



**DJS Stock and Shares Limited**

**Tenth Annual Report  
2003-2004**

**DJS Stock and Shares Limited**

14, Arts College Road  
Coimbatore - 641 018



# DJS Stock and Shares Limited

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## Board of Directors

**Sri Prakash D Shah**  
Managing Director

**Sri K. Annamalai**  
Whole-time Director

**Sri Sohesh P. Shah**  
Whole-time Director

**Sri Jayanthilal P. Shah**  
**Sri Bhagawathi Prasad**  
**Sri Amit P Bhansali**  
**Sri Ajay M. Gupta**  
**Sri Ashwin R. Shah**

## Auditors

**Sri. P Mahendran B.Sc FCA**  
Chartered Accountant  
Coimbatore - 18

## Bankers

UTI Bank Ltd.  
Oriental Bank of Commerce Ltd.

## Head Office

8/B, Shirin Sohrab Palace  
Nariman Road, Vile Parle (E),  
Mumbai - 400 057

## Regd. Office

14, Arts College Road  
Coimbatore - 641 018

### CONTENTS

Notice to member	02
Director's Report	03
Auditor's Report	10
Profit & Loss A/c	12
Balance Sheet	13
Schedules	14
Notes forming part of A/c	17
Cash flow statement	18

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## Notice To All Shareholders

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Notice is hereby given that the **Tenth Annual General Meeting** of the Shareholders of the Company will be held on 30<sup>th</sup> day, of June 2004 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 :

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31-03-2004 with Schedules, the Profit and Loss Account for the year ended on that date with schedules, the Director's Report and the Auditor's Report thereon.
2. To re-elect a Director in place of Sri Bhagawati Prasad, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-election.
3. To re-elect a Director in place of Sri Ashwin R. Shah, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-election.
4. To appoint Auditors and fix their remuneration from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting.

By order of the Board  
For **DJS Stock and Shares Limited**

**Prakash D. Shah**  
Managing Director

Place: Mumbai  
Date : 22.05.2004

Note:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT INSTEAD OF HIMSELF TO ATTEND AND VOTE ONE OR MORE PROXY(IES) AND SUCH PROXY(IES) NEED NOT BE A MEMBER. A PROXY FORM IS ENCLOSED.
2. A proxy to be valid should be duly filed in and affixed with requisite stamp and lodged with the Company's Registered Office atleast 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Registers of the Company will remain closed for 4 days from 26<sup>th</sup> June 2004 to 30<sup>th</sup> June, 2004.
4. Members are requested to notify change of address, if any, promptly in order to serve them better.



## Directors' Report

Your Directors hereby present the **Tenth Annual Report** together with the Audited Accounts for the Period ended 31st March 2004.

### FINANCIAL PERFORMANCE

	2003-2004 (Rs. in lakhs)	2002-2003 (Rs. in lakhs)
Income	270.77	56.99
Other Income	35.32	27.95
Total Expenditure before Interest & Depreciation	276.08	77.88
Profit /Loss before Interest and Depreciation	30.01	7.05
Finance Charges	3.98	3.61
Depreciation	9.79	11.41
Preliminary Exps Written Off	0.91	0.91
Net Profit / (Loss)	15.33	(8.87)

### REVIEW OF OPERATIONS

The market became buoyant during the year and the activities of the Company improved. The risk of speculation was avoided. This is reflected in the financial results.

### FUTURE PROSPECTS

The General Elections are over and a New Government at the Center is being installed. There was a sudden down fall in the market due to the election results. However, with the new Government's assurance that the liberalisation will continue and there would not be much change in the economic policies, the share market is steadying itself. And your company expects to do well in the present context.

### DIRECTORS

Mr. Amit P.Bhansali, had resigned as Whole-time Director but continues to be a Director on the Board. Mr. Bhagawati Prasad and Mr. Ashwin R. Shah retire at the ensuing Annual General Meeting and being eligible, are seeking re-appointment as Directors.

No Director of the company is disqualified under section 274(1)(g) of the Companies Act, 1956, from being appointed as director of this company.

### AUDITORS

Mr. P. Mahendran Auditor of the company retires at the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment.

