

**EXECUTIVE STOCK BROKING
SERVICES LIMITED**

**26TH
ANNUAL REPORT**

2009-10

EXECUTIVE STOCK BROKING SERVICES LIMITED

NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting of the members of **EXECUTIVE STOCK BROKING SERVICES LIMITED** will be held on Thursday, 30th day of September, 2010 at 10:30 A.M. at the registered office of the company at 701, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi-110001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2010 and the Profit and Loss Account for the year ended on that date together with Secretarial Compliance Certificate, Reports of the Directors and the Auditors' thereon.
2. To appoint a Director in place of Mr. Satish Garg who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and appoint Auditors of the Company who will hold the office upto the conclusion of the next Annual General Meeting and to fix their remuneration.

"RESOLVED THAT M/s RMA & Associates, Chartered Accountants, the Company's retiring Auditors, being eligible and offering themselves for reappointment, be and are hereby reappointed as Statutory Auditors of the Company to hold the office until the conclusion of the next Annual General Meeting on such remuneration as may be agreed to between the Board of Directors of the Company and the aforesaid firm of Auditors.."

By the order of the Board
For Executive Stock Broking Services Ltd.

Sunil Kumar

(Sunil Kumar)
Chairman

Place: New Delhi
Dated: 30th August, 2010

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The proxy form in order to be effective must be deposited with the Company, not less than 48 hours before the commencement of the meeting.
2. Register of Members and Share Transfer Books of the Company will remain closed from Monday, 27th September 2010 to Thursday, 30th September 2010 (both days inclusive).
3. Members are requested to carry along with them their copy of Annual Report at the Annual General Meeting for ready reference.
4. Members/Proxies should bring their attendance slip duly filled in for attending the meeting. Members are also requested to bring their copies of annual report.
6. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Sundays between 10.00 A.M. and 6.00 P.M up to the date of the Annual General Meeting.

Directors' Report

To the Members of EXECUTIVE STOCK BROKING SERVICES LIMITED

The Directors are pleased to present their 26th Annual Report on the business and operations of Executive Stock Broking Services Limited and the Financial Accounts of the company for the Financial Year ended on March 31, 2010.

FINANCIAL RESULTS

Particulars	Rs.(In Lacs)	
	Current Year	Previous Year
Gross Receipts	7.55	6.85
Profit before Depreciation and Taxation	0.49	0.40
Less: Depreciation	0.02	0.03
Profit before taxation	0.47	0.37
Provision for taxation	0.15	0.15
Profit after taxation	0.32	0.22

FINANCIAL RESULTS

The company's total revenues for the year under review were Rs.7,55,250/- as compared to Rs. 6,85,380/- during the previous financial year. The company had earned a profit of Rs.47,058/- before tax in the current financial year as compared to Rs. 37,091/- profit before tax in the Financial Year 2008-09.

DIVIDEND

In view of insufficiency of profits, your Directors regret their inability to recommend dividend for the year under review.

DIRECTORS

At the ensuing Annual General Meeting Mr. Satish Garg Director of the Company retires by rotation and being eligible offers himself for reappointment. Your Directors recommend his reappointment in the overall interest of the Company.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement for the financial year ended 2009-2010, it is hereby confirmed:

- That in the preparation of annual accounts for the financial year ended March 31, 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for the year under consideration.
- That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- That the Directors have prepared the annual accounts of the Company for the financial year ended March 31, 2010 on a going concern basis.

SECRETARIAL COMPLIANCE CERTIFICATE

A Secretarial Compliance Certificate, furnished by a practicing Company Secretary pursuant to Section 383A of the Companies Act, 1956 and in accordance with Companies (Compliance Certificate) Rules 2001 is attached herewith.

AUDITORS' REPORT

The observations made by the Auditors are self-explanatory & do not require further clarification.

AUDITORS

M/s RMA & Associates, Chartered Accountants and the Statutory Auditors of the Company who were appointed as the statutory auditors of the Company, in place of M/s Sanghi & Co., Chartered Accountants and the erstwhile statutory Auditors of the company, at the Extraordinary General Meeting of the members of the company held on 14/06/2010, retires at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment. The company has received a certificate from the Auditors stating that if re-appointed, their appointment will be within the limits specified under section 224 (1B) of the Companies Act, 1956. The Board recommends to reappoint M/s RMA & Associates as the Statutory Auditors of the company to hold office till the conclusion of next annual general meeting of the company.

PARTICULARS OF EMPLOYEES

During the financial year under review, there are no employees in the company whose particulars are required to be given under section 217 (2A) of the companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

Information in accordance with the Companies Act (Disclosure of particulars in report of Board of Directors) Rules, 1988 are furnished hereunder:

- Conservation of Energy : The operations of the company are not energy intensive.
- Technology Absorption : Not Applicable
- Foreign Exchange Earning and out go : There was no foreign exchange earnings and outgo during the year under review.

