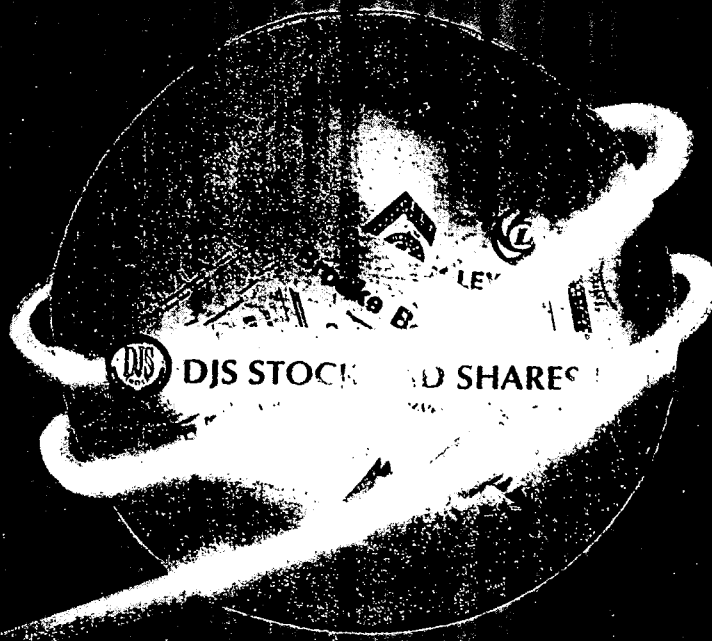




DJS STOCK AND SHARES LIMITED



Third Annual Report 1997

MD	<input checked="" type="checkbox"/>		BFC	<input checked="" type="checkbox"/>
CS	<input checked="" type="checkbox"/>		DY	6/A
RO	<input checked="" type="checkbox"/>		FM	6/A
TRA	<input checked="" type="checkbox"/>		SH	<input checked="" type="checkbox"/>
AGM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>			





DJS Stock and Shares Limited

Board of Directors

Sri Padmakant D Shah
Chairman
Sri Prakash D Shah
Managing Director
Sri Devang M Shah
Sri V K Padmanabhan
Sri K Annamalai
Sri Jayantilal P Shah
Sri Bhagawathi Prasad
Sri Chandan Parmar
Sri Amit P Bhansali
Sri Shoresh P Shah
Sri Nitin A Bhrahmabhatt

Auditors

P. Mahendran BSc FCA
Chartered Accountant
Coimbatore

Bankers

Bharat Overseas Bank, Mumbai
Bharat Overseas Bank, Rajkot
Indian Bank, Coimbatore
Bank of Baroda, Mumbai
United Western Bank, Mumbai

Head Office

43 V. B. Gandhi Marg
Opp. Oriental Bank of Commerce
Fort
Mumbai - 400 023

Regd. Office

14, Arts College Road
Coimbatore - 641 018

Contents

Notice to Members	2
Directors' Report	5
Auditors' Report	7
Balance Sheet	9
Profit and Loss Account	10
Schedules	11
Notes forming part of Accounts	14
Cash Flow Statement	15



Notice of the Third Annual General Meeting

Notice is hereby given that the Third Annual General Meeting of the Shareholders of the Company will be held on 29th September, 1997 at 4-30 p.m. at the Registered Office of the Company at 14, Arts College Road, Coimbatore - 641 018. to transact the following business;

Ordinary Business

1. To consider, approve and adopt the Profit and Loss Account of the Company for the year ended 31st March 1997, the Balance sheet as at that date and the report of the Board of Directors and Auditor.
2. To appoint a Director in the place of Sri Padmakant Devidas Shah who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in the place of Sri Chandan Parmar who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors to hold office from the close of the Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