### DEPOSITS

The Company has not accepted any deposits within the meaning of section 58A of the Companies Act, 1956 read with Reserve Bank of India's Directions for acceptance of Deposits.

### STATUTORY INFORMATION

None of the employees of the company are drawing remuneration in excess of the limits prescribed under section 217(2A) of the Companies Act, 1956, during the year under report.

### DIRECTORS RESPONSIBILITY STATEMENT

Your Directors in terms of Section 217(2AA) of the Companies Act, 1956 confirm that :

- (i) All applicable accounting standards have been followed in the preparation of the annual accounts.



- (ii) Your directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable, and prudent so as to give a true and fair view of the state of affairs of the company as of 31st March 2004 and of the profit of the company for the 12 months period ended that date.
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) The annual accounts have been prepared on going concern basis.

#### CONSERVATION OF ENERGY; RESEARCH & DEVELOPMENT

The information required under Section 217 (2)(e) is not applicable since it is a share Broking Company.

#### CASH FLOW STATEMENT AS PER LISTING AGREEMENT

Cash Flow Statement is enclosed.

#### ACKNOWLEDGEMENT

Your Directors wish to express their full appreciation for the assistance and co-operation extended to us by its bankers, its valued Clients, SEBI, Mutual Funds, The Stock Exchange, Mumbai, National Stock Exchange of India Ltd., and Financial Institutions and all others. Your Directors wish to thank the esteemed shareholders for extending their unstinted co-operation and support in the Management of the Company.

The Directors also wish to thank all the employees for their support and co-operation.

#### CORPORATE GOVERNANCE REPORT

(As required under Clause 49 of the Listing Agreements entered with the Stock Exchanges)

The statutory requirement of Corporate Governance envisages transparency, full disclosure and independent monitoring of the state of affairs and being fair to the Share Holders. Our Philosophy is to

- To utilise all resources optimally so that the profit is well established and the company is producing quality services of international standard.
- To have a well knit family of employees, the company being its head, to take care of their well being.
- By setting up centers in remote corners of the country to give opportunity to all walk of life the benefit of share market.
- To support small and medium investors by conducting training of the capital market and its fruitfulness and vagaries so that they make well informed investment decisions.
- To execute orders of the purchasers or sellers in time maintaining highest standards of making payment to them.

#### POSITION OF BOARD OF DIRECTORS

SI. No.	Name of the Directors	Position	Other Directorships
1.	Sri. Prakash D. Shah	Managing Director - Promoter	2
2.	Sri. Jayanthilal P. Shah	Director - Promoter	-
3.	Sri. Bhagawathi Prasad	Non-Executive Director - Independent	1
4.	Sri. K. Annamalai	Whole-time Director - Promoter	1
5.	Sri. Sohesh P. Shah	Whole-time Director	2
6.	Sri. Amit P. Bhansali	Director - Independent	1
7.	Sri. Ajay M. Gupta	Non-Executive Director - Independent	
8.	Sri. Ashwin R. Shah	Non-Executive Director - Independent	



## BOARD MEETINGS AND ATTENDANCE

Totally 13 Board Meetings were conducted during the period April 1, 2003 to March 31, 2004. Details of attendance of each Director at the meeting of the Board and General Meeting during the financial year ended March 31, 2004 are as follows.

Sl. No. Directors	Board Meeting							Last AGM attended
	30.04.03	02.06.03	05.07.03	07.07.03	30.07.03	22.09.03	07.10.03	30.09.03
1. Sri. Prakash D.Shah	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
2. Sri. Jayanthilal P. Shah	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
3. Sri. Bhagawathi Prasad	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
4. Sri. K. Annamalai	Yes	No	Yes	No	Yes	No	No	Yes
5. Sri. Sohesh P. Shah	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
6. Sri. Amit P. Bhansali	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
7. Sri. Ajay M. Gupta	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
8. Sri. Ashwin R. Shah	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
	31.10.03	31.01.04	03.02.04	01.03.04	08.03.04			
1. Sri. Prakash D.Shah	Yes	Yes	Yes	Yes	Yes			
2. Sri. Jayanthilal P. Shah	Yes	Yes	Yes	Yes	Yes			
3. Sri. Bhagawathi Prasad	Yes	Yes	Yes	Yes	Yes			
4. Sri. K. Annamalai	Yes	Yes	No	No	No			
5. Sri. Sohesh P. Shah	Yes	Yes	Yes	Yes	Yes			
6. Sri. Amit P. Bhansali	Yes	Yes	Yes	Yes	Yes			
7. Sri. Ajay M. Gupta	Yes	Yes	Yes	Yes	Yes			
8. Sri. Ashwin R. Shah	Yes	Yes	Yes	Yes	Yes			

Details of attendance of each Director at the meeting of various Committees of the Board held during the financial year ended March 31, 2004.