PUBLIC DEPOSITS

Your Company has no fixed deposits. Further it has neither accepted nor renewed any Fixed Deposits from the public within the meaning of Section 58 A of the Companies Act, 1956 during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

I. Industry Structure and Developments

The optimism about India's growth prospects was at its peak during the middle of the year 2009-10, though a lot of it got tempered by concerns in the beginning of 2008 over the sustainability of its economic growth. In this period the Indian Markets and investor sentiments saw a roller coaster ride with equity markets crossing the 21000 mark in January 2008 and then witnessing back levels close to that of March, 2008. In the last five years the GDP growth has averaged around 8.50% and the important driver of this has been investment. In the last five years, investment has been growing at around 16%-18% and much of this has been private investment, essentially linked to corporate investment. As far as GDP growth for the current year is concerned, the market expects it to be in the range upwards of 8.00%, more realistically between 7.50% to 8.50%. Domestically, factors like rising inflation, rising commodity prices, tightening of monetary policy, coupled with volatile crude prices and crisis of 'confidence' in the U.S. and European financial markets over the sub-prime crisis has left its impact on the growth expectations in India. However, we strongly believe that the strong domestic demand, with positive indicators of the capital goods industries growing, services which accounts for over half of the economy growing, savings rate increasing and growth in agriculture with a favorable monsoon will contribute to sustaining the growth of Indian economy.

The Indian Financial Sector is fast and moving rapidly towards aligning with global markets with all participants in the sector introducing new categories of products and services. A very strong and healthy regulatory environment is increasing confidence all around and will lead to more participation in our markets from foreign and domestic investors. The growth in assets of insurance companies and reforms with regard to Pension Funds will lead to greater inflows into the equity markets.

II. Future Prospects

The Company will continue its efforts in Capital Market. Your Directors are optimistic that current year will fetch better returns for the Company.

III. Opportunity and Threats

The F.Y. 2009-10 saw a turnaround in the fortunes of the capital markets in India. Because of stable government at the centre, easing global concerns and improved market sentiments, the industry turnover registered a strong performance marking a huge improvement over the position in 2008-09.

The investors and market analysts believe that the Government will push the reforms and boost the economy in times of recession. Buoyed by booming markets and growing retail interest in equity and investments, the Company believes the investment business run good in then years ahead.

The uncertainties and volatility in the financial market is a continuing threat to the organizational performance. Your Company's business is exposed to risks from fluctuation of Stock Market. However, the twin features of fore-sightedness and focused analysis of the market has challenged the threat to adverse performance.

Your Company's business is exposed to risks from fluctuation of Stock Market and interest rate. However, your Directors are confident to suitably hedge the exposure from time to time with good strategies in place.

IV. Risks and Concern

The inherent risk associated with Company's business is it from fluctuations in the Stock Prices. Your Company continuously monitors & does extensive research to minimize the risk.

V. Outlook

The revival of the Indian economy, the pick up in the global economy, industrial revival, the passing of various Acts, various innovative programmes being implemented by various states, are some of the factors that augur well for the future. efforts towards higher operation efficiencies shall continue.

The management of your company expects that the Indian Capital Market may witness a steady growth in future due to the all round growth of the industry and service sector. Your Company will continue to maintain a very high quality of its services followed by reasonable service charges.

VI. Segment-wise performance

The Company is into single reportable segment only.

VII. Internal Control Systems and their Adequacy

The company has adequate internal control systems commensurate with its size to ensure efficiency of operations, financial reporting, compliance with applicable laws and regulations etc. The accounting and administrative controls established by the Company are appropriate to the size and nature of the business of the Company.

The Company has an Audit Committee, which comprises non-executive directors. The Company regularly reviews the significant observations of Internal Audit.

VIII. Financial

During the current financial year, i.e. 2009-2010, the total revenue of your company is recorded to Rs.7,55,250/- as compared to Rs. 6,85,380/-in the previous Financial Year 2008-2009. The Profits before tax for the Financial year 2009-2010 are Rs.47,058/-, as against profit of Rs. 37,091/- in the Financial Year 2008-2009.

Interest and Borrowings

The company continues to be debt free and hence incurs no interest cost

IX. Cautionary statement

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "Forward Looking Statements" within the meaning of applicable securities, laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make the difference to the Company's operations include cyclical demand and pricing in the Company's principal markets, changes in Government Regulations, tax regimes, economic developments within India and other incidental factors.

CORPORATE GOVERNANCE

The report on Corporate Governance along with Auditor's Certificate on its compliance is annexed and forms part of the Annual Report.

ACKNOWLEDGEMENT

Your Directors wish to record their appreciation of the sincere efforts put in by the employee towards the sustained growth, success and development of the company.

Your Directors are thankful for the support extended by the Customers, Vendors, Bankers, Government and Statutory Authorities, and last, but not the least to our Shareholders for their continuous support and encouragement.