Special Business

5. To consider and if thought fit to pass with or without modification the following resolution as ordinary resolution:
Resolved that Shri Shohesh Prakash Shah be and is hereby appointed Director of the Company liable to retire by rotation.
6. To consider and if thought fit to pass with or without modification the following resolution as ordinary resolution:
Resolved that Shri Amit P Bhansali be and is hereby appointed Director of the Company liable to retire by rotation.
7. To consider and if thought fit to pass with or without modification the following resolution as ordinary resolution:
Resolved that Shri Nitin A Brahmabhatt be and is hereby appointed Director of the Company liable to retire by rotation.
8. To consider and if thought fit to pass with or without modification the following resolution as **Special resolution**:
Resolved that pursuant to Section 269, 198, 309, 314, Schedule XIII and other applicable provisions of the Companies Act, 1956, if any, the consent of the Company be and is hereby accorded for the appointment of Sri Prakash D. Shah, as Managing Director of the Company for a period of 5 years with effect from 16.11.1996.
Resolved further that Sri Prakash D Shah be paid a remuneration and perquisites as detailed below with effect from 29.09.1997 for the remaining tenure of his appointment:
 - i. Salary : Rs.25,000/- P.M.
 - ii. Housing : 60% of the salary, over and above 10% payable by the appointee or the excess over and above 10%, whichever is lower is payable by the Company.
 - iii. Medical
Reimbursement : Expenses incurred for the person to be appointed and the family subject to a ceiling of one month's salary in a year or three months over a period of 3 years.
 - iv. Leave Travel
concession : For the Appointee and his family once in a year incurred in accordance with any rules specified by the Company.



v. Club Fees : Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

vi. Personal Accident

Insurance : Premium not to exceed Rs.1,000/- p.a.

Resolved further that the Managing Director shall not be entitled to any sitting fees for attending the Board Meetings nor shall he be liable to retire by rotation.

9. To consider and if thought fit to pass with or without modification the following resolution as **Special resolution**:

Resolved that pursuant to Section 269, 198, 309, 314, Schedule XIII and other applicable provisions of the Companies Act, 1956, if any, the consent of the Company be and is hereby accorded for the appointment of Sri Amit P. Bhansalias Whole-time Director of the Company for a period of 5 years with effect from 29.09.1997 on a remuneration and perquisites as detailed below :

i. Salary : Rs.20,000/- P.M.(consolidated)

Resolved further that the Whole-time Director shall not be entitled to any sitting fees for attending the Board Meetings nor shall he be liable to retire by rotation.

10. To consider and if thought fit to pass with or without modification the following resolution as **Special resolution**:

Resolved that pursuant to Section 269, 198, 309, 314, Schedule XIII and other applicable provisions of the Companies Act, 1956, if any, the consent of the Company be and is hereby accorded for the appointment of Sri Nitin A. Brahmabhatt as Whole-time Director of the Company for a period of 3 years with effect from 29.09.1997 on a remuneration and perquisites as detailed below :

i. Salary : Rs.20,000/- P.M.(consolidated).

Resolved further that the Whole-time Director shall not be entitled to any sitting fees for attending the Board Meetings nor shall he be liable to retire by rotation.

Coimbatore,
25.8.1997.

By Order of the Board
(Sd.) Padmakant Devidas Shah
Chairman

- Note :**
1. A member is entitled to attend and vote at the meeting is also entitled to appoint a proxy(ies) and such proxy(ies) need not be a member(s). A proxy form is enclosed. A proxy to be valid should be properly filled in and signed by the Member after affixing necessary stamp and should be lodged at the Registered Office of the Company atleast fortyeight hours before the commencement of the meeting.
 2. Change of address if any, should be notified to the Company at its Registered Office promptly. Members are also requested to send in their latest specimen signatures in order to avert difficulty in transfer of their shares.
 3. The Share Transfer Books of the Company shall remain closed for 3 days from 27th September, 1997. (Both days are inclusive)



Annexure To Notice

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 which forms part of the notice.