Director	Audit Sub Committee Attendance	Investors' Grievance and Share Transfer Committee
Sri Bagawathi Prasad	3	K. Annamalai
Sri Ajay M. Gupta	3	
Sri Ashwin R Shah	3	

## APPOINTMENT OF DIRECTORS

Disclosure required under Clause 49 of the Listing agreement in respect of Directors seeking appointment/reappointment at the eleventh Annual General Meeting.

Name of the Directors	Sri.Bhagawati Prasad	Sri. Ashwin R. Shah
Date of Birth and Age	18-02-1952 , 52 Years.	16.11.1956, 47 Years.
Date of appointment	26.08.1995	30.09.2002
Expertise in specific Qualification	Share Market B.Sc, LLB.	Share Market B.Com
Directorships in no. other companies	one	None
Committee/Executive positions held in other companies	None	None



## SHARE TRANSFER SYSTEM

Applications for share transfer held in electronic and physical form and are received both at the Registered Office of the Company and if the documents are found to be in order the transfer work is completed and the transfer endorsed share certificates or defective documents as the case may be, are returned within a period of 30 days from the date of receipt.

To consider share transfers a single man committee meets regularly depending on the transfers received so that the same can be duly transferred and dispatched as per listing agreement.

## DISTRIBUTION OF SHARE HOLDING (As on 31.03.2004)

Range	Shareholders Number	No. of Shares in Rs.	% to Total
1 to 5000	2330	7,15,100	14.21
5001 to 10000	16	50,600	1.01
10001 to 50000	15	92,000	1.83
50001 to 100000	4	29,400	0.58
100001 and above	11	41,43,300	82.37

## CASH FLOW STATEMENT FOR THE PERIOD FROM 01.04.2003 TO 31.03.2004

- A. Cash flow from Operating Activities :-  
Enclosed
- B. Cash flow from investing Activities :-

## RELATED PARTY TRANSACTION

The Company it self as well Managing Director, Whole time Directors are members of Stock Exchanges and as such they have transacted in Shares between them selves and the company regularly.

The remuneration paid to the Directors have been disclosed in schedule "N"

## DEPOSITORY SYSTEM

### DEMATERIALIZATION OF SHARES

Shares in the Company can be held and traded in electronic form and SEBI has made it compulsory for the Company to deliver in dematerialisation form only. So far 42,22,700 shares have been dematerialised

## SHAREHOLDING PATTERN AS ON 31.03.2004

Category	% of shareholding
Directors and Associates	76.19
Other Body Corporate.	7.39
Nationalised Banks/Mutual Funds.	-
Public.	16.43
Total	100.00

## MEANS OF COMMUNICATION

The quarterly/half-yearly/annual financial results of the company are announced within the stipulated period and are normally published in English and Tamil Newspapers.



## STATUTORY COMPLIANCE, PENALTIES AND STRUCTURES

There was no instance of non-compliance of any matter related to the capital markets during the last 3 years.

## SHAREHOLDER'S INFORMATION ANNUAL GENERAL MEETING

Day and Date : Tuesday, 30-06-2004.  
Time : 4.30 p.m.  
Venue : Registered Office, 14, Arts College Road, Coimbatore-641 018.  
Book Closures : 26.06.2004 to 30.06.2004

## FINANCIAL CALENDAR

Results announced : 22-05-2004  
Posting of Annual Report : On or before 04-06-2004  
Last date for receipt of proxy forms : Before 04-30 P.M. on 28-06-2004.  
Announcement of Quarterly results : During last week of April, July, October, 2003 and January 2004.  
Book Closure : 26-06-2004 to 30-06-2004