**By the order of the Board
For Executive Stock Broking Services Ltd.**

Sunil Kumar

**(Sunil Kumar)
Chairman**

**Place: New Delhi
Dated: 30th August, 2010**

REPORT ON CORPORATE GOVERNANCE

I. Philosophy on code of corporate governance

Corporate Governance helps to serve corporate purposes by providing a framework within which stakeholders can pursue the objectives of the organisation most effectively. Corporate Governance signifies acceptance by management of the inalienable rights of shareholders as the true owners of the organisation and of their own role as trustees on behalf of the shareholders.

The philosophy of the Company is to enhance the long-term economic value of the Company, its shareholders at large by adopting better corporate practices in fair and transparent manner. Your Company believes in and endeavoured to practice good Corporate Governance. Your Company endeavors to attain highest levels of transparency, accountability and responsibility in all operations and believes that Corporate Governance is a powerful tool for building trust and long-term relationship with stakeholders, employees, customers and suppliers. The Company has consistently endeavored to be transparent in all areas of its operations.

The certificate of Corporate Governance from the statutory auditors of the company confirming compliance of the conditions of Central Government is annexed hereto.

II. Board of Directors

The Board of Directors of the Company comprises of a fair number of professionally competent Directors. During the financial year ended March 31, 2010 the Board of Directors of the Company held 6 meetings of the Board on April 29, 2009, July 31, 2009, August 24, 2009, October 30, 2009, January 30, 2010 and February 01, 2010. Detailed Agenda Notes and the information required to be given in terms of Annexure I to clause 49 of the Listing Agreement was circulated to all the Directors. The Directors actively participated in the deliberations of the Board.

Details of attendance of each Director at various meetings of the Company are as follows:

Name	Category	Designation	No. of Board Meetings attended	Last AGM attended
Mr. Satish Garg	Non Executive & Independent	Director	6	Yes
Mr. Sunil Kumar	Non Executive & Independent	Director	6	Yes
Mr. Kishore Bhatia	Non Executive & Independent	Director	6	Yes

III. Committees of the Board

Currently, the Board has two committees

- a) Audit Committee
- b) Shareholders/Investors Grievance Committee
- a) Audit Committee

Terms of reference

The Board of Directors has constituted the Audit Committee in line with the requirements under Section 292A of the Companies Act, 1956 and Clause 49/51 of the Listing Agreement.

The following areas are referred to the Audit Committee:-

- a) Overall assessment of Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending the appointment of statutory auditors.
- c) Reviewing and approving signatories to various accounts.
- d) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on-
 - i) Observations, if any, in draft audit report.
 - ii) The going concern assumption.
 - iii) Compliance with accounting standards.
 - iv) Any related party transactions i.e. transactions of the company of material nature with promoters or the management.
 - v) Reviewing the adequacy of internal audit function.
 - vi) Reviewing the company's financial and risk management policies.

The Committee held its meetings on April 29, 2009, July 31, 2009, August 24, 2009, October 30, 2009 and January 30, 2010. All the members of the committee were present in the meetings. Chairman of the Committee attended the Annual General Meeting held on September 30, 2009 and provided clarifications to members of the Company on matters relating to accounts and audit.

The Committee is headed by a Non Executive Independent Director. Details of attendance of each members of the Audit Committee are as under.

Name of the Director	Category	Nos. of Meetings Attended
Mr. Satish Garg	Chairman & Independent Director	5
Mr. Sunil Kumar	Non Executive & Independent Director	5
Mr. Kishore Bhatia	Independent Director	5

e) Shareholders/Investors' Grievance Committee

Terms of Reference

- To scrutinize and approve registration of transfer of shares issued by the company.
- To decide all questions and matters that may arise in regard to transmission of shares issued by the Company.
- To approve and issue duplicate share certificates in lieu of those reported lost.
- To refer to the Board any proposal of refusal of registration of transfer of shares for their consideration.
- To look into shareholders complaints like transfer of shares, non-receipt of annual reports.
- To delegate all or any of its powers to Officers/ Authorised Signatories of the Company.

The Committee is headed by a Non Executive Independent Director. Details of attendance of each members of the Shareholders Committee are as under.

Name of the Director	Category	Nos. of Meetings Attended
Mr. Satish Garg	Chairman & Independent Director	5
Mr. Sunil Kumar	Non Executive & Independent Director	5
Mr. Kishore Bhatia	Non Executive & Independent Director	5

The committee held its meetings on April 29, 2009, July 31, 2009, August 24, 2009, October 30, 2009 and January 30, 2010.

Number of Shareholders/Investors complaints received:

During the under review, your company has not received any complaint from shareholders. No share is pending for transfer as on 31.03.2010.

Minutes of Committee Meetings

Minutes of all the Committee Meetings are circulated to the members of the Board, as an Agenda of Board Meeting, for their information and noting.