Item No.5 :

Your Board had co-opted Sri Shohesh P Shah as Director and he holds Office till the date of this Annual General Meeting. Special Notice from a member signifying his intention to propose the name of Sri Shohesh P Shah for election as Director, liable to retire by rotation, in the Annual General Meeting has been received by the Company pursuant to Section 257 of the Companies Act, 1956.

The incumbent Sri Shohesh P Shah, the Chairman Sri Padmakant Devidas Shah, the Managing Director Sri Prakash Devidas Shah, and the Director Sri Jayanthilal P Shah may be deemed to be interested in the resolution they being related to Sri Shohesh P Shah. No other Director is interested in the resolution.

Item No.6 & 9.

Your Board had co-opted Sri Amit P Bhansali as Director and he holds Office till the date of this Annual General Meeting. Special Notice from a member signifying his intention to propose the name of Sri Amit P Bhansali for election as Director, liable to retire by rotation, in the Annual General Meeting has been received by the Company pursuant to Section 257 of the Companies Act, 1956.

Your Board in their meeting held on 25th August, 1997 has considered and approved the appointment of Sri Amit P Bhansali as Whole - Time Director on a monthly consolidated salary of Rs.20,000/- for period of 3 years subject to the approval of Shareholders in the Annual General Meeting. This proposal is incorporated in the Notice.

None of the Director is interested in the resolution except Sri Amit P Bhansali who may be deemed to be interested in the resolutions to the extent of his appointment and remuneration payable.

Item No. 7 & 10

Your Board had co-opted Sri Nitin A Brahmabhatt as Director and he holds Office till the date of this Annual General Meeting. Special Notice from a member signifying his intention to propose the name of Sri Nitin A Brahmabhatt for election as Director, liable to retire by rotation, in the Annual General Meeting has been received by the Company pursuant to Section 257 of the Companies Act, 1956.

Your Board in their meeting held on 25th August, 1997 has considered and approved the appointment of Sri Nitin A Brahmabhatt as Whole - Time Director on a monthly consolidated salary of Rs.20,000/- for period of 3 years subject to the approval of Shareholders in the Annual General Meeting. This proposal is incorporated in the Notice.

None of the Director is interested in the resolution except Sri Nitin A Brahmabhatt who may be deemed to be interested in the resolutions to the extent of his appointment and remuneration payable.

Item No. 8

Sri Padmakant Devidas has resigned as Managing Director but continues to be Chairman of the Company. In the vacancy of Managing Director Sri Prakash D Shah was appointed by your Board as Managing Director for a period of 5 years from 16.11.1996 subject to the approval of shareholders in a General Meeting.

Sri Prakash D Shah is taking full responsibility and your Board thought that he should be paid remuneration commensurate with the responsibilities. Accordingly in their meeting held on 25.08.1997 they had fixed remuneration and perquisites to the Managing Director with effect from 29th September, 1997 subject to the approval of shareholders in a General Meeting.

Hence the resolution is proposed.

Sri Prakash D Shah, Managing Director may be deemed to be interested in the resolution to the extent of his appointment and remuneration payable to him. Sri Padmakant Devidas Shah Sri Jayanthilal P Shah and Sri Shohesh P Shah may be deemed to be interested in the resolution they, being related to the Managing Director. None of the other Directors are interested in the resolution.

Coimbatore,
25.8.1997.

By Order of the Board
(Sd.) Padmakant Devidas Shah
Chairman



Directors' Report

Dear Shareholders,

Your Board of Directors are glad to present to you the 3rd Annual Report for the year ending 31st March, 1997. The financial highlights are as given below :

Financial Results	For the	For the
	period ended	period ended
	31st March 1997	31st March 1996
	(Rs. Lacs)	(Rs. Lacs)
Gross Income	112.50	79.56
Gross Profit	73.26	64.64
Depreciation	2.98	1.23
Profit before tax	70.28	63.41
Provision for taxation	29.50	30.00
Profit after tax	40.78	33.41
Profit available for appropriation	40.78	33.41
Appropriations		
General Reserve	—	—
Surplus carried over to Balance sheet	40.78	33.41

Dividend

Your Board carefully considered of recommending a dividend. But owing to the tight financial conditions, it was decided to conserve the money at present and not to recommend a dividend for the year under report.

