before Tax of the Company is ₹.812.33 Lacs in FY 2012 -13 as compared to ₹. 286.04 Lacs in FY 2011-12. A growth of 183.99%.
3. The Profit after Tax (PAT) has increased substantially during the FY 2012-13. PAT is ₹.666.49 Lacs in FY 2012-13 as compared to ₹.240.18 Lacs in FY 2011-12. A growth of 177.49%.
4. Earning Per share (basic) is ₹.1.90 per share on the face value of Rs. 2.00 in FY 2012-13 as compared to ₹. 0.69 per share on the face value of ₹. 2.00 in FY 2011-12
5. The Company is a Depository Participant of CDSL. The Depository operation contributed gross revenue of ₹.14.98 Lacs during the FY 2012-13 as against ₹. 19.31 Lacs in previous year 2011-12.
6. The number of beneficial owners: a affiliated with the DP Section of company rose from 10104 to 10622 during the year.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

While the long term India growth story is intact , global recovery appeared shaky with new financial stress emerging from the European market . Indian economy is estimated to have a 6.5% growth versus the higher earlier estimated of 7%.

The major worries for Indian economy continued to be the higher fiscal deficit driven by higher crude oil prices ,subsidy and import of gold and the depreciating rupees.

Industrial growth measured in terms of index of industrial production (IIP), witnessed fluctuating trends, corporate earnings have also been downgraded.

However, government has taken certain measures to enhance the inflow of foreign funds particularly through the route of bonds to maintain the liquidity in system.

Segment-wise Performance

The Company is engaged in single line of business i.e. stock broking and depository participant services of CDSL which forms the part of Financial Services and there is no other segment apart from the main one.

Financial Performance/Operational Performance

The trend in the Stock Market has remained bearish and lower participation of retails Clients, still the company has sustained the profitability and even managed for the increase in net profit of the Company.

Material development in human resources

Company's management had always contributed to the promotion of the employees by enhancing their skills and efficiency by arranging regular training to the new and existing employees. Company is continuously making efforts to enhance the performance of staff by creating a team of committed professionals and organised the various training programme who are contributing to the growth plans of the company.

Internal Control and adequacy

The Company is continuously maintaining adequate internal control procedures corresponding with the size and nature of the business.

Future Outlook

Over the last three years, we had invested significantly in the technologies, systems and infrastructure , this was done with an eye on opportunity available in the long term.

We have entered the 21st year of operations with our continued emphasis on technology upgradation and training .

We are well equipped and organizationally well positioned to handle the challenges of emerging difficult and competitive market scenario.

We look forward to receive from our large family of shareholders, associates and well wishers, their continued support and encouragement.

Dividend

Your directors have recommended dividend for the financial year 2012-13 @ Rs. 0.30 per Equity Share having face value of Rs. 2/- each.

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 there under.

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 Chaudhry Vigg James & Company, 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

The Annual Listing Fee for the year 2012-2013 has been paid to NSEIL and BSE.

Corporate Governance

Report on Corporate Governance pursuant to 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 except for changing the system for providing the depreciation during the year, 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 express their gratitude to the business assistance and guidance received from the investors, clients, bankers, stock exchanges, regulatory and government bodies. 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.

On behalf of the Board of Directors
For DB (International) Stock Brokers Limited

Sd/-

Sd/-

Place : New Delhi
Dated : 24th May, 2013

Shiv Narayan Daga
(Managing Director)

Sachin Rathi
(Director)

REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Bombay Stock Exchange and National Stock Exchange of India Limited

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 wealth. The Company's core philosophy on the code of Corporate Governance is to ensure:

Fair and transparent business practices.

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.

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. 13,44,000/-/- during the year including Employers contribution to Provident fund Rs. 1,44,000/-. He was appointed Managing director of the company for a term of 5 years w.e.f. 6th September, 2010.

During the year, the Board of Directors met 6 times on 18.05.2012, 25.05.2012, 20.07.2012, 19.10.2012, 26.11.2012 and 25.01. 2013. 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	6	Yes	Daga Commodities Private Limited	--	--
Shri Chandra Mohan Bahety	3	Yes	MPA Financial Services Limited	Remuneration Committee	Member
			MPA Finsecurities Private Limited	Audit Committee	Member
			MPA Asset Management Limited		
			MPA Insurance Brokers Limited		
			Balaji Nirman Private Limited		
Shri Sanjay Kumar Mimani	4	Yes		Share Transfer & Investors Grievance Committee	Chairman
				Audit Committee	Chairman
Shri Brajesh Sadani	4	Yes		Share Transfer & Investors Grievance Committee	Member
				Audit Committee	Member
				Remuneration Committee	Chairman
Shri Sachin Rathi	4	Yes	Daga Commodities Private Limited	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 25.05. 2012, 20.07.2012, 19.10. 2012 and 25.01. 2013.

