



DJS Stock and Shares Limited

Eleventh Annual Report

DJS Stock and Shares Limited

14, Arts College Road
Coimbatore - 641 018



DJS Stock and Shares Limited

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

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

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Notice To All Shareholders

Notice is hereby given that the **ELEVENTH Annual General Meeting** of the Shareholders of the Company will be held on 16th day of September 2005 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 on 31-03-2005 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 Amit P. Bhansali, 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 Sohesh P. 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.

SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modification, the following resolution as Special resolution.

RESOLVED that pursuant to section 198, 269, 309, 310, 314 and schedule XIII of the Companies Act, 1956, the consent of the company be and is hereby accorded to the Board of Directors for their making payment of remuneration of a consolidated monthly salary of Rs.20,000/- to Sri Sohesh P Shah as Whole-time Director for a period of three years with effect from 29.09.2005.

RESOLVED further that Sri Sohesh P Shah shall not be entitled to any sitting fees for attending the Board meetings.

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

Prakash D. Shah
Managing Director

Place: Mumbai
Date : 30.06.2005

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 at least 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Registers of the Company will remain closed from 30-08-2005 to 31-08-2005.
4. Members are requested to notify change of address, if any, promptly in order to serve them better.



Annexure to Notice

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 which form parts of this Notice.

ITEM NO.5

Sri Sohesh P Shah has been working as Whole Time Director and whose appointment period expires on 29.09.2005. Your board thought to appoint him for a further period of three years from 29.09.2005. Hence this resolution.

Sri Prakash D Shah and Sri Sohesh P Shah may be deemed to be interested in the resolution. Other than this no other Director is interested.



Directors' Report

Your Directors hereby present the **Eleventh Annual Report** together with the Audited Accounts for the Period ended 31st March 2005.

FINANCIAL PERFORMANCE

	2004-2005	2003-2004
	(Rs. in lakhs)	
Income	213.47	270.77
Other Income	45.09	35.32
Total Expenditure before Interest & Depreciation	138.69	276.08
Profit /Loss before Interest and Depreciation	119.87	30.01
Finance Charges	10.49	3.98
Depreciation	9.64	9.79
Preliminary Exps Written Off	—	0.91
Net Profit / (Loss)	99.74	15.33

ABOUT THE INDUSTRY

The shareholders might have observed that the bad trend in the stock market had ceased and the market position has improved. This is reflected to that extent in the financial results of the company. However the speculation business has come down since T + 2 system has come into goal. The investors who had stayed away from the market are gradually turning back to the market. It is hoped that with better performance of the corporate and more Initial Public Offers (IPO) made the market further be strengthened and better days are a head for the company and the investors.

REVIEW OF OPERATIONS

In our earlier reports we had stated that the market was steadying itself in the long run and small investors would come to the market. The company has opened different trading centers and our expectations were proved correct with many small investors entering the market. All these trading centers are used by the company to promote the goodwill of the small investors rather than revenue earning centers. The small investors are the assets for the company and your management expects this will yield better prospects to the mutual interest of both the small investors and the company.

FUTURE PROSPECTS

As stated in the earlier Director's reports more terminals have been opened and the company expects more income from these terminals.

DIRECTORS

Mr. Amit P Bhansali and Mr. Sohesh P. Shah retire at the ensuing Annual General Meeting and being eligible, are seeking re-appointment as Directors. The board has reappointed Mr. Sohesh P Shah, as Whole-time Director for a period of three years from 29.09.2005 and fixes a consolidated monthly remuneration of Rs.20,000/- subject to your approval.

Necessary proposals are appearing elsewhere in the Report.

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 by Non-Banking Non-Financial Companies.

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 2005 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.

INFORMATION REQUIRED AS PER LISTING AGREEMENT WITH STOCK EXCHANGES

The Company has become Y2K compliant.

CASH FLOW STATEMENT AS PER LISTING AGREEMENT

Cash Flow Statement is enclosed.

CORPORATE GOVERNANCE REPORT

Corporate Governance Report 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.

By order of the Board
For DJS Stock and Shares Limited

Date : 30.06.2005

Place: Mumbai

Prakash D. Shah
Managing Director



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 buyers or sellers in time maintaining highest standards of making payment to them.

POSITION OF BOARD OF DIRECTORS

Sl. 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

Fifteen Board meetings were held on 03.04.2004, 15-04-2004, 05-05-2004, 22-05-2004, 27-05-2004, 31.05.2004, 05-06-2004, 19-06-2004, 31-07-2004, 21-08-2004, 04-09-2004, 11-09-2004, 20-09-2004, 31-10-2004 and 31-01-2005 during the period from April 1, 2004 to March 31, 2005.