General Body Meetings

Date, time and venue of the last three Annual General Meetings:

Year	Date	Time	Venue
2006-07	29.09.2007	10.00 A.M.	304, Pratap Chambers, Gurudwara Road, Karol Bagh, New Delhi-5
2007-08	30.09.2008	10.00 A.M.	306, Pratap Chambers, Gurudwara Road, Karol Bagh, New Delhi-5
2008-09	30.09.2009	09.45 A.M.	306, Pratap Chambers, Gurudwara Road, Karol Bagh, New Delhi-5

During the financial year 2009-10, no special resolution was passed and no consent of the members was sought through Postal Ballot

General Shareholder Information

Annual General meeting:

Date and Time
Venue

Thursday, 30th September, 2010 at 09.45 A.M.
701, Arunachal Building, 19, Barakhamba Road,
New Delhi. – 110 001.

Date of Book Closure: Monday, 27th September, 2010 to Thursday, 30th September, 2010

CALENDAR FOR THE FINANCIAL YEAR ENDING 31ST MARCH, 2011

Events	Tentative time frame
Financial Reporting for the first quarter ended 30th June, 2010	Mid of August, 2010
Financial Reporting for the second quarter ending 30th September, 2010	Mid of November, 2010
Financial Reporting for the third quarter ending 31st December, 2010	Mid of February, 2011
Financial Reporting for the fourth quarter ending 31st March, 2011	Mid of May, 2010

Stock Exchanges where listed and stock code:

The shares of the Company are listed at The Delhi Stock Exchange Association limited.

Share transfer system and other related matters

Share transfer requests received in physical form are registered within 30 days from the date of receipt. During the year under review, no share transfer request was received by the company.

Nomination facility for shareholding:

As per the provisions of the amended Companies Act, 1956, facility for making nomination is available for shareholders in respect of the shares held by them.

Correspondence regarding change of Address:

Shareholders are requested to ensure that any correspondence for change of address should be signed by the first named shareholder. The Company is now also requesting for supporting documents such as proof of residence, proof of identification whenever a letter requesting for change of address is received. This is being done in the interest of shareholders. Shareholders are requested to kindly co-operate and submit the necessary documents/evidence while sending the letters for change of address.

Investor's Correspondence may be addressed to:

The shareholders desiring to communicate with the Company on any matter relating to their shares of the Company may either visit in person or write quoting their folio/ Demat Account Number at the following address:

Executive Stock Broking Services Limited
701, Arunachal Building,
19, Barakhamba Road,
Connaught Place,
New Delhi – 110 001

CFO certification with regard to the Financials of the company.

In terms of the requirements of Clause 49(v) of the Listing Agreement, a certificate on the financial statements of the Company stating the particulars specified under the said Clause was placed and considered by the Board.

Distribution of Shareholding as on March 31, 2010

S. No.	Category	No. of Shares Held	Percentage of Shareholding
A	Promoter's Holding		
1	Promoters		
	Indian Promoters	1200	0.48
	Foreign Promoters	-	-
2	Persons acting in concert	-	-
	Sub-Total	1200	0.48
B	Non-Promoters Holding	-	-
3	Institutional Investors	-	-
A	Mutual Funds and UTI	-	-
B	Banks, Financial Institutions, Insurance	-	-
	Companies (Central/State Government Institutions)		
C	FIs	-	-
	Sub-Total	-	-
4	Others		
A	Private Corporate Bodies	90043	36.16
B	Indian Public	157757	63.36
C	NRIs/OCBs	-	-
D	Any Other (please specify)	-	-
	Sub-Total	247800	99.52
	Grand Total	249000	100.00

By the order of the Board
For Executive Stock Broking Services Ltd.

Sunil Kumar

(Sunil Kumar)
Chairman

Place: New Delhi
Dated: 30th August, 2010

Confirmation of compliance of Code of Conduct and Ethics

**To,
The Members of
Executive Stock Broking Services Limited**

In compliance with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges relating to Corporate Governance, I confirm that, on the basis of confirmations/declarations received, all the Directors and senior management personnel of the company have complied with the Code of Conduct framed by the company.

For Executive Stock Broking Services Limited

Sunil Kumar

**Place: New Delhi
Dated: 30th August, 2010**

**Sunil Kumar
Chairman**



AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT.

To the members of
EXECUTIVE STOCK BROKING SERVICES LIMITED

We have examined the compliance of conditions of Corporate Governance by Executive Stock Broking Services Limited (the Company) for the year ended 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the said company with the stock exchanges.

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 Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the company and presented to the Shareholders/Investors Grievance Committee.