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 29.08. 2012.

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 5 (Five) times on 25.05 2012, 20.07.2012, 19.10.2012, 10.01. 2013 and 31.01.2013

During the year, one complaint was received from investor and resolved. The requests received for share transfer upto 31.03. 2013 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>
2009-2010	23.08.2010	10:00 a.m.	756, Sector 23A, Gurgaon-122017 (Haryana)
2010-2011	29.06.2011	10:00 a.m.	Children Park, Near 756, Sector 23A, Gurgaon-122017 (Haryana)
2011-2012	13.08.2012	10.00.a.m.	Children Park, Near 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

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 BSE's & NSE's website i.e. www.bseindia.com & www.nseindia.com.
- 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. 21st Annual General Meeting : Will be held on Monday the 30th September, 2013 at 5.00 p.m. at 756, Sector-23A, Gurgaon-122017 (Haryana).
- B. Financial Calendar : 01.04.2012 to 31.03.2013
- C. Book Closure Date : 27.09.2013 to 30.09.2013 (Both days inclusive)
- D. Dividend : The Board of Directors recommended dividend @ ₹.0.30/- Per Equity Share (Face Value ₹. 2/-) for the financial year 2012-2013.
- E. Listing on Stock Exchange : The Shares of the Company are listed on Bombay Stock Exchange and National Stock Exchange and the Annual Listing Fee for the year 2012-2013 have been paid.
- F. **Market Price Data** : in ₹

MONTH	BSE		NSE	
	Highest Price	Lowest Price	Highest Price	Lowest Price
April, 2012	112.95	96.00	116.00	96.70
May, 2012	97.25	95.00	97.05	95.00
June, 2012	98.35	93.70	98.35	93.80
July, 2012	112.00	97.00	112.00	97.50
August, 2012	98.25	96.40	98.30	96.70
September, 2012	97.00	95.05	97.20	95.25
October, 2012	96.05	95.15	96.55	95.20
November, 2012	96.25	95.15	96.35	95.00
December, 2012	96.40	95.40	96.40	95.50
January, 2013	96.15	95.30	96.25	95.45
February, 2013	96.20	95.00	96.10	94.95
March, 2013	96.75	95.05	96.80	95.45

- G. NSE SYMBOL : DBSTOCKBRO (National Stock Exchange)
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@abhipra.com
- I. ISIN : INE921B01025
- J. Share Trading/ Transfer : Trading in equity shares of the Company on NSE & 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. 2013

Shareholding of Nominal Value of Rs		No. of Shareholders	No. of Shares
Upto	2500	776	282610
2501	5000	58	113850
5001	10000	39	141339
10001	20000	20	163000
20001	30000	33	40000
30001	40000	5	91997
40001	50000	7	160186
50001	100000	7	266195
100001	& above	64	33740823
TOTAL	1009		35000000
Category		No. of shares	% of Shareholding
Promoters		10505000	30.01
Others		24495000	69.99
Total		35000000	100.00

- L. **Dematerialization of Shares** : 34478090 Equity Shares representing 98.51% of Total paid up Capital in Dematerialized Form and 521910 Equity Shares representing 1.49% of Total paid up Capital in Physical Form as on 31.03.2013.
- 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 id: investors@dbonline.in

**On behalf of the Board of Directors
For DB (International) Stock Brokers Limited**

Place : New Delhi
Date : 24th May, 2013

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 31.03.2013 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 I 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 except for depreciation during the year; and
 - iii) there have been no instances of significant fraud of which I 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
Date : 24th May, 2013

Sd/-
Shiv Narayan Daga
(Managing Director)

Auditor's Certificate

To

The Members

DB (International) Stock Brokers Limited

We have examined the compliance condition of corporate governance by DB (International) Stock Brokers Limited (hereinafter referred as "the company") for the year ended 31st March, 2013 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 explanation 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, 2013 against the company as per the records maintained by the company.

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

FOR CHAUDHRY VIGG JAMES & CO
Chartered Accountants
Firm Regn. No. 000949N

Sd/-
B B Chaudhry
Partner
Membership No: 014231

Place : New Delhi
Date : 24th May, 2013

AUDITORS' REPORT

To the Members of
DB (INTERNATIONAL) STOCK BROKERS LTD.
756, Sector 23A
GURGAON – 122017

We have audited the accompanying Financial Statements of DB (INTERNATIONAL) STOCK BROKERS LTD which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
 - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
 2. As required by section 227(3) of the Act, 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 purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement 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 March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For Chaudhry Vigg James & Co
Chartered Accountants
Firm Regn. No. 000949N