Details of attendance of each Director at the meeting of the Board and General Meeting during the financial year ended March 31, 2005.

Sl. No.	Directors	Board Meeting								
		03.04.04	15.04.04	05.05.04	22.05.04	27.05.04	31.05.04	05.06.04	19.06.04	31.07.04
1.	Sri. Prakash D. Shah	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Sri. Jayanthilal P. Shah	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
3.	Sri. Bhagawathi Prasad	No	No	No	Yes	No	No	No	No	Yes
4.	Sri. K. Annamalai	No	No	No	No	Yes	No	No	No	No
5.	Sri. Sohesh P. Shah	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
6.	Sri. Amit P. Bhansali	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
7.	Sri. Ajay M. Gupta	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
8.	Sri. Ashwin R. Shah	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes



Sl. No	Directors	Board Meeting						Last Meeting Attended
		21.08.04	04-09-04	11.09.04	20-09-04	31-10-04	31-01-05	30.06.04
1.	Sri. Prakash D.Shah	Yes	Yes	Yes	Yes	Yes	Yes	No
2.	Sri. Jayanthilal P. Shah	Yes	Yes	Yes	Yes	Yes	Yes	No
3.	Sri. Bhagawathi Prasad	No	No	No	No	Yes	Yes	No
4.	Sri. K. Annamalai	No	No	No	No	No	No	Yes
5.	Sri. Sohesh P. Shah	Yes	Yes	Yes	Yes	Yes	Yes	No
6.	Sri. Amit P. Bhansali	Yes	Yes	Yes	Yes	Yes	Yes	No
7.	Sri. Ajay M. Gupta	Yes	Yes	Yes	Yes	Yes	Yes	No
8.	Sri. Ashwin R. Shah	Yes	Yes	Yes	Yes	Yes	Yes	No

Details of attendance of each Director at the meeting of various Committees of the Board held during the financial year ended March 31, 2005.

Director	Audit Sub Committee	Investors' Grievance and Share Transfer Committee
	Attendance	
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. Amit P. Bhansali	Sri. Sohesh P Shah
Date of Birth and Age	41	30
Date of appointment	29.09.1997	29.09.1997
Expertise in specific functional areas	Share Market	Share Market
Qualification	CA	M.B.A.
Directorships in other companies	One	Two
Committee/Executive positions held in other companies	Nil	Nil



SHARE TRANSFER SYSTEM

Applications for share transfer held in electronic and physical form 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. 2005)

Range	No. of Shareholders Number	No. of Shares In Rs.	% held
1 to 5000	2308	7,39,100	14.69
5001 to 10000	6	40,100	0.80
10001 to 20000	1	13,200	0.26
20001 to 30000	-	-	-
30001 to 40000	-	-	-
40001 to 50000	1	42,600	0.85
50001 to 100000	10	3,87,100	7.70
above 100001	5	38,08,300	75.71
Total	2331	5030400	100.00

CASH FLOW STATEMENT FOR THE PERIOD FROM 01.04.2004 TO 31.03.2005

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 themselves and the company regularly.

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

DEPOSITORY SYSTEM

DEMATERIALISATION 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 42,50,000 shares have been dematerialised.



SHAREHOLDING PATTERN AS ON 31.03.2005

Category	% of shareholding
Directors and Associates	76.84
Other Body Corporate.	7.56
Nationalised Banks/Mutual Funds.	Nil
Public.	15.60
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 4 years.

SHAREHOLDER'S INFORMATION ANNUAL GENERAL MEETING

Day and Date : 16th September, 2005
Time : 4.30 p.m.
Venue : Registered Office, 14, Arts College Road, Coimbatore-641 018.
Book Closures : 30.08.2005 to 31.08.2005 (Both Days Inclusive)

FINANCIAL CALENDAR

Results announced : 30-06-2005
Posting of Annual Report : On or before 16-08-2005
Last date for receipt of proxy forms : Before 04-30 P.M. on 29-08-2005.
Announcement of Quarterly results : During last week of April, July, October, 2004 and January 2005.
Book Closure : 30-08-2005 to 31-08-2005 (Both Days Inclusive)

SHARE PRICE MOVEMENT (BSE SENSEX)