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

For M/s RMA & Associates
Chartered Accountants
Firm Regn. No. 000978N

(Pankaj Chander)
Partner
M. No. 89065

Place : New Delhi
Dated: 30th August, 2010





AUDITORS' REPORT

**The Members,
EXECUTIVE STOCK BROKING SERVICES LIMITED**

1. We have audited the attached Balance Sheet of **EXECUTIVE STOCK BROKING SERVICES LIMITED** as at 31st March, 2010, the Profit & Loss Account and the Cash flow statement of the Company 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 auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of such books;
 - (c) The Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, the Profit & Loss account and the Cash Flow Statement dealt with by this report complies with the mandatory Accounting Standards referred in section 211 [3C] of the Companies Act, 1956;
 - (e) On the basis of written representations received from the directors as at 31.03.2010 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2010 from being appointed as directors in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;



(f) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 and
- (ii) in the case of the Profit & Loss Account of the Company, of the profit of the company for the year ended on that date ;
- (iii) in the case of Cash Flow Statement, of the cash flow of the company for the year ended on that date.

For M/s. RMA & Associates
Chartered Accountants
Firm No. 000978N



Pankaj Chander
Partner
M. No. 89065



Place: New Delhi
Dated: 30th August, 2010

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date to the members of M/s. Executive Stock Broking Services Limited)

- (i) (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) These fixed assets have been physically verified at reasonable intervals by the management and no material discrepancy was noticed on such verification.
- (c) The company has not disposed off a substantial part of its fixed assets during the year.
- (ii) (a) The company does not have any inventory. Therefore, the clause relating to physical verification of inventory at reasonable intervals by the management is not applicable.
- (b) As the company does not have any inventory, the clause relating to procedures of physical verification of inventory followed by the management in relation to the size of the company and the nature of its business is not applicable.
- (c) As the company does not have any inventory, the clause relating to maintenance of proper records of inventory and notice of any material discrepancy on physical verification is not applicable.
- (iii) (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (b) Since the company has not granted any loans, secured or unsecured, as above the clause relating to rate of interest and other terms and conditions of such loans is not applicable.
- (c) Since the company has not granted any loans, the clause relating to regular receipt of the principal amount and interest is not applicable.
- (d) Since the company has not granted any loans, the clause relating to overdue amount of more than Rupees One Lac is not applicable.
- (e) The company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (f) Since the company has not taken any loans, secured or unsecured, as above the clause relating to rate of interest and other terms and conditions of such loans is not applicable.
- (g) Since the company has not taken any loans, the clause relating to regular payment of the principal amount and interest is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, and for the sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in Internal control system.



- (v) (a) According to the information and explanations given to us, we are of the opinion that the company has not entered into any contract or arrangement that need to be entered in the register maintained in pursuance of section 301 of the Act.
- (b) Since the company has not entered into any such transactions during the financial year, the clause relating to such transactions at prices which are reasonable having regard to the prevailing market prices at the relevant time is not applicable.
- (vi) The company has not accepted deposits from the public within the meaning of Section 58A, 58AA or any other relevant provisions of the Act.
- (vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- (viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
- (ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues if applicable to it have been regularly deposited by the company with the appropriate authorities during the year.
- (b) According to the information and explanations given to us, there are no dues of income tax / sales tax / wealth tax / service tax / custom duty / excise duty / cess which have not been deposited on account of any dispute.
- (x) The accumulated losses of the company at the end of the financial year covered by our audit do not exceed fifty percent of its net worth. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xi) As the company has neither taken any loan from a financial institution or bank nor issued debentures, the clause relating to repayment of dues to a financial institution or bank or debenture holders is not applicable to the company.
- (xii) The company has not granted any loan or advance against the security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) Proper records have been maintained of the transactions and contracts of dealing in shares, securities, debentures and other investments held by the company and timely entries have been made therein. Shares, securities, debentures and other investments have been held by the company in its own name except to the extent of the exemption, if any, granted under section 49 of the Act.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) According to the information and explanations given to us, the company has not obtained any term loans.
- (xvii) According to the information and explanations given to us, we report that no short term funds have been raised by the company.



- (xviii) The company has not made any preferential allotment of shares during the period covered by our audit to the parties and companies covered in the Register maintained under section 301 of the Act.
- (xix) The company has not issued debentures during the period covered by our audit.
- (xx) The company has not raised money by way of public issues during the period covered by our audit.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For M/s. RMA & Associates
Chartered Accountants
Firm No. 000978N



Pankaj Chander

Pankaj Chander
Partner
M. No. 89065

Place: New Delhi
Dated: 30th August, 2010

EXECUTIVE STOCK BROKING SERVICES LIMITED

BALANCE SHEET AS AT 31st MARCH, 2010

	Schedule	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
SOURCES OF FUNDS:			
Shareholder's funds			
a) Share Capital	1	2,490,000	2,490,000
		<u>2,490,000</u>	<u>2,490,000</u>
APPLICATION OF FUNDS:			
Fixed Assets			
a) Gross Block	2	1,224,238	1,224,238
b) Less: Depreciation		<u>1,212,501</u>	<u>1,210,393</u>
Net Block		11,737	13,845
Investments			
Current Assets, Loans & Advances	3	1,400,000	1,400,000
Cash & Bank Balances	4	265,985	221,711
Total Current Assets		<u>265,985</u>	<u>221,711</u>
Less: Current liabilities & Provisions			
Current liabilities	5	<u>14,014</u>	<u>12,469</u>
Net current Assets		251,971	209,242
Profit & Loss Account		773,244	805,065
Deferred tax Assets		53,049	61,848
		<u>2,490,000</u>	<u>2,490,000</u>