Sd/-
BB Chaudhry
Partner
Membership No.014231

Place : New Delhi
Date : 24th May, 2013

ANNEXURE TO THE AUDITORS' REPORT

- (i) In respect of Fixed Assets:
- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of information available.
 - (b) As explained to us, all the assets have been physically verified by the management in a phased periodical manner, 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) In our opinion, the company has not disposed off a substantial part of fixed Assets during the year and Going Concern status of the company is not affected.
- (ii) In respect of Inventories:
- The company does not hold any Inventory at the end of the year; hence clause (ii) of the Order is not applicable to the company.
- (iii) In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956:
- (a) In our opinion and according to the Information and Explanations given to us, 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. Consequently, the requirements of Clauses (iii) (f) and (iii) (g) of paragraph 4 of the Order are not applicable.
 - (b) 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;
- (iv) In our opinion and according to the information and explanation given to us, there is an adequate internal control system 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 services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- (v) In respect of Contracts or arrangements referred to in section 301 of the Companies Act, 1956.
- In our opinion and according to the information and explanation given to us, there have no transactions been made in pursuance of contracts or arrangements, that need to be entered in the Register maintained under section 301 of the Companies Act 1956. Hence, clause (v) of paragraph 4 of the Order is not applicable to the Company.
- (vi) In our opinion and according to the information and explanation given to us, the company has not accepted any deposits from the Public. Therefore, the provisions of Clause (vi) of paragraph 4 of the order are not applicable to the company.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central government has not prescribed maintenance of cost records under clause (d) of sub-section-(1) of section 209 of the Companies Act, 1956 in respect of certain manufacturing activities of the company. Therefore, the provisions of clause (viii) are not applicable to the company.
- (ix) In respect of statutory Dues:
- 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 and service tax were outstanding, as at 31st March, 2013 for a period of more than six months from the date they become payable.
- (x) 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 in the immediately preceding financial year.
- (xi) Based on our audit procedures and according to the information and explanation given by the management, we are of the opinion that the company has not borrowed funds from the financial institutions, banks or debenture holders, hence clause (xi) of paragraph 4 of the Order is not applicable to the company.
- (xii) 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.
- (xiii) In our opinion, the company is not a chit fund/nidhi/mutual benefit fund/society. Therefore, the provisions of clause of paragraph 4 of the Order are not applicable to the company.

- (xiv) Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that the company has maintained proper records of dealing or trading in shares, securities, debentures and other Investments and timely entries have been made therein. We also report that the company has held the shares, securities, debentures and other investment in its own name.
- (xv) The company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) According to information and explanations given to us, the company has not raised any term loans; hence clause (xvi) of paragraph 4 of the Order is not applicable to the company.
- (xvii) In our opinion and according to the information and explanation given to us and an overall examination of the Balance Sheet of the company, we are of the opinion that no funds raised on short term basis that have been used for long term investment.
- (xviii) During the year, the company has not made any preferential allotment of shares.
- (xix) 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.
- (xx) The company has not raised any money by way of public issue during the year.
- (xxi) 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 Chaudhry Vigg James & Co
Chartered Accountants
Firm Regn. No. 000949N

Sd/-

B B Chaudhry
Partner
Membership No.014231

Place : New Delhi
Date : 24th May, 2013

DB (INTERNATIONAL) STOCK BROKERS LIMITED
BALANCE SHEET AS ON 31st MARCH,2013

(in ₹)

Particulars	Notes to Account	AS ON 31.03.2013	AS ON 31.03.2012
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	70,000,000	70,000,000
(b) Reserves and surplus	2	252,782,741	198,417,994
2 Non-current liabilities			
Deferred tax liabilities (Net)	12	1,537,897	1,031,562
3 Current liabilities			
(a) Trade Payable		20,767,544	35,587,245
(b) Other current liabilities	3	612,031	2,979,850
(c) Short-term provisions	4	28,545,201	18,168,367
TOTAL		374,245,414	326,185,018
II. ASSETS			
1 Non-current assets			
(a) Fixed assets	5		
(i) Tangible assets		10,970,076	15,412,546
(ii) Intangible assets		627,125	940,641
(b) Non current investments	6	7,155,000	1,705,000
(c) Long term loans & advances	7	27,220,629	49,806,366
2 Current assets			
(a) Trade receivables	8	1,962,048	2,372,324
(b) Cash and cash equivalents	9	301,469,360	239,391,570
(c) Short-term loans and advances	10	457,019	164,731
(d) Other current assets	11	24,384,157	16,391,840
TOTAL		374,245,414	326,185,018

Significant Accounting Policies
and Notes to Accounts

As per our Report of even date attached

For Chaudhry Vigg James & Co
Chartered Accountants
 Firm Regn. No. 000949N

For & On behalf of Board of Directors

B B Chaudhry
 Partner
 M.No. 014231

Sd/-
Shiv Narayan Daga
 Managing Director

Sd/-
Sachin Rathi
 Director

Sd/-
Yashawant Kumar Gupta
 Company Secretary

Place : New Delhi
 Date : 24th May, 2013

DB (INTERNATIONAL) STOCK BROKERS LIMITED
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(in ₹)