Month 2004	Highest Rate (Rs.)	Date	Lowest Rate (Rs.)	Date
April	2.80	28.04.2004	2.80	28.04.2004
May	3.00	12.05.2004	3.00	12.05.2004
June	Nil	Nil	Nil	Nil
July	2.50	20.07.2004	2.05	30.07.2004
August	2.10	11.08.2004	2.10	11.08.2004
September	Nil	Nil	Nil	Nil
October	Nil	Nil	Nil	Nil
November	Nil	Nil	Nil	Nil
December	2.52	10.12.2004	2.52	10.12.2004



2005

January	3.62	19.01.2005	3.02	17.01.2005
February	Nil	Nil	Nil	Nil
March	10.80	24.03.2005	4.34	11.03.2005

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 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.

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.

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 - 2218479
e-mail : djscbe@hotmail.com & djscbe@yahoo.com

On behalf of the Board of Directors
For **DJS Stock and Shares Limited**

Prakash D. Shah
Managing Director

Date : 30.06.2005
Place: Mumbai



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 31st March, 2005 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.

30-06-2005
Mumbai

P. Mahendran
Chartered Accountant



Auditors' Report

TO THE MEMBERS OF DJS STOCK AND SHARES LIMITED

1. I have audited the attached balance sheet of DJS STOCK AND SHARES LIMITED, as on 31st March 2005, and also the profit and loss account and the cash flow statement 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 based on my audit.
2. I conducted my audit in accordance with the 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 responsible basis for my opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India 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 above, I report that:
 - (i) 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.
 - (ii) 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 those books.
 - (iii) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account.
 - (iv) In my opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the Directors, as on 31st March 2005 and taken on record by the Board of Directors, I report that none of the Directors are disqualified as on 31st March 2005 from being appointed as a Director in terms of clause(g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) 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:
 - (a) in the case of the balance sheet, of the state of affairs of the Company as on 31st March 2005;
 - (b) in the case of the profit and loss account, of the profit for the year ended on that date; and
 - (c) in the case of the cash flow statement, of the cash flows for the year ended on that date

30.06.2005
Mumbai

P. Mahendran B.Sc.,FCA
Chartered Accountant



Annexure to the Auditor's Report Dated 30.06.2005

(Referred to in paragraph 3 Of our report of even date)

1. (i) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(ii) The fixed assets have been physically verified by the management at reasonable intervals as per a regular programme of verification which, in my opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
(iii) During the year, the company has not disposed off any substantial part of its fixed assets, affecting the going concern status of the company.
2. (i) The inventory has been physically verified during the year by the management at reasonable intervals. In my opinion, the frequency of verification is reasonable.
(ii) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(iii) On the basis of my examination of the records of inventory, I am of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. (i) The company has not granted any loans, secured or unsecured to companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
(ii) The company has not taken any loans, secured or unsecured from companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
4. In my opinion and according to the information and explanations given to me, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of my audit, no major weaknesses have been noticed in the internal control system and there is no continuing failure to correct major weaknesses in internal control system.
5. (i) Based on the audit procedures applied by me and according to the information and explanations provided by the management, I am of the opinion that the particulars of contracts or arrangements referred to in Sec.301 of the Act have been entered in the register required to be maintained under that section.
(ii) According to the information and explanations given to me, the Company has not entered any contracts or arrangement referred to in Section 301 of the Companies Act, 1956 that need, to be entered in the register maintained under that Section.
6. Based on my audit procedures and according to the information and explanations given to me the company has not accepted any deposits from public and hence complying with the provisions of Sec.58A and Sec.58AA or any other relevant provisions of the Act, is not applicable.



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7. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
 8. The Central Government has not prescribed maintenance of cost records U/s.209(1)(d) of the Companies Act, 1956 to this company.
 9. (i) According to the records of the company, the company is regular in depositing the undisputed statutory dues including income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues applicable to it with the appropriate authorities. The company is not required to transfer any amount to the investor education and protection fund.

(ii) According to the information and explanations given to me, there are no undisputed arrears of statutory dues as on 31.03.05 which are outstanding for a period of more than six months from the date they became payable.