Prospects

During the year under report, the Company has opened NSE counters at Tiruppur and Erode. The Company has obtained membership of the Stock Exchange, Mumbai.

The Company is planning to open counters of the Stock Exchange, Mumbai under its BOLT system in Coimbatore, Tiruppur, and Erode. The Company has made application to the Calcutta Stock Exchange Association Ltd. for conversion of individual card of our Managing Director Sri Prakash D Shah to a Corporate card by acquiring the same from him.

The Company has ventured to enter the money changes' business and necessary application has been submitted to the Reserve Bank of India in this regard.

The Company has also made an application to National Securities Depository Limited to be a Depository Participant and it is expected that the Company will start functioning as such soon.

Directors

Sri Padmakant Devidas Shah and Sri Chandan Parmar are retiring at this Annual General Meeting and they being eligible offer themselves for re-election. Sri Padmakant Devidas Shah has relinquished his Office as Managing Director and your Board has appointed Sri Prakash D. Shah in his place.



M/s. Amit P. Bhansali, Shohesh P. Shah and Nitin A. Brahmbhatt were appointed by the Board during the year and hold their Office until the date of this Annual General Meeting. Special notices from shareholders signifying their intention to propose their appointment pursuant to Section 257 of the Companies Act, 1956 are received by the Company.

Your Board has appointed M/s. Nitin A Brahmbhatt and Amit P. Bhansali as Whole-time Directors and fixed remuneration to them as well as the Managing Director. Necessary proposals are incorporated in the Notice convening the Annual General Meeting.

Auditors :

Mr P Mahendran, Chartered Accountant retires at the conclusion of this Annual General Meeting and is eligible for re-appointment.

Deposits :

The Company has not accepted any deposits from the Public during the year under report.

Particulars to be furnished under section 217 of the Companies Act, 1956.

The information required pursuant to provisions of Section 217 (2-A) of the Companies Act, 1956 read with Companies (particulars of employees) rules, 1975 will not apply to the Company as there was no employee in receipt of remuneration of Rs.3,00,000/- p.a. or Rs.25,000 per month during the period under review.

Likewise, the provisions relating to conservation of energy etc. are not applicable as the Company is not a manufacturing Company.

Cash Flow Statement :

The Cash Flow statement and the Financial figures with the projected one in the Prospectus issued in the Public issue with explanation for variation, as prescribed by SEBI is annexed hereto and forms part of this report.

Acknowledgement

The Board of Directors acknowledge with gratitude the valuable support extended by the clients, shareholders, SEBI, Financial Institutions, Mutual Funds, Stock Exchange, Foreign Institutional Investors and Bankers. The Board also records its appreciation of the co-operation, dedication and support extended to the Company by all the staff.

Coimbatore,
25.08.1997.

On Behalf of the Board of Directors
(Sd.) Padmakant Devidas Shah
Chairman



Auditors' Report

To

The Shareholders of

DJS STOCK AND SHARES LIMITED

I have audited the accounts of DJS Stock and Shares Limited, Coimbatore for the period ended 31st March, 1997 and the attached Balance Sheet as at 31st March 1997 and the Profit and Loss account ended that date annexed thereto.

In my opinion and to the best of my information and according to the explanations given to me, the said accounts along with the notes and the accounting policy statement give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view :

1) In the case of Balance Sheet, of the company's affairs as at the end of the financial year.

and

2) In the case of the Profit and Loss Account, of the Profit for the period.

I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.

In my opinion, proper books of accounts, as required by law, have been kept by the company so far as appears from my examination of those books.

The Company's Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of Accounts.