PARTICULARS		For the year ended 31.3.2013	For the year ended 31.3.2012
I. Revenue from operations	13	101,039,294	109,199,701
II. Other income	14	40,032,547	11,529,416
III. Total Revenue (I + II)		141,071,841	120,729,117
IV. Expenses:			
Employee benefits expense	15	11,847,618	13,086,557
Depreciation and amortization expense	16	4,809,029	6,075,523
Other expenses (Admin & Other Expenses)	17	43,182,082	72,962,842
Total expenses		59,838,729	92,124,922
V. Profit before exceptional and extraordinary items and tax (III-IV)		81,233,112	28,604,195
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		81,233,112	28,604,195
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		81,233,112	28,604,195
X. Tax expense:			
(1) Current tax (MAT Payable)		(16,260,726)	(5,965,004)
Less : MAT Credit Entitlement		2,183,171	-
Current Tax		(14,077,555)	(5,965,004)
(2) Deferred Tax Liability (-)/ Credit		(506,335)	1,379,088
XI. Profit (Loss) for the period from continuing operations (IX-X)		66,649,222	24,018,279
XII. Profit/(loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit (Loss) for the period (XI + XIV)		66,649,222	24,018,279
XVI. Earnings per equity share:			
Basic		1.90	0.69

Significant Accounting Policies and Notes to Accounts
As per our Report of even date attached

For Chaudhry Vigg James & Co
Chartered Accountants
Firm Regn. No. 000949N

For & On behalf of Board of Directors

B B Chaudhry
Partner
M.No. 014231

Sd/-
Shiv Narayan Daga
Managing Director

Sd/-
Sachin Rathi
Director

Sd/-
Yashawant Kumar Gupta
Company Secretary

Place : New Delhi
Date : 24th May, 2013

ACCOUNTING POLICIES AND NOTE TO ACCOUNTS
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- (i) The company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis.
- (ii) Financial statements are prepared under the historical cost convention. These costs are not adjusted to reflect the impact of changing value in the purchasing power of money.

B. USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

C. FIXED ASSETS AND DEPRECIATION

(i) FIXED ASSETS

Fixed Assets are stated at cost, less accumulated depreciation & impairment loss, if any. All costs till commencement of their use including pre-installation charge attributable to fixed assets are capitalized.

(ii) DEPRECIATION & AMORTISATION

Depreciation on All assets has been provided on Written Down Value Basis in accordance with the provisions of Section 205(2) (b) of the Companies Act, 1956, in the manner & rates specified in schedule XIV of the said Act. There is change in the method of providing the depreciation during the year due to provision of depreciation on written down values in lieu of the depreciation provided at Straight Line Method during the anteceding year.

(iii) Depreciation on addition is provided on pro rata basis from the date of such addition.

(iv) Depreciation on assets sold, discarded or demolished during the year is being provided at their rates up to the date on which such assets are sold, discarded or demolished.

D. INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are carried at cost less accumulated/depreciation amortization and accumulated impairment losses.

Intangible assets are depreciated on a Written Down Value Basis.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss when the assets is derecognized.

E. IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

The company assesses at each reporting date whether there is an indication that an assets may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased, If such indication exists, the company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

F. INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

G. CASH & CASHEQUIVALENTS

Cash and cash equivalents in the cash flow statement comprise cash at bank, cash in hand and fixed deposit with banks.

H. REVENUE RECOGNITION

The company recognizes income on accrual basis. Revenue is recognised to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

- (i) Interest Income, Brokerage Income, Income from Depository Participants is recognized as & when accrued.
- (ii) Dividend income is accrued during the year in which it is declared whereby a right to receive is established.

I. EMPLOYEES' BENEFIT

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

All other payments related to employees' benefit shall be made on due basis.

J. INCOME TAXES

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date..

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e, the period for which MAT credit is allowed to be carried forward in the which the company recognizes MAT credit as an asset in accordance with the guidance note on accounting for credit available in respect of minimum alternative tax under the income tax Act, 1961, and the asset is created by way of credit to the statement of profit and loss and shown as "Mat credit entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

K. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the number of equity shares outstanding during the period.

L. PROVISIONS

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

M. CONTINGENT LIABILITIES & CONTINGENT ASSETS

A Contingent liability is a possible obligation that arises from past event whose existence will be confirmed by the occurrence or non- occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that can not be recognized because it can not be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements

Contingent assets are neither recognized nor disclosed in the financial statements.

N. 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.

O. FOREIGN CURRENCY TRANSACTIONS

There are no transactions denominated in foreign currency and/or income /expenses on account of difference either on settlement or on translation to be recognized in the statement of profit and loss as of even date.