## SHARE PRICE MOVEMENT (BSE SENSEX)

Month	Highest Rate(Rs.)	Date	Lowest Rate(Rs.)	Date
<b>2003</b>				
April	Nil	Nil	Nil	Nil
May	Nil	Nil	Nil	Nil
June	Nil	Nil	Nil	Nil
July	Nil	Nil	Nil	Nil
August	Nil	Nil	Nil	Nil
September	Nil	Nil	Nil	Nil
October	Nil	Nil	Nil	Nil
November	Nil	Nil	Nil	Nil
December	Nil	Nil	Nil	Nil
<b>2004</b>				
January	3.50	14.01.04	2.81	29.01.04
February	Nil	Nil	Nil	Nil
March	3.00	29.03.04	3.00	29.03.04

## SHARE DETAILS

The Company's Equity Shares are listed on the following Stock Exchanges:

### Coimbatore Stock Exchange Limited,

"Stock Exchange Building", 683-686, Trichy Road, Singanallur, Coimbatore-641 005.

The Stock Exchange, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 Stock Code 511636

## DEPOSITORY SYSTEM

The company has entered into an agreement with Central Depository Service (India) Limited (CDSL) for dematerialisation of the Company's shares. Members now have the option to hold their shares in demat form (i.e. electronic mode) through the CDSL. Holding of shares in demat form is only optional and it is not compulsory. Members who wish to hold shares in physical form (i.e. in the form of share Certificates) may continue to hold Share Certificates. From 30.11.2001, our shares are traded in compulsory dematerialised form. Members who wish to sell their shares, can sell them in dematerialised form. Members who wish to opt to hold shares in physical form, may sell their shares in limited physical market. Over 83% of the company's Shares have been dematerialised.





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**INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)**

**ISIN allotted to our company is INE234E01019**

**TRANSFER AGENTS**

The Company itself is acting as a Transfer Agent.

**ADDRESS FOR CORRESPONDENCE**

Registration of POA, Status Change, Transmission, Consolidation, Split and other queries may directly be sent to the following address:

**Sri. K. Annamalai**  
Whole-time Director  
DJS Stock and Shares Limited  
14, Arts College Road  
Coimbatore-641 018  
Phone : 2211487  
Fax : 0422 - 2217930  
e-mail : [djacbe@hotmail.com](mailto:djacbe@hotmail.com) & [annam123@eth.net](mailto:annam123@eth.net)

Place: Mumbai  
Date : 22.05.2004

On behalf of the Board of Directors  
For DJS Stock and Shares Limited  
**Prakash D. Shah**  
Managing Director



## **ANNEXURE TO THE AUDITOR'S REPORT :**

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- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the Management at reasonable intervals and no material discrepancies were noticed on such verification.
- ii) (a) The Company has not either granted or taken any loans, secured or unsecured to/from Companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- iii) There is an adequate Internal Control procedure commensurate with the size of the company and the nature of the Business, for the Purchase of fixed assets and for Shares & Securities Transactions. There is no continuing failure to correct major weaknesses in internal control.
- iv) (a) The Transaction that need to be entered in to a register in pursuance of section 301 of the Companies Act have been entered;
- (b) These transaction have been made at price which are reasonable having regard to the prevailing market price at the relevant time;
- (v) The Company has not accepted Fixed Deposits from the public,
- (vi) The company has an internal audit system commensurate with its size and nature of its business;
- (vii) 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.
- (viii) The company is regular in depositing undisputed statutory dues including provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Cess dues with the appropriate authorities.
- (ix) The company has not defaulted in repayment of dues to any bank.
- (x) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xi) The company is dealing or trading in shares, securities, debentures and other investment, and proper records have been maintained of the transactions and contracts and timely entries have been made therein, also the shares, securities, debentures and other securities have been held by the company, in its own name.
- (xii) The company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xiii) The funds raised, on short-term basis have not been used for long term investment and vice versa.
- (xiv) The company has not issued debentures.
- (xv) No fraud on or by the company has been noticed or reported during the year.