As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board under Section 227(4A) of the Company's Act, 1956 in so far as they are applicable to this Company, I have to report further as under;

- i) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets have been physically verified by the Management and no material discrepancies have been noticed on such verification.
- ii) None of the fixed assets have been revalued during the year.

iii) The procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

iv) No material discrepancies have been noticed on physical verification of stocks as compared to book records.

v) According to the information and explanation given to me and on the basis of examination of stocks, stock valuation is fair and proper and is in accordance with the normally accepted accounting principles.

vi) 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 and or from the Companies under the same management as defined under sub-section (1-B) of Section 370 of the Companies Act, 1956.

vii) The company has not granted any loans to companies, firms, or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 and/or to the Companies under the same management as defined under Sub-Section (1B) of Section 370 of the Companies Act, 1956.

viii) The Company has not granted any loans or advances in the nature of loans to any other party.

ix) In my opinion, and in accordance with the information and explanations given to me, there are adequate internal control procedures commensurate with the size of the Company.

x) In my opinion, the transactions of purchase of goods and sale of goods, services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the period to Rs. 50,000 or more in respect of each party were made at prices which were reasonable having regard to prevalent market prices for such goods or the prices at which transactions for similar goods have been made with other parties.

xi) The Company has not accepted Fixed Deposits from the public.



-
- xii) The Company has an Internal Audit System commensurate with its size and nature of its business.
 - xiii) The provisions of Provident Fund and Employee's State Insurance are not applicable to the company.
 - xiv) In my opinion, there was no amount outstanding on 31st March, 1997, in respect of un-disputed Income-tax, Wealth-tax, Sales-tax, Customs duty and Excise duty which were due for more than six months from the date they became payable.
 - xv) According to the information and explanations given to me and the records of the company examined by me, no personal expenses have been charged to Revenue Account.
 - xvi) The company is not a sick industrial company within the meaning of Section 3(1)(o) of the Sick Industrial Companies (special provisions) Act, 1985.
 - xvii) In my opinion, and according to information and explanations given to me, there are no damaged goods.
 - xviii) The company has not granted any loans & advances on the basis of security, by way of pledge of shares, debentures and other securities.
 - xix) The company is maintaining proper records for transactions and contracts of its dealings in shares, securities and other investments. Timely entries have been made therein.
- The other provisions of the "Manufacturing and Other Companies (Auditor's Report) Order, 1988" are inapplicable to this Company.

Coimbatore
25.08.1997

P. Mahendran B.Sc., FCA
Chartered Accountant



Balance Sheet as at 31st March, 1997

	Schedule	31.3.97 Rs.	31.3.96 Rs.
Liabilities			
Share Capital	A	4,03,04,000	4,03,04,000
Reserves and Surplus	B	82,79,004	22,80,724
Total		4,85,83,004	4,25,84,724
Assets			
Fixed Assets	C	24,53,198	16,41,258
Current Assets	D	6,04,94,587	5,31,40,437
Less : Current Liabilities & Provisions	E	1,50,01,722	1,29,24,903
Net Current Assets (D – E)		4,54,92,865	4,02,15,534
Miscellaneous Expenditure	F	6,36,941	7,27,932
Total		4,85,83,004	4,25,84,724
Notes to the accounts and significant accounting policies	G		

The schedules referred to above form an integral part of the Balance Sheet.