Notes to Accounts & Significant Accounting Policies

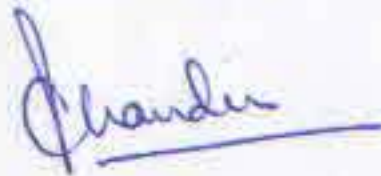
6

Auditors' Report

As per our separate report of even date

For M/s. RMA & Associates
Chartered Accountants
Firm No. 000978N

For Executive Stock Broking Services Limited



(Pankaj Chander)
Partner
M. No. 89065



(Sunil Kumar)
Director



(Satish Garg)
Director



Place: New Delhi
Dated: 30th August, 2010

EXECUTIVE STOCK BROKING SERVICES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH, 2010

	Schedule	2009-10 AMOUNT (Rs.)	2008-09 AMOUNT (Rs.)
INCOME:			
Service Charges & Commission		755,250	685,380
		<u>755,250</u>	<u>685,380</u>
EXPENDITURE:			
Salaries		461,750	420,000
Printing & Stationery		17,250	16,885
AGM Expenses		11,396	9,250
Fee & Subscription		69,477	55,500
Auditors' Remuneration		5,515	5,515
Legal & Professional Charges		2,758	2,758
Conveyance Expenses		9,265	8,145
Telephone & Communication Expenses		5,532	5,110
Rent		96,000	96,000
Repair & Maintenance		7,145	8,317
General Expenses		716	2,299
Food and Beverages at workplace		12,956	9,862
Postage & Couriers Expenses		6,325	6,145
Depreciation	2	2,107	2,503
		<u>708,192</u>	<u>648,289</u>
Profit/(Loss) before tax		47,058	37,091
Provisions for tax			
- Current tax		5,741	1,177
- Freign Benefit Tax		-	3,019
- Deferred Tax		8,799	10,283
Short Provision of income tax of earlier year		59	754
Short(Excess) Provision of Freign Benefit Tax of earlier year		637	(1)
Profit/(Loss) after tax		31,821	21,859
Profit/(Loss) brought forward		(805,065)	(826,924)
Balance of Profit/(Loss) carried forward to Balance Sheet		(773,244)	(805,065)

Notes to Accounts & Significant Accounting Policies

6

Auditors' Report

As per our separate report of even date

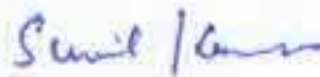
For M/s. RMA & Associates
Chartered Accountants
Firm No. 000978N

For Executive Stock Broking Services Limited



(Pankaj Chander)
Partner
M. No. 89065





(Sunil Kumar)
Director



(Satish Garg)
Director

Place: New Delhi
Dated: 30th August, 2010

EXECUTIVE STOCK BROKING SERVICES LIMITED
SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT
AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
------------------------------	------------------------------

SCHEDULE - 1: SHARE CAPITAL

Authorised:

2,50,000 (2,50,000) Equity Shares of
Rs. 10/- each

2,500,000

2,500,000

Issued, Subscribed & paid-up:

2,49,000 (2,49,000) Equity Shares of
Rs. 10/- each, fully paid up

2,490,000

2,490,000

2,490,000

2,490,000

Sunil Kumar
(Sunil Kumar)
Director

Satish Garg
(Satish Garg)
Director



EXECUTIVE STOCK BROKING SERVICES LIMITED

SCHEDULE - 2 : FIXED ASSETS

Rs.

Description	Rate WDV	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As on 01.04.2009	Additions during the year	Sales/adj. during the year	Total As on 31.03.2010	Up to 31.03.2009	for the year	Adjust. during the year	Up to 31.03.2010	As on 31.03.2010	As on 31.03.2009
Cars	25.89%	768,040	-	-	768,040	767,574	121	-	767,695	345	466
M. Cycle/Scooter/Cycle	25.89%	180,346	-	-	180,346	180,338	-	-	180,338	8	8
Office Equipment	13.91%	222,440	-	-	222,440	212,095	1,439	-	213,534	8,906	10,346
Furniture & Fixtures	18.10%	53,412	-	-	53,412	50,387	548	-	50,935	2,477	3,025
Total		1,224,238	-	-	1,224,238	1,210,394	2,107	-	1,212,501	11,737	13,845
Previous Year		1,224,238	-	-	1,224,238	1,207,890	2,503	-	1,210,393	13,845	