Mumbai  
22.05.2004

P. Mahendran B.Sc., FCA  
Chartered Accountant.



## Profit and Loss Account for the year ended 31.03.2004

INCOME	Schedule	31.03.2004	31.03.2003
Income from operations	H	27,077,590	5,698,948
Dividend and other Income	I	3,531,660	2,794,634
		<u>30,609,250</u>	<u>8,493,582</u>
<b>EXPENDITURE</b>			
Brokerage Paid		189,328	71,490
Exchange Expenses	K	1,560,853	1,979,077
Administrative Expenses	J	24,442,803	4,350,704
Bank Charges & Interest	L	397,740	360,516
Licence fees and Taxes	M	1,186,000	1,265,500
Audit Fee		18,900	18,375
Loss on Sale of Assets		210,219	1,02,954
Depreciation		979,313	1,141,041
		<u>28,985,156</u>	<u>9,289,657</u>
<b>NET PROFIT</b>		<b>1,624,094</b>	<b>(796,075)</b>
Add: Balance B/F.		28,782,085	30,864,477
Total		<u>30,406,179</u>	<u>30,068,402</u>
Add : Deferred Tax Asset		76,842	150,637
Less : Appropriation		233,201	16,501
Donations Preliminary expenses written off		91,001	90,990
Provision for Taxes		770,000	145,000
Income tax of earlier years.		207,767	1,184,463
Total		<u>1,301,969</u>	<u>1,436,954</u>
<b>Balance carried down to Balance Sheet</b>		<b>29,181,052</b>	<b>28,782,085</b>
Basic earnings per share		0.32	(0.16)
Diluted earnings per share		0.32 <sup>11</sup>	(0.16)

The Schedules referred to above form an integral part of the Profit and loss A/c

As per my report even dated

**(Sd/-) Sri. Prakash Devidas Shah**  
*Managing Director*

**(Sd/-) Sri. P.Mahendran, FCA**  
Chartered Accountant

Mumbai  
22.05.2004

**(Sd/-) Sri. Sohesh P Shah**  
*Whole time Director*



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## CERTIFICATE

To the Members of DJS Stock and Shares Limited

I have examined the compliance of conditions of Corporate Governance by DJS Stock and Shares Limited for the year ended 31<sup>st</sup> March, 2004 as stipulated in the Listing Agreement of the said Company with Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to procedures and implementations thereof adopted by the Company for ensuring compliance with the Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

I state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Shareholders / Investors' Grievance Committee.

I further state 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.

Place: Mumbai  
Date: 22.05.2004

**P. Mahendran**  
Chartered Accountant



## Auditor's Report

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### TO THE MEMBERS OF DJS STOCK AND SHARES LIMITED

1. I have audited the attached Balance Sheet of DJS Stock and Shares Ltd, as at March 31, 2004 and the Profit and Loss Account of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements on my audit.
2. Conducted my audit in accordance with auditing standards generally accepted in India. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.
3. As required by, The Companies (Auditor's Report) Order 2003, issued by the Department Of Company Affairs in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, I enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to my comments in the Annexure referred to in paragraph 3 above, I report that:
  - (a) 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.
  - (b) In my opinion, proper books of account as required by law, have been kept by the Company, so far as appears from my examination of the books;
  - (c) The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account;
  - (d) In my opinion, the Balance Sheet and the Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; On the basis of the written representations received from the Directors, as on March 31, 2004, and taken on record by the Board of Directors, I report that none of the directors is disqualified as on March 31, 2004 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - (e) In my opinion and to the best of my information and according to the explanations given to me, 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 the accounting principles generally accepted in India;
    - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2004;
    - (ii) In the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date.

Mumbai  
22.05.2004

P. Mahendran B.Sc., FCA  
Chartered Accountant

**Balance Sheet as on 31.03.2004**

	<b>SCHEDULES</b>	<b>31.03.2004 Rs.</b>	<b>31.03.2003 Rs.</b>
<b>SOURCES OF FUNDS</b>			
SHARE HOLDERS FUNDS	A	50,304,000	50,304,000
RESERVES AND SURPLUS	B	29,872,656	29,350,531
<b>TOTAL</b>		<b>79,976,656</b>	<b>79,654,531</b>
<b>APPLICATION OF FUNDS</b>			
FIXED ASSETS	C	12,196,171	13,900,267
INVESTMENTS	D	10,597,828	6,099,000
CURRENT ASSETS	E	107,001,380	102,934,223
Less: CURRENT LIABILITIES & PROVISIONS	F	49,818,723	43,360,960
		<b>57,182,657</b>	<b>59,573,263</b>
MISCELLANEOUS EXPENDITURE	G	—	91,001
<b>TOTAL</b>		<b>79,976,656</b>	<b>79,654,531</b>
Notes to the Accounts and significant accounting policies	N		