(iii) According to the information and explanation given to me, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
 10. The company has not accumulated losses and has not incurred any cash losses during the financial year covered by my audit and in the immediately preceding financial year.
 11. Based on my audit procedures and on the information and explanations given by the management, I am of the opinion that the company has not defaulted in repayment of dues to any financial institution or bank. The company has not issued any debentures.
 12. Based on my examination of documents and records I am of the opinion that the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. Based on my audit procedures and on the information and explanations given by the management, I am of the opinion that the provisions of any special statute applicable to chit fund are not applicable to this company and the company is not a nidhi/mutual benefit fund/society and hence compliance with the requirements of the order in this regard are not applicable to this company.
 14. The company is dealing in shares, securities, debentures and other investments, and proper records have been maintained of the transaction and contracts and timely entries have been made therein also the shares securities have been held by the company, in its own name.
 15. The company has not given any guarantee for loans taken by others from bank or financial institutions.
 16. In my opinion, the term loans have been applied for the purpose for which they were obtained.
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17. According to the information and explanations given to me and on an over all examination of the balance sheet of the company, I report that no funds raised on short term basis, have been used for long term investment.
 18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the act.
 19. According to the information and explanations furnished to me and based on the records verified by me, the period covered by my audit report, the company has not issued any debentures and hence creation of securities for the same is not applicable.
 20. According to the information and explanation furnished to me and based on the records verified by me, the company has not raised any money through public issues during the period covered under audit and hence disclosure by the management on the end usage of money raised by public issues and my verification of the same is not applicable.
 21. Based upon the audit procedures performed and information and explanations given by the management, I report that no fraud on or by the company has been noticed or reported during the year.

30.06.2005
Mumbai

P. Mahendran B.Sc.,FCA
Chartered Accountant



Profit and Loss Account for the year ended 31.03.2003

INCOME	Schedule	31.03.2005	31.03.2004
Income from operations	H	2,13,47,240	2,70,77,590
Dividend and other Income	I	45,08,681	35,31,660
		<u>2,58,55,921</u>	<u>3,06,09,250</u>
EXPENDITURE			
Brokerage Paid		94,051	1,89,328
Stock Exch. Exp	K	24,52,978	24,60,853
Administrative Exp.	J	1,10,79,420	2,44,02,736
Bank Charges & Interest	L	10,49,025	3,97,740
Licence fees and Taxes	M	2,23,283	3,26,067
Audit Fee		19,285	18,900
Loss on Sale of Assets		-	2,10,219
Depreciation		9,64,262	9,79,313
		<u>1,58,82,304</u>	<u>2,89,85,156</u>
NET PROFIT		99,73,617	16,24,094
Add: Balance B/F.		2,91,81,052	2,87,82,085
Total		3,91,54,669	3,04,06,179
Add : Deferred Tax Asset		57,996	76,842
Less : Appropriation Donations		3,82,001	2,33,201
Preliminary expenses written off		-	91,001
Provision for Taxes		35,67,000	7,70,000
Income tax of earlier years		(23,871)	2,07,767
Total		<u>39,25,130</u>	<u>13,01,969</u>
Balance carried down to Balance Sheet		3,52,87,535	2,91,81,052
Basic earnings per share		1.98	0.32
Diluted earnings per share		1.98	0.32

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

As per my report even dated:

(Sd/-) P. Madhondran, FCA
Chartered Accountant

30.06.2005
Mumbai

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

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



Balance Sheet as on 31.03.2005

	SCHEDULES	31.03.2005 Rs.	31.03.2004 Rs.
SOURCES OF FUNDS			
SHARE HOLDERS Funds	A	50,304,000	50,304,000
RESERVES AND SURPLUS	B	3,57,21,143	2,96,72,656
TOTAL		<u>8,60,25,143</u>	<u>7,99,76,656</u>
APPLICATION OF FUNDS			
FIXED ASSETS	C	1,21,81,775	1,21,96,171
INVESTMENTS	D	1,31,67,828	1,05,97,828
CURRENT ASSETS	E	12,10,77,084	10,70,01,380
Less: CURRENT LIABILITIES & PROVISIONS	F	6,04,01,544	4,98,18,723
		<u>6,06,75,540</u>	<u>5,71,82,657</u>
MISCELLANEOUS EXPENDITURE	G	—	—
TOTAL		<u>8,60,25,143</u>	<u>7,99,76,656</u>
Notes to the accounts and significant accounting policies	N		

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

As per my report even dated

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

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

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

30.06.2005
Mumbai



SCHEDULES ANNEXED TO THE ACCOUNTS

31.03.2004
Rs.

31.03.2005
Rs.

SCHEDULE A

SHARE CAPITAL

Authorised

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

Issued, Subscribed and fully paidup

5,03,04,000	50,30,400 Equity Shares of Rs.10 each	5,03,04,000
-------------	---------------------------------------	-------------