P. LEASES

Operating lease payments are recognised as an expense in the Profit and Loss account on a straight line basis over the lease term.

DB (INTERNATIONAL) STOCK BROKERS LIMITED

NOTES ON ACCOUNT

1 Share Capital

<u>Share Capital</u>	<u>As at 31st March 2013</u>		<u>As at 31st March 2012</u>	
	<u>Number ₹</u>		<u>Number ₹</u>	
<u>Authorised</u> Equity Shares of Rs. 2 each	50,000,000	100,000,000	50,000,000	100,000,000
<u>Issued</u> Equity Shares of Rs. 2 each	35,000,000	70,000,000	35,000,000	70,000,000
<u>Subscribed & Paid up</u> Equity Shares of Rs. 2 each fully paid	35,000,000	70,000,000	35,000,000	70,000,000
Total	35,000,000	70,000,000	35,000,000	70,000,000

Terms/Rights Attached to Equity Shares

The company has only one class of equity shares having a par value of ₹. 2 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of directors is subject to the approval of the shareholder in the ensuing Annual General Meeting.

During the year ended 31st March, 2013, the amount of per share dividend recognised as distributable to the equity shareholders is ₹. 0.30 (31st March, 2012 : ₹. 0.30)

Details of Shareholders Holding more than 5% Shares in the company.

<u>Name of Shareholders</u>	<u>As at 31st March 2013</u>		<u>As at 31st March 2012</u>	
	<u>No. of Shares held</u>	<u>% of Holding</u>	<u>No. of Shares held</u>	<u>% of Holding</u>
Shiv Narayan Daga	5,780,000	16.51	5,780,000	16.51
Sharma Gandhi Hire Purchase Limited	4,624,406	13.21	2,256,248	6.45
Guru Kripa finvest Limited	3,223,924	9.21		

2. Reserve & Surplus

Reserves & Surplus	As at 31 st March 2013 ₹	As at 31 st March 2012 ₹
a. Securities Premium Account		
Opening Balance	76,000,000	76,000,000
Closing Balance	76,000,000	76,000,000
b. Other Reserves (General Reserve)		
Opening Balance	25,316,432	24,115,518
(+) Current Year Transfer	3,332,000	1,200,914
(-) Written Back in Current Year		
Closing Balance	28,648,432	25,316,432
c. Surplus		
Opening balance	97,101,562	86,575,871
(+) Net Profit/(Net Loss) For the current year	66,649,222	24,018,279
(-) Proposed Dividends	(10,500,000)	(10,500,000)
(-) Corporate Dividends Tax	(1,784,475)	(1,703,363)
(-) Provision Written off -		(88,311)
(-) Transfer to General Reserves (Dividend Part)	(3,332,000)	(1,200,914)
Closing Balance	148,134,309	97,101,562
Total	252,782,741	198,417,994

3. Other Current Liabilities

Other liabilities	As at 31 st March 2013 ₹	As at 31 st March 2012 ₹
Liabilities for Expenses	173,675	1,035,857
TDS Payable	73,556	285,962
NSE Charges payable	364,800	1,658,031
Total	612,031	2,979,850

4. Provisions

Short Term Provisions	As at 31 st March 2013 ₹	As at 31 st March 2012 ₹
(a) Others		
Provision for Income Tax	16,260,726	5,965,004
Proposed Dividend	10,500,000	10,500,000
Provision for Dividend Tax	1,784,475	1,703,363
Total	28,545,201	18,168,367

5. Fixed Assets
Tangible Assets

(Amount in ₹)

	Computer	Equipment	Electrical Fixtures	Furniture & Generator	Office Equipment	Vehicles	Air Conditioner	Total
Gross Block								
At 31 st March 2012	28,780,740	4,295,874	1,173,114	1,524,312	561,110	2,354,473	1,540,195	40,229,818
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	1,103,686	-	1,103,686
At 31 st March 2013	28,780,740	4,295,874	1,173,114	1,524,312	561,110	1,250,787	1,540,195	39,126,132
Depreciation								
At 31 st March 2012	20,628,429	1,236,557	387,785	324,694	452,942	1,397,949	388,916	24,817,272
Charge for the Year	3,260,924	425,551	142,145	166,867	15,046	324,837	160,143	4,495,513
Adjustment for Depreciation						1,156,729		1,156,729
At 31 st March 2013	23,889,353	1,662,108	529,930	491,561	467,988	566,057	549,059	28,156,056
Net Block								
At 31 st March 2013	4,891,387	2,633,766	643,184	1,032,751	93,122	684,730	991,136	10,970,076
At 31 st March 2012	8,152,311	3,059,317	785,329	1,199,618	108,168	956,524	1,151,279	15,412,546