The Schedules referred to above form an integral part of the Profit and loss Account and Balance Sheet

As per my report even dated

(Sd/-) Sri. Prakash Devdas Shah  
Managing Director

(Sd/-) Sri. P.Mahendran, PCA  
Chartered Accountant

Mumbai  
22.05.2004

(Sd/-) Sri. Seesh P Shah  
Whole time Director



**SCHEDULES ANNEXED TO THE ACCOUNTS**

31.03.2003  
Rs.

31.03.2004  
Rs.

**SCHEDULE A**

**SHARE CAPITAL**

**Authorised**

100,000,000      1,00,00,000 Equity shares of Rs.10 each      100,000,000

**Issued, Subscribed and fully paidup**

50,304,000      50,30,400 Equity Shares of Rs.10 each      50,304,000

50,304,000      **Total**      50,304,000

**SCHEDULE B :**

**RESERVES AND SURPLUS**

28,782,085      Profit And loss account      29,181,052

568,446      Net deferred Tax Liability      491,604

29,350,531      **Total**      29,672,656

**Schedule C: Fixed Assets**

Sl. No.	Name of the Assets	Cost as on 01.04.2003	Addition	Deletion	Total Cost as on 31.03.2004	Depreciation				W.D.V as on 31.03.2004	W.D.V as on 31.03.2003
						upto 31.03.2003	for the year	with drawn	upto 31.03.2004		
		1	2	3	4	5	6	7	8	9	10
1.	Stock Exc.Mem.Card	1,02,00,000	0	0	1,02,00,000	0	0	0	0.00	1,02,00,000	1,02,00,000
2.	Office Equipments	56,06,206	5,55,435	9,72,751	51,88,890	40,67,859	7,69,066	9,42,874	38,94,051	12,94,839	1,53,8347
3.	Furniture & Fittings	27,17,797	0	17,80,502	9,37,295	9,59,950	1,62,714	7,56,779	3,65,885	5,71,410	17,57,847
4.	Motor Car	7,32,816	0	3,60,535	3,72,281	3,28,742	47,533	1,33,916	2,42,358	1,29,922	4,04,074
	<b>Total</b>	<b>1,92,56,819</b>	<b>5,55,435</b>	<b>31,13,788</b>	<b>1,86,98,466</b>	<b>53,56,551</b>	<b>9,79,313</b>	<b>18,33,569</b>	<b>45,02,285</b>	<b>1,21,96,171</b>	<b>1,39,00,288</b>
	<b>As At 31.3.04</b>	<b>1,93,44,359</b>	<b>3,21,500</b>	<b>4,09,040</b>	<b>1,92,56,819</b>	<b>44,21,956</b>	<b>11,41,041</b>	<b>2,06,086</b>	<b>53,56,551</b>	<b>1,39,00,268</b>	<b>1,49,22,763</b>