5,03,04,000	Total	5,03,04,000
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SCHEDULE B :

RESERVES AND SURPLUS

2,91,81,052	Profit And loss a/c	3,52,87,535
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4,91,604	Net deferred Tax Liability	4,33,608
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2,96,72,656	Total	3,57,21,143
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Schedule C: Fixed Assets

Sl. No.	Name of the Assets	Cost as on 01.04.2004	Addition	Deletion	Total Cost as on 31.03.2005	Depreciation			W.D.V as on 31.03.2005	W.D.V. as on 31.03.2004	
						upto 31.03.2004	for the year	with drawn upto 31.03.2005			
		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	51,88,890	9,49,866	0	61,38,756	38,94,051	8,69,565	0	47,63,616	13,75,140	12,94,839
3.	Furniture & Fittings	9,37,295	0	0	9,37,295	3,65,855	59,330	0	4,25,215	5,12,080	5,71,410
4.	Motor Car	3,72,281	0	0	3,72,281	2,42,359	35,367	0	2,77,726	94,555	1,29,922
	Total	1,66,98,466	9,49,866	0	1,76,48,332	45,02,295	9,64,262	0	54,66,557	1,21,81,775	1,21,96,171
	As on 31.03.2004	1,92,56,819	5,55,435	31,13,788	1,66,98,466	53,56,551	9,79,313	18,33,569	45,02,295	1,21,96,171	1,39,00,268



31.03.2004 Rs.		31.03.2005 Rs.
SCHEDULE D		
	INVESTMENTS	
	Un Quoted	
1,00,90,000	In Equity Shares of the Companies under the Same Management	1,26,60,000
5,07,828	Commercial Building	5,07,828
<u>1,05,97,828</u>		<u>1,31,67,828</u>
SCHEDULE E		
	CURRENT ASSETS, LOANS & ADVANCES	
2,42,98,876	Advances & Deposits	1,99,52,975
-	Stamps on Hand	
	DEBTORS:	
41,567	Exceeding six months	70,81,021
3,65,69,757	Others	1,93,35,101
	CASH AND BANK BALANCES:	
2,84,442	Cash on hand	2,67,712
2,51,57,985	Cash at Bank	5,23,85,827
2,06,48,753	Stock on Hand	2,20,54,448
<u>10,70,01,380</u>	TOTAL	<u>12,10,77,084</u>
SCHEDULE F		
	CURRENT LIABILITIES & PROVISIONS	
4,81,77,482	Current Liabilities	5,58,13,717
9,15,000	Provisions for Taxation	35,67,000
7,26,241	Provisions for Expenses	10,20,827
<u>4,98,18,723</u>	TOTAL	<u>6,04,01,544</u>
SCHEDULE-G		
	MISCELLANEOUS EXPENDITURE	
91,001	Preliminary Expenses	-
91,001	Less: Written Off	-
<u>-</u>	TOTAL	<u>-</u>
SCHEDULE- H		
	INCOME FROM OPERATIONS	
1,32,57,046	Brokerage	1,52,20,647
1,38,20,544	Income from trading	61,26,593
<u>2,70,77,590</u>	TOTAL	<u>2,13,47,240</u>
SCHEDULE -I		
	DIVIDEND AND OTHER INCOME	
3,39,190	Dividend Received	5,14,684
14,65,308	Interest Received	16,72,247
17,27,162	Other Income	23,21,750
<u>35,31,660</u>	TOTAL	<u>45,08,681</u>



SCHEDULE - J

ADMINISTRATIVE EXPENSES		
20,60,723	Salary & Bonus	20,32,944
3,61,614	Travelling Expenses	4,74,583
11,10,411	Repairs & Maintenance	28,22,935
2,83,149	Electricity Charges	2,76,993
5,52,901	Postage, Courier & Telephone	6,19,167
1,29,131	Rent	2,43,045
44,891	Insurance Charges	45,905
77,639	Legal and professional charges	74,966
95,573	General Expenses	87,292
1,27,796	Printing & Stationery	2,78,454
1,84,006	Staff Welfare	1,85,961
1,93,74,902	Bad Debts	39,37,175
<u>2,44,02,736</u>	TOTAL	<u>1,10,79,420</u>

SCHEDULE - K

STOCK EXCHANGE EXPENSES		
3,01,829	Transaction charges	24,600
1,62,729	Vsat charges	2,41,661
1,75,206	Stock Exchange expense	2,20,063
6,79,211	CDSL Expenses	3,31,269
2,41,878	Demat transaction charges	4,23,313
9,00,000	SEBI Turnover Tax	12,12,072
<u>24,60,853</u>		<u>24,52,978</u>