Intangible Assets

	Computer software						Total
Gross Block							
At 31 st March 2012	2,286,786						2,286,786
Purchase	-						
At 31 st March 2013	2,286,786						2,286,786
Depreciation							
At 31 st March 2012	1,346,145						1,346,145
charge for the Year	313,516						313,516
Disposals	-						
At 31 st March 2013	1,659,661						1,659,661
Net Block							
At 31 st March 2013	627,125						627,125
At 31 st March 2012	940,641						940,641

6 Non - Current investments

Particulars	As at 31 st March 2013 ₹	As at 31 st March 2012 ₹
(a) Investment in Equity instruments	7,155,000	1,705,000
Total (A)	7,155,000	1,705,000
Less : Provision for diminution in the value of Investments	-	-
	7,155,000	1,705,000

Particulars	As at 31 st March 2013 ₹	As at 31 st March 2012 ₹
Aggregate Market value of quoted investments	259,280,000	101,790,000
Aggregate amount of unquoted investments	355,000	355,000

7 Long term loans and advances

Particulars	As at 31 st March 2013 ₹	As at 31 st March 2012 ₹
National Stock Exchange of India	5,000,000	5,000,000
Bombay Stock Exchange of India	10,125,000	10,025,000
Deposits for membership of F&O	800,000	3,300,000
Security Deposits with NSE	440,000	1,000,000
MCX-SX Member Deposit	2,000,000	
Office premises	222,458	1,181,366
Additional Base Capital (Cash NSE & BSE)	2,500,000	20,500,000
Base Capital MCX-FO-Axis Bank	100,000	
ILFS ABC (MCX SX-CD & NSECDX)	200,000	
BSE Contingency Fund		250,000
Security deposit (CDSL)	250,000	250,000
Security Deposit (National Spot Exc)	200,000	200,000
Security Deposit (NSE Currency)	200,000	2,800,000
Security Deposit (MCX Currency)	2,700,000	2,700,000
Security Deposit (USE Currency)	100,000	2,600,000
Security Deposit NSE-FO-Axis Bank	200,000	
MAT Credit Entitlement	2,183,171	
Total	27,220,629	49,806,366

8 Trade receivables

Particulars	As at 31 st March 2013 ₹	As at 31 st March 2012 ₹
Trade receivables outstanding for a period less than six months from the date they are due for payment Unsecured, considered good	1,861,869	2,272,145
Less: Provision for doubtful debts	-	-
	1,861,869	2,272,145
Trade receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good	100,179	100,179
Less: Provision for doubtful debts	-	-
	100,179	100,179
Total	1,962,048	2,372,324

9. Cash and Cash Equivalents

	As at 31 st March 2013 ₹	As at 31 st March 2012 ₹
a. Balances with banks	30,831,033	31,961,339
b. Bank Fixed deposits	270,538,631	207,061,000
c. Cash on hand	99,696	369,231
Total	301,469,360	239,391,570

10 Short Term Loans and advances

Other loans and advances.	As at 31 st March 2013 ₹	As at 31 st March 2012 ₹
a. Others Unsecured, considered good	457019	164731
Total	457,019	164,731

11 Other Current Assets

S.N.	Other current assets	As at 31 st March 2013 ₹	As at 31 st March 2012 ₹
1	Income tax refundable	3,123,932	2,720,538
2	Tax Deducted at source	8,272,088	1,868,398
3	NSE/BSE/MCX Receivable	206,293	809,115
4	Advance Income tax	7,200,000	4,500,000
5	Stamp in Hand	13,600	8,115
6	Service Tax Recoverable	84,103	1,520,158
7	Accrued Interest	4,322,655	-
8	Prepaid Expenses	1,046,986	4,736,515
9	Preliminary Expenses (to the extent not written off)	114,500	229,001
	Total	24,384,157	16,391,840

12 Deferred tax liabilities

	As at 31 st March 2013 ₹	As at 31 st March 2012 ₹
<u>Deferred Tax Liability related to Depreciation</u>		
Opening Balance	1,031,562	2,410,650
Add :Deferred Tax Liabilities/ (credit) during the year	506,335	(1,379,088)
Carried to Balance Sheet as on date	1,537,897	1,031,562

13 Revenue from operations

	As at 31 st March 2013 ₹	As at 31 st March 2012 ₹
Other operating revenues	75,885,654	92,566,983
Interest Income	25,153,640	16,632,718
Total	101,039,294	109,199,701

14. Other income

	As at 31 st March 2013 ₹	As at 31 st March 2012 ₹
Dividend Income	-	97,005
Net gain/loss on sale of investments	39,777,968	11,224,513
Other non-operating income	121,536	207,898
Gain on sale of Fixed Assets	133,043	
Total	40,032,547	11,529,416