31.03.2003 Rs.		31.03.2004 Rs.
<b>SCHEDULE D</b>		
	<b>INVESTMENTS</b>	
6,090,000	Un Quoted In Equity Shares of the Companies under the Same Management	1,00,90,000
--	Commercial Building	507,828
<u>6,090,000</u>	<b>TOTAL</b>	<u>10,597,828</u>
<b>SCHEDULE E</b>		
	<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>	
13,774,958	Advances & Deposits	24,298,876
	<b>DEBTORS:</b>	
1,77,53,486	Exceeding six months	41,567
47,479,973	Others	36,569,757
	<b>CASH AND BANK BALANCES:</b>	
4,29,501	Cash on hand	284,442
17,765,251	Cash at Bank	25,157,985
5,731,054	Stock on Hand	20,648,753
<u>1,02,934,223</u>	<b>TOTAL</b>	<u>107,001,380</u>
<b>SCHEDULE F</b>		
	<b>CURRENT LIABILITIES &amp; PROVISIONS</b>	
42,315,872	Current Liabilities	48,177,482
4,33,500	Provisions for Taxation	915,000
6,11,588	Provisions for Expenses	726,241
<u>43,360,960</u>	<b>TOTAL</b>	<u>49,818,723</u>
<b>SCHEDULE-G</b>		
	<b>MISCELLANEOUS EXPENDITURE</b>	
1,81,991	Preliminary Expenses	91,001
90,990	Less: Written Off	91,001
<u>91,001</u>	<b>TOTAL</b>	<u>—</u>
<b>SCHEDULE- H</b>		
	<b>INCOME FROM OPERATIONS</b>	
61,81,845	Brokerage	1,32,57,046
(4,82,897)	Income from Trading	1,38,20,544
<u>56,98,948</u>	<b>TOTAL</b>	<u>2,70,77,590</u>
<b>SCHEDULE -I</b>		
	<b>DIVIDEND AND OTHER INCOME</b>	
1,47,741	Dividend Received	3,39,190
12,54,448	Interest Received	14,65,308
13,92,445	Other Income	17,27,162
<u>27,94,634</u>	<b>TOTAL</b>	<u>35,31,660</u>



**SCHEDULE - J****ADMINISTRATIVE EXPENSES**

19,86,462	Salaries & Bonus	20,60,723
2,43,499	Travelling Expenses	3,61,614
7,10,063	Repairs & Maintenance	11,10,411
3,57,742	Electricity Charges	2,83,149
4,43,278	Postage, Courier & Telephone	5,52,901
--	Rent	1,29,131
67,526	Insurance Charges	44,891
91,225	Legal and professional charges	77,639
82,107	General Expenses	19,024
1,48,072	Printing & Stationery	1,27,796
8,883	Sales Promotion	67,524
1,38,225	Staff Welfare	1,84,006
5,637	Licence Tax & Registration Charges	40,067
5,000	Software Maintenance Expenses	9,025
62,985	Bad Debts	1,93,74,902
<u>43,50,704</u>	<b>TOTAL</b>	<u>2,44,42,802</u>

**SCHEDULE - K****STOCK EXCHANGE EXPENSES**

4,75,584	Transaction charges	3,01,829
2,64,405	VSAT charges	1,62,729
4,99,664	Stock Exchange expense	1,75,206
5,14,370	CDSL Expenses	16,79,211
2,25,054	Demat transaction charges	2,41,878
<u>19,79,077</u>		<u>15,60,853</u>

**SCHEDULE - L****BANK CHARGES AND INTEREST**

2,25,721	Bank Guarantee fee	3,02,650
62,871	Bank Charges	57,097
71,924	Bank interest	37,993
<u>3,60,516</u>	<b>TOTAL</b>	<u>3,97,740</u>

**SCHEDULE-M****LICENCE FEES AND TAXES**

25,000	Listing fee	15,000
35,000	SEBI Registration fee	43,000
1,20,500	Membership fee	2,28,000
1,085,000	SEBI Turnover tax	9,00,000
<u>12,65,500</u>	<b>TOTAL</b>	<u>11,86,000</u>

As per my report even dated

**(Sd/-) Sri. Prakash Devidas Shah**  
*Managing Director***(Sd/-) Sri. P.Mahendran, FCA**  
Chartered AccountantMumbai  
22.05.2004**(Sd/-) Sri. Sohesh P Shah**  
*Whole time Director*



## SCHEDULE-N

### Notes to the Accounts and Significant Accounting Policies

**1. Basis of Accounting**

Financial Statements are prepared under historical costs conversions 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 31-03-2004 were valued at cost or market prices whichever is lower.

**5. Managerial Remuneration :**

	31.3.2004	31.3.2003
	Rs.Lakhs	Rs.Lakhs
Salary	5.2	7.8
Contribution to Provident & other funds	—	—
Perquisites	—	—
	<u>5.2</u>	<u>7.8</u>

**6. 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.

**7. Investment**

Investments represents amounts invested in 405000 Equity Shares of M/s Padmakanth Devidas Securities Ltd and 604000 Equity Shares of M/s Prakash Devidas Securities Ltd.

**8. Contingent Liabilities**

Guarantees given by the Company's Bankers on behalf of the Company is amounting to Rs.250 lakhs.