As per my report even dated

(Sd.) P. Mahendran, FCA
Chartered Accountant

Coimbatore
25-08-1997

(Sd.) Sri Padmakant Devidas Shah
Chairman

(Sd.) Sri K. Annamalai
Whole-Time-Director

(Sd.) Sri Prakash Devidas Shah
Managing Director



Profit and Loss Account for the year ended 31st March, 1997

	Schedule	31.3.97 Rs.	31.3.96 Rs.
Income			
Income from operations	H	1,09,59,381	58,27,830
Dividend and other Income	I	2,90,937	21,29,662
		<u>1,12,50,318</u>	<u>79,57,492</u>
Expenditure			
Membership Fees		1,80,300	—
Administrative Expenses	J	19,78,389	9,46,299
Bank Charges & Interest		62,266	87,676
N.S.E. Charges		15,77,747	1,58,058
Share Trading Expenses		74,658	13,095
Licence fees and Taxes		51,082	1,98,110
Depreciation		2,98,305	1,23,206
		<u>42,22,747</u>	<u>15,26,444</u>
Net Profit		<u>70,27,571</u>	<u>64,31,048</u>
Add: Balance B/F.		22,80,724	9,55,866
Dividend Provision Reversed		20,15,200	—
		<u>73,86,914</u>	<u>1,13,23,495</u>
Appropriations			
Donations		3,501	—
Preliminary expenses written off		90,990	90,990
Provision for taxes		29,50,000	30,00,000
Proposed dividend		—	20,15,200
		<u>30,44,491</u>	<u>51,06,190</u>
Balance carried down to Balance Sheet		82,79,004	22,80,724
Notes to the accounts and accounting policies	G		

The schedules referred to above form an integral part of the Profit and Loss Account.

As per my report even dated

(Sd.) Sri Padmakant Devidas Shah
Chairman

(Sd.) P. Mahendran, FCA
Chartered Accountant

(Sd.) Sri K. Annamalai
Whole-Time-Director

Coimbatore
25-08-1997

(Sd.) Sri Prakash Devidas Shah
Managing Director



Schedules Annexed to the Accounts

31.3.96 Rs.		31.3.97 Rs.	
Schedule – A			
Share Capital			
Authorised			
10,00,00,000	1,00,00,000 Equity Shares of Rs. 10 each		10,00,00,000
Issued, Subscribed and Fully Paid-up			
4,03,04,000	40,30,400 Equity Shares of Rs. 10 each		4,03,04,000
4,03,04,000		Total	4,03,04,000
Schedule – B			
Reserves and Surplus			
22,80,724	Profit and Loss Account		82,79,004
22,80,004			82,79,004

Schedule C : Fixed Assets

Sl. No.	Name of the Assets	Cost as on 01.04.96	Addition	Total cost as on 31.03.97	Depreciation			W.D.V. upto 31.03.97	W.D.V. upto 31.03.96
					upto 31.03.97	for the year	upto 31.03.97		
1.	Computer (Office Equipment)	12,57,305.20	4,39,574.45	16,96,879.65	1,19,226	2,53,111	3,72,337	13,24,542.65	11,38,079.20
2.	Furniture & Fittings	2,16,487.51	2,79,631.00	4,96,118.51	3,189	16,609	19,798	4,76,320.51	2,13,298.51
3.	Motor Car	2,94,466.00	3,91,040.00	6,85,506.00	4,586	28,585	33,171	6,52,335.00	2,89,880.00
	Total	17,68,258.71	11,10,245.45	28,78,504.16	1,27,001	2,98,305	4,25,306	24,53,197.16	16,41,257.71



31.3.96 Rs.		31.3.97 Rs.
Schedule - D		
Current Assets Loans & Advances		
93,26,022	Advances & Deposits	1,84,00,834
32,010	Investments	—
4,02,15,304	Scripts on hand	2,12,30,690
DEBTORS		
	Outstanding for more than six months (considered good)	31,31,752
14,70,307	Others	96,41,826
2,694	Receivable	20,66,832
Cash & Bank Balances		
1,02,956	Cash on hand	67,178
19,91,144	Cash at Bank	59,55,475
<u>5,31,40,437</u>		<u>6,04,94,587</u>
Schedule - E		
Current Liabilities & Provisions :		
62,14,838	Current Liabilities	73,53,956
44,865	Unclaimed Dividend	47,766
Provisions		
46,50,000	Provision for Taxation	76,00,000
20,15,200	Proposed Dividend	—
<u>1,29,24,903</u>		<u>1,50,01,722</u>
Schedule - F		
Miscellaneous Expenditure :		
8,18,922	Preliminary Expenses	7,27,931
90,990	Less : Written off	90,990
<u>7,27,932</u>		<u>6,36,941</u>
Schedule - H		
Income from Operations		
48,28,941	Brokerage	85,53,577
—	Commission Received	9,00,132
9,98,889	Income from Trading	15,05,672
<u>58,27,830</u>		<u>1,09,59,381</u>