15. Employee benefit expense

	As at 31 st March 2013 ₹	As at 31 st March 2012 ₹
Staff Salary	10,239,292	11,402,096
EPF (Employer's Contribution)	72976	121,651
ESI (Employer's Contribution)	8,383	13,657
Staff Welfare expenses	182,967	272,353
Directors Remuneration	1344000	1,276,800
Total	11,847,618	13,086,557

16. Depreciation and amortization expenses

	As at 31 st March 2013 ₹	As at 31 st March 2012 ₹
Depreciation of tangible assets	4,495,513	5,375,564
Amortization of intangible assets	313,516	699,959
Total	4,809,029	6,075,523

17. Other expenses

	As at 31 st March 2013 ₹	As at 31 st March 2012 ₹
Auditors Remuneration	30,000	30,000
Annual Maintenance Charges	1,455,206	1,782,595
Bank Charges	6,464,524	4,786,003
Computer Exp.	353,130	753,397
Conveyance	20,209	27,935
Corporate Social Responsibilities Expenses	176,001	-
Depository Expenses	421,861	513,988
Electricity Charges	1,549,561	2,127,038
Fees & Taxes	9,398,708	20,810,935
Securities Transaction Tax	11,113,743	19,326,937
Prof. Issue Expenses Written Off	114,501	114,501
Insurance Premium	19,889	16,287
Legal & Professional charges	338,120	328,554
Listing Fees	56,500	106,500
Misc Exp.	25,173	81,487
Office Maintenance	832,778	1,007,621
Publication Expenses	62,821	32,376
Postage ,Telegram & Courier	158,236	328,342
Printing & Stationary	205,212	193,048
Rent	2,098,577	7,478,991
Telephone & Communication Exp.	295,662	531,408
Client Introduction Charges	3,629,096	3,984,306
Watch & Ward	68,991	191,974
Vehicle Running Exp.	156,607	125,254
VSAT & Lease Line Expenses	4,092,445	8,283,365
Expenses on Exempted Income	44,531	
TOTAL	43,182,082	72,962,842

18. Earnings per share (EPS)

The following reflects the profit and share data used in the basic EPS computations:

PARTICULARS	As at 31 st March 2013 ₹	As at 31 st March 2012 ₹
EBDTA	86,042,141	34,679,718
Less : Depreciation	4,809,029	6,075,523
EBTA	81,233,112	28,604,195
Tax expense :		
(1) Current tax	(14,077,555)	(5,965,004)
(2) Deferred tax	(506,335)	1,379,088
Profit after Tax	66,649,222	24,018,279
Earnings per equity share: Basic	1.90	0.69

19. Payment to Auditors

Particulars	2012-13 ₹	2011-12 ₹
(i) Audit Fees	15,000	15,000
(ii) Tax Audit Fees	5,000	5,000
(iii) Certification Charges	10,000	10,000
TOTAL	30,000	30,000

20 Employees Benefit

An amount of ₹. 1,248,568/- has been ascertained by the management in respect of the gratuity and other employee's benefit. As given in the accounting policy of the company, all such payments shall be made on due / payment basis, hence is not provided for in the books of account.

21. Change in method of provision of Depreciation:

There is change in the method of providing depreciation from Straight Line Method to Written Down Value Method, during the current Financial Year, Accordingly, due to change in the method of providing depreciation, the profit during the year may be in excess with a sum of ₹. 1,439,005/-

22 Related Party Disclosure as required as per Accounting Standard (AS-18) on "Related Party Disclosure" issued by the Institute of Chartered Accountants of India are as below:

Name of Related parties and description of relationship with whom transactions have taken place during the year:-

(a) Key Management Personnel :

Sh. Shiv Narayan Daga (Managing Director)

(b) Relative of Key Management Personnel :

Ms Shikha Daga

The Company's related party transactions during the year as at 31st March, 2013 are as below :

(Amount in ₹)

Nature of Transaction	Key Management Personnel		Relative of Key Management Personnel	
	2012-13	2011-12	2012-13	2011-12
Expenses				
Managerial Remuneration	1,344,000	1,276,800	165,000	-

23 **GENERAL**

a) **Contingent Liabilities not provided for in respect of :**

Guarantee issued by banks ₹. 53.00 Crores (Previous year 41.25 Crores)

b) **Loans and Advances :** Debtors, Security Deposit and other assets have value on realisation in the ordinary course of 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 the respective heads of account.

d) The previous year figures have been reworked, regrouped, rearranged, reclassified wherever necessary. Amounts and other disclosures for preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amount and other disclosures relating to the current year.

e) There is unpaid amount of ₹. 4,60,577/- outstanding against Dividend declared during the financial year 2009-10, 2010-2011 and 2011-12. The said balance is lying in titled " Indusind Dividend Account" with Indusind Bank. The said unpaid dividend is not reflected in the current liability and Bank balance in the figure of Current & previous Financial year.