Sunil Kumar
(Sunil Kumar)
Director

Satish Garg
(Satish Garg)
Director

	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
SCHEDULE - 3: INVESTMENTS		
(Long term investments)		
Unquoted:		
- Fully paid up equity shares (Valued at cost)	1,400,000	1,400,000
	<u>1,400,000</u>	<u>1,400,000</u>
SCHEDULE - 4: CASH & BANK BALANCES		
Cash in hand	262,635	217,947
Balance with Schedule Bank	3,350	3,764
	<u>265,985</u>	<u>221,711</u>
SCHEDULE -5: CURRENT LIABILITIES & PROVISIONS		
Expenses Payable	8,273	8,273
Provision for Income Tax (A.Y. 2009-10)	-	1,177
Provision for Income Tax (A.Y. 2010-11)	5,741	-
Provision for Freign Benefit Tax (A.Y. 2009-10)	-	3,019
	<u>14,014</u>	<u>12,469</u>

Sunil Kumar
(Sunil Kumar)
Director

Satish Garg
(Satish Garg)
Director



EXECUTIVE STOCK BROKING SERVICES LIMITED

SCHEDULE: 6 –

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS AS ON 31.03.2010

A) SIGNIFICANT ACCOUNTING POLICIES:

1. **Accounting Convention**
The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956.
2. **Revenue Recognition**
All Revenue / Income are recognised on accrual basis of accounting.
3. **Expenditure**
All expenses have been accounted for on accrual basis.
4. **Fixed Assets**
Fixed Assets have been stated in the books at historical cost inclusive of all incidental expenses net of accumulated depreciation. Depreciation has been provided at the rates mentioned in Schedule XIV of the Companies Act, 1956 on written down value method.
5. **Investments**
Investments are treated as long term investments and are stated at cost. Any decline in the value of investments, other than a temporary decline, is recognised and charged to Profit & Loss Account.
6. **Stock in trade**
Stock in trade is valued at cost or net realizable value which is lower – if any.
7. **Impairment of Assets:**
All assets other than inventories, investments and deferred tax assets are reviewed for impairment, wherever events or changes in circumstances indicate that the carrying amount may not be recoverable.
8. **Contingent Liabilities:**
Contingent liabilities are not provided for, and if any are disclosed separately by way of notes.

B) NOTES TO ACCOUNTS:

1. Balance of loans and advances as shown in the accounts are subject to confirmation. However, in the opinion of the board of directors, the current assets, loans and advances are fully realisable at the values stated, if realised in the ordinary course of business. The provisions for depreciation and all other known liabilities are adequate in the opinion of the board.
2. No provision has been made against present liability of future payments of gratuity and leave encashment payable to the employees at the time of retirement, as the company has not employed any person during the year.
3. **Auditors' Remuneration:**

	2009-10 (Rs.)	2008-09 (Rs.)
Audit Fees	5000	5000
Others	515	515
Total	5515	5515



4. Directors' Remuneration : NIL

5. Deferred Tax Assets: Amount in Rs.

Particulars	Deferred Tax Asset as at 01.04.2009	Current Year Charge	Deferred Tax Assets as at 31.03.2010
On account of difference Between book & Tax Depreciation.	61,848	8,799	53,049
Total	61,848	8,799	53,049

In accordance with AS 22 issued by ICAI, the company has provided for deferred tax during the year.

6. Quantitative details – Not applicable.

7. Additional information pursuant to the provision of paragraph 3 & 4 of Part II of Schedule VI of the Companies Act, 1956.

		2009-10 (Rs.)	2008-09 (Rs.)
a.	Value of imports on CIF basis	Nil	Nil
b.	Expenditure in foreign currency	Nil	Nil
c.	Earnings in foreign currency	Nil	Nil

8. Related Party Disclosure: The company has not entered into any related party transactions during the year.

9. Segment Reporting:- The company has only one reportable segment.

10. Earning per share (EPS):

		2009-10	2008-09
a)	Weighted Average number of shares at the beginning and end of the year	249000	249000
b)	Net Profit / (Loss) After Tax	31821	21859
c)	Basic and Diluted Earning Per Share	1.28	0.08

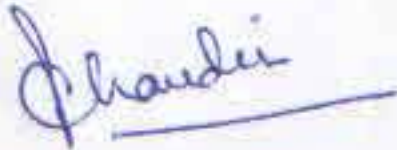
11. As per information available with the company, no amount is due to Small Scale Ancillary Industrial Undertakings as at 31st March, 2010.

12. The Company is a Small and Medium-sized (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium-size Company.



13. The company has not received any intimation from "suppliers" regarding their status under Micro Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act have not been furnished.
14. Previous year figures have been reclassified/regrouped wherever considered necessary.