31.3.96
Rs.

31.3.97
Rs.

Schedule - I

Dividend and Other Income		
25,000	Dividend Received	44,594
38,509	Interest Received	2,43,152
20,64,574	Other Income	3,191
<u>21,29,662</u>		<u>2,90,937</u>

Schedule - J

Administrative Expenses		
2,93,378	Salaries and Bonus	5,78,008
1,24,363	Travelling Expenses	1,43,114
77,250	Repairs & Maintenance	1,53,108
785	Electricity Charges	26,842
1,38,024	Postage, Telegraph & Telephone	2,30,919
—	Rent	60,000
23,100	Insurance Charges	4,01,480
73,000	Legal & Professional Charges	1,92,807
56,140	General Expenses	57,358
1,45,259	Printing & Stationery	1,19,753
15,000	Audit Fees	15,000
<u>9,46,299</u>		<u>19,78,389</u>

As per my report even dated

(Sd.) Sri Padmakant Devidas Shah
Chairman

(Sd.) P. Mahendran, FCA
Chartered Accountant

(Sd.) Sri K. Annamalai
Whole-Time-Director

Coimbatore
25-08-1997

(Sd.) Sri Prakash Devidas Shah
Managing Director



SCHEDULE -K

Notes to the Accounts and Significant Accounting Policies

1. Basis of Accounting

Financial Statements are prepared under historical costs conventions on accrual basis in accordance with the requirements of the Companies Act, 1956.

2. Revenue and Transaction Recognition

Revenue and Transactions with Stock Exchanges were recognised only for completed settlements.

3. Fixed Assets

Fixed assets are stated at cost inclusive of incidental expenses such as freight, octroi etc, incurred by the Company. The installation and commissioning expenses are also capitalised.

4. Inventory

The securities available on hand as on 31-03-1997 were valued at cost or market price whichever is lower.

5. Depreciation

Depreciation on Fixed Assets has been provided on "Straight Line Method" as per Section 205(2) (b) of the Companies Act, 1956 at the rates and in the manner specified in Schedule XIV of the said Act, as amended vide notification dated 16-12-93 issued by the Central Government.

6. Managerial Remuneration

There was no managerial remuneration paid for the accounting period under observation.

7. Contingent Liabilities

Guarantees given by the Company's Bankers on behalf of the Company is amounting to Rs. 45 Lakhs.