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

g) Note from 1 to 23 form an integral part of the accounts.

As per our Report of even date

For Chaudhry Vigg James & Co
Chartered Accountants
Firm Regn. No. 000949N

For & On behalf of Board of Directors

B B Chaudhry
Partner
M.No. 014231

Sd/-
Shiv Narayan Daga
Managing Director

Sd/-
Sachin Rathi
Director

Sd/-
Yashawant Kumar Gupta
Company Secretary

Place : New Delhi
Date : 24th May 2013

DB(INTERNATIONAL) STOCK BROKERS LIMITED

Cash Flow Statement for The Year 2012- 2013

(₹. in 000)

PARTICULARS	For the Year ended 31st March, 2013	For the Year ended 31st March, 2012
A. Cash Flow from Operating Activity:		
Net Profit Before Taxes and Extraordinary Item.	81,233	28,604
Adjustment for		
Depreciation	4,809	6,076
Preliminary Public issue Expenditure W/off	114	115
Gain on fixed assets	(133)	-
Dividend Income	-	(97)
Interest Income	(25,154)	(16,633)
Operating profit before working capital changes	60,869	18,065
Adjustment for:		
Debtors	410	6,671
Other Current Assets	(8107)	567
Loan & Advances	(292)	66
Security Deposits	24,769	6438
Current Liabilities	(17,188)	(5,226)
TOTAL	(408)	8,516
Cash Generated from Operations	60,461	26,581
Tax Paid	(7,668)	(8,601)
Net Cash Flow from Operating Activity	52,793	17,980
B. Cash Flow from Investing Activity		
Investment	(5,450)	150
Purchase of Fixed Assets	-	(2,130)
Sale of Fixed Assets	80	-
Interest Received	25,154	16,633
Net Cash Flow from Investing Activity	19,784	14,653
C. Cash Flow from Financing Activities		
Interim Dividend/Proposed Dividend Paid	(10,500)	(7,000)
Dividend Received	-	97
Net Cash used in Financing Activities	(10,500)	(6,903)
Net Increase/(decrease) in cash and cash Equivalents	62,077	25,730
Opening Balance of Cash and cash equivalents	239,392	213,662
Closing Balance of Cash and cash equivalents	301,469	239,392

For and On behalf of Board of Directors

Place: New Delhi
Date : 24th May 2013

Sd/-
Shiv Narayan Daga
Managing Director

Sd/-
Sachin Rathi
Director

Sd/-
Yashawant Kumar Gupta
Company Secretary

Auditors Certificate

We have verified the above Cash Flow Statement for the year ended 31st March, 2013 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 Chaudhry Vigg James & Co
Chartered Accountants
Firm Regn. No. 000949N

Sd/-
B B Chaudhry
Partner
M.No. 014231

Place : New Delhi
Date : 24th May 2013

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 21st Annual General Meeting of the Company
to be held on Monday, the 30th September, 2013 at 5:00 p.m. at 756, Sector 23A, Gurgaon - 122017
and at any adjournment thereof.

Signed this..... Day of2013

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 21st Annual General Meeting of DB (International) Stock Brokers Limited to held be on Monday, the 30th September, 2013 at 5:00 p.m. at 756, Sector 23A, Gurgaon – 122017.

Signature of Shareholder(s) or of Proxy

BOOK POST

If undelivered please return to :
DB (INTERNATIONAL) STOCK BROKERS LTD.
756, Sector 23A, Gurgaon - 122017



DB (INTERNATIONAL) STOCK BROKERS LTD.

MEMBER : NATIONAL STOCK EXCHANGE-CAPITAL MARKET & F & O SEGMENTS
MEMBER : BSE & DEPOSITORY CDSL


402, NEW DELHI HOUSE, 27, BARAKHAMBA ROAD, NEW DELHI-110001
TEL.: 23353795, 96, 97, 43606162 FAX : 011 - 23736162

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	DB (International) Stock Brokers Limited
2.	Annual financial statements for the year ended	31 st March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A.

For and on Behalf of DB (International) Stock Brokers Limited

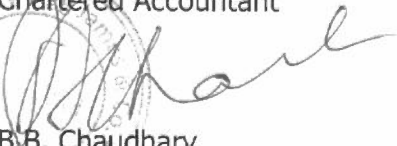

Shiv Narayan Daga
Managing Director
Date: 02.09.2013
Place : New Delhi


Sanjeev Kumar Rawal
CFO


Sanjay Kumar Mimani
Audit Committee Chairman

Signed by Auditor of the Company

Chaudhary Vigg James & Co.
Chartered Accountant


B.B. Chaudhary
Partner

Mem. No. : 14231
Date: 02.09.2013
Place : New Delhi