SCHEDULE - L

BANK CHARGES AND INTEREST		
3,02,650	Bank Guarantee fee	7,96,545
57,097	Bank Charges	1,17,542
37,993	Bank interest	1,34,938
<u>3,97,740</u>	TOTAL	<u>10,49,025</u>

SCHEDULE-M

LICENCE FEES AND TAXES		
15,000	Listing fee	15,000
43,000	SEBI Registration fee	2,500
40,067	Licence Tax and Regn. Fee	89,483
2,28,000	Membership Fee	1,16,300
<u>3,26,067</u>	TOTAL	<u>2,23,283</u>

As per my report even dated

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

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

30.06.2005
Mumbai

(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 31-03-2005 were valued at cost or market prices whichever is lower.

5. Managerial Remuneration :

	31.3.2005 Rs.Lakhs	31.3.2004 Rs.Lakhs
Salary	2.4	5.2
Contribution to Provident & other funds	—	—
Perquisites	—	—
	<u>2.4</u>	<u>5.2</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. Investments represents amount invested in 405000 Eq Shares of M/s. Padmakanth.Devidas Securities Ltd and 842000 Eq 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.550 lakhs.

9. No Employee is eligible for Gratuity

10. Auditor's Remuneration:

	31.03.05	31.03.04
Audit Fee	19285.00	18900.00
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.12,12,072 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/-) P.Mahendran, FCA
Chartered Accountant

30.06.2005
Mumbai

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



CASH FLOW STATEMENT**31.03.2005**

Net profit as per Profit and loss statement	99,73,617
Less Donation made	3,82,001
Add Depreciation written off	9,64,262
Add Loss on sale of Assets	-

1,05,55,878**FUNDS FROM OPERATIONS**

Cash From operations	
Funds from operations	1,05,55,878
Add Trade and other receivables	1,45,41,103
Less Inventories	14,05,695
Add Trade payables and other current liabilities	70,39,692
Cash From Operations	3,07,30,978

CASH FLOW STATEMENT**Cash from operating activity**Net tax from operating activity (from ordinary activities) **3,07,30,978****Cash from investing activity**

Investment in shares	-9,49,866
Purchase of Assets (computer)	-
Sale of assets (Furniture & Fittings)	-
Sale of Assets (Car)	-25,70,000
Net cash from investing activity	
Cash from financing activity	-35,19,866

Increase in cash and cash equivalents during the year **2,72,11,112**Add Opening balances of cash and cash equivalents **2,54,42,427**Closing Balance of cash and cash equivalents **5,26,53,539**Mumbai
30.06.2005**Sri Sohesh P Shah**
Whole-Time-Director**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 31,2005 and found the same to be in accordance therewith and also with the requirements of Clause 32 of the Listing Agreement with Stock Exchanges.

30.06.2005
Mumbai**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, 2005

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 : 8,60,25,143 Total Assets : 8,60,25,143

Sources of Funds

Paid up Capital : 5,03,04,000 Reserves & Surplus : 3,57,21,143
Secured Loans : NIL Unsecured Loans : NIL

Application of Funds

Net Fixed Assets : 1,21,81,775 Investments : 1,31,67,828
Net Current Assets : 6,06,75,540 Misc. Expenditure : Nil

IV. Performance of Company (Amount in Rs.)

Turnover : 2,58,55,921 Total Expenditure : 92,89,657
Profit/Loss before Tax : 99,73,617 Profit/Loss After tax : 39,25,130
Earning Per share in : 1.98 Dividend rate % : Nil

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/-) P. Mahendran, FCA
Chartered Accountant

30.06.2005
Mumbai

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

(Sd/-) Sri. Sohesh 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

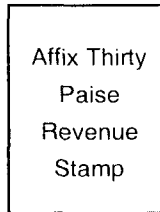
I/Weof.....

residing in the district ofbeing a member / members

of the above named company hereby appointof

.....residing in the district of

as my / our proxy to vote for me / our behalf in the Eleventh Annual General Meeting of the company to be held on Friday, the 16th September, 2005 at the registered office of the company and any adjournment thereat.



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 15th September, 2005.

BOOK POST

If undelivered please return to :

DJS Stock and Shares Limited

14, Arts College Road,
Coimbatore - 641 018.