For M/s. RMA Associates
Chartered Accountants
Firm No. 000978N

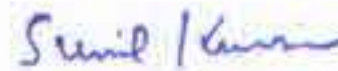


(Pankaj Chander)
Partner
M. No. 089065

Place: New Delhi
Dated: 30th August, 2010



FOR & ON BEHALF OF THE BOARD



(Sunil Kumar)
Director



(Satish Garg)
Director

EXECUTIVE STOCK BROKING SERVICES LIMITED
Balance Sheet Abstract and Company's General Business Profile
(Pursuant to Part IV of Schedule VI to the Companies Act, 1956)

REGISTRATION DETAILS:

Registration No. L67120DL1984PLC018802	State Code	55
Balance Sheet Date	31.03.2010	

CAPITAL RAISED DURING THE YEAR (Rs. in '000):

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

POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Rs. in '000):

Total Liabilities	2490	Total Assets	2490
-------------------	------	--------------	------

SOURCES OF FUNDS:

Paid-up Capital	2490	Reserves & Surplus	NIL
Secured Loans	NIL	Unsecured Loans	NIL

APPLICATION OF FUNDS:

Net Fixed Assets	12	Investments	1,400
Net Current Assets/(Liabilities)	252	Accumulated Losses	826
Miscellaneous Expenditure	NIL		

PERFORMANCE OF THE COMPANY (Rs. in '000):

Turnover	755	Total Expenditure	708
Profit Before Tax	47	Profit After Tax	32
Earning per Share in Rs.	0	Dividend Rate %	NIL

GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICE OF THE COMPANY:

Item Code No. (ITC Code)	Product Description
N.A.	Stock Broking

For M/s. RMA & Associates
Chartered Accountants
Firm No. 000978N

For Executive Stock Broking Services Limited

Pankaj Chander

(Pankaj Chander)
Partner
M. No. 89065



Sunil Kumar

(Sunil Kumar)
Director

Satish Garg

(Satish Garg)
Director

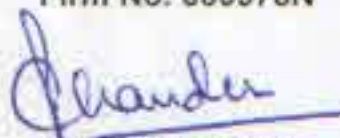
Place: New Delhi
Dated: 30th August, 2010

EXECUTIVE STOCK BROKING SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2010

	(Rs. in Thousand)	
	Year ended March 31,	
	2010	2009
A. Cash Flow From Operating Activities:		
Net Profit before tax and extraordinary items	47	37
Adjustments for:		
Depreciation	2	3
Loss on sale of Fixed Assets	-	-
Preliminary expenses written off	-	-
Public issue expenses written off	-	-
Operating cash flow before changes in working capital	49	40
Cash Flow in Working Capital Activities:		
(Increase)/Decrease in Sundry Debtors	-	-
(Increase)/Decrease in Inventories	-	-
(Increase)/Decrease in Loans & Advances	-	-
Increase/(Decrease) in Current Liabilities	-	-
Advance Tax/Tax Adjustment	-	-
Cash provided by / (used in) operating activities	49	40
Less: Income Tax Paid	5	8
Net cash provided by / (used in) operating activities	44	32
B. Cash Flow From Investing Activities:		
Sale/(Purchase) of fixed assets	-	-
(Increase)/Decrease in investments	-	-
Net cash provided by / (used in) investing activities	-	-
C. Cash Flow From Financing Activities:		
Unsecured loans during the year	-	-
Repayment of Unsecured Loans	-	-
Net cash provided by / (used in) financing activities	-	-
Net increase / (decrease) in cash and cash equivalents during the year [(A) + (B) + (C)]	44	32
Cash and Cash Equivalents:		
Opening Balance	222	190
Closing Balance	266	222

For M/s. RMA & Associates
Chartered Accountants
Firm No. 000978N

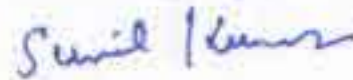


Pankaj Chander
Partner
M. No. 89065



Place: New Delhi
Dated: 30th August, 2010

FOR & ON BEHALF OF THE BOARD



Director



Director

EXECUTIVE STOCK BROKING SERVICES LIMITED
Balance Sheet Abstract and Company's General Business Profile
(Pursuant to Part IV of Schedule VI to the Companies Act, 1956)

REGISTRATION DETAILS:

Registration No.	55-18802	State Code	55
Balance Sheet Date	31.03.2009		

CAPITAL RAISED DURING THE YEAR (Rs. in '000):

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

POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Rs. in '000):

Total Liabilities	2490	Total Assets	2490
-------------------	------	--------------	------

SOURCES OF FUNDS:

Paid-up Capital	2490	Reserves & Surplus	NIL
Secured Loans	NIL	Unsecured Loans	NIL

APPLICATION OF FUNDS:

Net Fixed Assets	14	Investments	1,400
Net Current Assets/(Liabilities)	209	Accumulated Losses	868
Miscellaneous Expenditure	NIL		

PERFORMANCE OF THE COMPANY (Rs. in '000):

Turnover	685	Total Expenditure	648
Profit Before Tax	37	Profit After Tax	21
Earning per Share in Rs.	0	Dividend Rate %	NIL

GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICE OF THE COMPANY:

Item Code No. (ITC Code)	Product Description
N.A.	Stock Broking

X. Sunil Kumar
Sunil Kumar
 Director

Satish Garg
Satish Garg
 Director



Place: New Delhi
 Dated: 24th August 2009