8. Previous year figures have been regrouped and reclassified wherever necessary.

As per my report even dated

(Sd.) Sri Padmakant Devidas Shah
Chairman

(Sd.) P. Mahendran, FCA
Chartered Accountant

(Sd.) Sri K. Annamalai
Whole-Time-Director

Coimbatore
25-08-1997

(Sd.) Sri Prakash Devidas Shah
Managing Director



CASH FLOW STATEMENT

	31.03.97	31.03.96
A. Cash Flow from Operating Activities :		
Net Profit before Tax and Extraordinary Items	70,27,571	64,31,048
Adjustments for : Depreciation	2,98,305	1,23,206
Operating Profit before Working Capital Changes	73,25,876	65,54,254
Adjustments for :		
Trade and other Receivable	(-) 1,70,85,303	(-) 67,63,896
Inventories	(+) 1,89,84,614	(-) 10,15,899
Trade Payables	(+) 11,42,019	(+) 47,88,915
	<u>(+) 30,41,330</u>	<u>(-) 29,90,880</u>
Cash Generated from Operations	1,03,67,206	35,63,374
Direct Taxes Paid	(-) 53,24,907	(-) 27,15,000
Cash Flow Before Extraordinary Items	50,42,299	8,48,374
Extraordinary Items	3,501	—
Net Cash from Operating Activities	50,38,798	8,48,374
B. Cash Flow from Investing Activities :		
Purchase of Fixed Assets	11,10,245	15,19,509
Net Cash used in Investing Activities	—	15,19,509
C. Cash Flow from Financing Activities :		
Dividends Paid	—	10,05,825
Net Cash Used in Financing Activities	—	10,05,825
Net Decrease in Cash and Cash Equivalents	39,28,553	16,76,960
Cash and Cash Equivalents as at 01.04.96 (Opening Balance)	20,94,100	37,71,060
Cash and Cash Equivalents as at 31.03.1997 (Closing Balance)	60,22,653	20,94,100

25.08.1997
Coimbatore

Sri K. Annamalai
Whole-Time-Director

Sri Padmakant Devidash Shah
Chairman

Sri Prakash Devidash Shah
Managing Director

Auditor's Certificate

I have verified the above Cash Flow Statement of DJS STOCK AND SHARES LIMITED derived from the financial statements for the year ended March 31, 1997 and found the same to be in accordance therewith and also with the requirements of Clause 32 of the Listing Agreement with Stock Exchanges. This being the first year of compilation of the statements, comparable figures for previous year are not given.

Coimbatore
25.08.1997

(Sd.) P. MAHENDRAN F.C.A.,
Chartered Accountant



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. : 181-5030 State Code : 18
Balance Sheet Date : 31st day of March, 1997.

II. Capital Raised during the Year (Amount in Rs.)

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

III. Position of Mobilisation and Deployment of Funds (Amount in Rs.)

Total Liabilities : 5,53,05,722 Total Assets : 5,53,05,722

Sources of Funds

Paid-up Capital : 40304000 Reserves & Surplus : 82,79,004
Secured Loans : NIL Unsecured Loans : NIL

Application of Funds

Net Fixed Assets : 24,53,198 Investments : Nil
Net Current Assets : 4,54,92,865 Misc. Expenditure : 6,36,941
Accumulated Losses : NIL

IV. Performance of Company (Amount in Rs.)

Turnover : 1,12,50,318 Total Expenditure : 42,22,747
Profit /Loss Before Tax : (+) 70,27,571 Profit/Loss After Tax : (+) 40,77,571
Earning Per Share in Rs in lakhs 1.74 Dividend rate % : —

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

Item Code (ITC Code) :
Product
Description : Shares and Securities

(Sd.) P. Mahendran, FCA
Chartered Accountant

Coimbatore
25-08-1997.

(Sd.) Sri Padmakant Devidas Shah
Chairman

(Sd.) Sri K. Annamalai
Whole-Time-Director

(Sd.) Sri Prakash Devidas Shah
Managing Director



DJS STOCK AND SHARES LIMITED

14, ARTS COLLEGE ROAD, COIMBATORE - 641 018.

(in case a member is unable to be present at the meeting this form may be used)

PROXY FORM

I/We _____ of _____
residing in the district of _____ being a member / members
of the above named company hereby appoint _____ of
_____ residing in the district of _____
or failing him appoint _____ of _____
residing in the district of _____ as my/our
proxy to vote for me / our behalf in the Third Annual General Meeting of the Company to be held on
Monday, the 29th September, 1997 at the Registered Office of the company and at any adjournment
thereat.

Affix Thirty Paise Revenue Stamp

Place :

Date :

Note : Indian revenue Stamp of THIRTY PAISE should be affixed in the form which should then be signed
by the member. The form thus completed should be deposited at the Registered Office of the
Company at 14, Arts College Road, Coimbatore - 18, at 4.46 p.m. on 27th September 1997.