**9. No employee is eligible for Gratuity.**

**10. Auditor's Remuneration:**

	31.03.04	31.03.03
Audit Fee	18900.00	18375.00
Tax Audit Fee	7500.00	7500.00

**11. Previous year figure have been regrouped and reclassified wherever necessary.**

**12. The SEBI turnover tax payable under SEBI regulations was under dispute till the year 2002-03 and the Honorable Supreme Court has decided the subject matter against the Stock Brokers in the year 2002-03. Accordingly the Company is paying the Amounts every year and the Amount paid actually in each year is debited to the profit and loss account of the respective year. Hence the amount paid Rs 9 Lakhs during the year is debited to the Profit and loss account of current year under consideration.**

As per my report even dated

**(Sd/-) Sri. Prakash Devidas Shah**  
Managing Director

**(Sd/-) Sri. P.Mahendran, FCA**  
Chartered Accountant

Mumbai  
22.05.2004

**(Sd/-) Sri. Sohesh P Shah**  
Whole time Director

**CASH FLOW STATEMENT****31.03.2004**

Net Profit as per profit and loss Statement	16,24,094
Less Donation made	2,33,201
Add Depreciation written off	9,79,313
Add Loss on sale of Assets	2,10,219

**FUNDS FROM OPERATIONS****30,46,827**

Cash From operations	
Funds from operations	30,46,827
Add Trade and other receivables	1,72,50,200
Less Inventories	-1,49,17,699
Less Trade payables and other current liabilities	58,61,610
Cash From Operations	1,12,40,938

**CASH FLOW STATEMENT**

Cash from operating activity	
Net tax from operating activity (from ordinary activities)	1,12,40,938
Cash from investing activity	
Investment in shares	
Purchase of Assets (computer)	- 5,55,435
Sale of Asset( Furniture & Fittings)	10,00,000
Sale of Assets (car)	70,000
Net cash from investing activity	- 45,07,828
Cash from financing activity	- 39,93,263
Increase in cash and cash equivalents during the year	72,47,675
Add Opening balances of cash and cash equivalents	1,81,94,752
Closing Balance of cash and cash equivalents	2,54,42,427

22.05.2004  
Mumbai(Sd/-) Sri. Soresh P Shah  
Whole Time Director(Sd/-) Sri. Prakash Devidas 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 31,2004 and found the same to be in accordance therewith and also with the requirements of Clause 32 of the Listing Agreement with Stock Exchanges.

Mumbai  
22.05.2003**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 March, 2004

### 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 : 7,99,76,656 Total Assets : 7,99,76,656

#### Sources of Funds

Paid up Capital : 5,03,04,000 Reserves & Surplus : 2,96,72,656  
Secured Loans : NIL Unsecured Loans : NIL

#### Application of Funds

Net Fixed Assets : ₹,21,96,171 Investments : 1,05,97,828  
Net Current Assets : 5,71,82,657 Misc. Expenditure : NIL

### IV Performance of Company (Amount in Rs.)

Turnover : 3,06,09,250 Total Expenditure : 2,89,85,156  
Profit/Loss before Tax : 16,24,094 Profit/Loss After tax : 13,01,969  
Earning Per share in : 0.32 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.

As per my report even dated

(Sd/-) Sri. P. Mahendran, FCA  
Chartered Accountant

Mumbai  
22.05.2004

(Sd/-) Sri. Prakash Devidas Shah  
Managing Director

(Sd/-) Sri. Gohesh P Shah  
Whole time Director



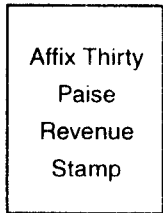
# DJS STOCK AND SHARES LIMITED

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 .....  
as my / our proxy to vote for me / our behalf in the Tenth Annual General Meeting of the  
company to be held on Tuesday, the 30th June, 2004 at the registered office of the  
company and any adjournment there at.



Place :

Date :

Note : Indian revenue Stamp of Rs.0.30 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 - 641 018 atleast fortyeight hours before the commencement of the meeting, i.e. before 4.30 p.m. on 28th June, 2004.

BOOK POST

*If undelivered please return to :*

**DJS Stock and Shares Limited**  
14, Arts College Road,  
Coimbatore - 641 018.