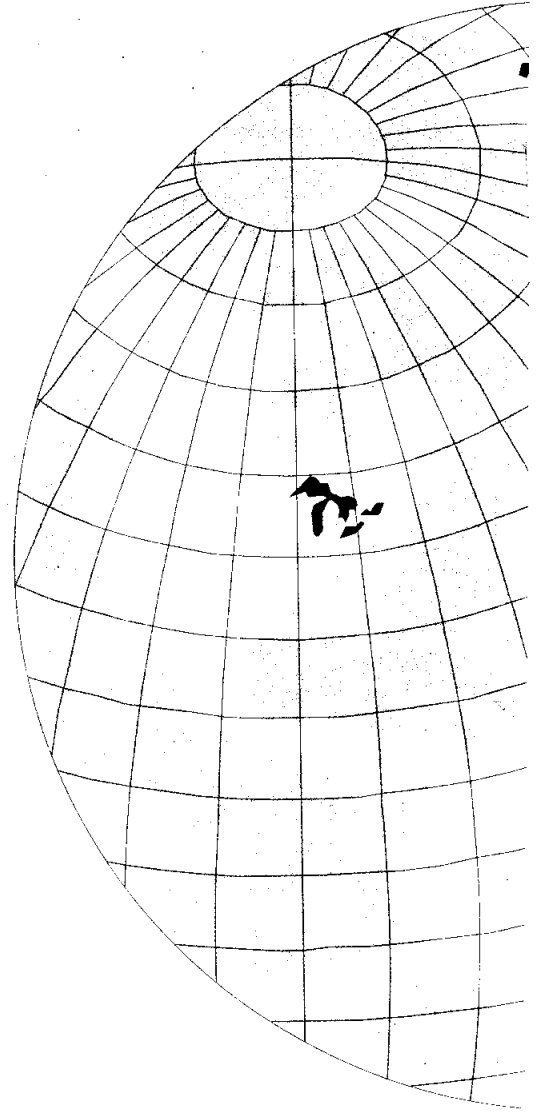




# **DJS Stock and Shares Limited**



**7th Annual Report  
2000 - 2001**



# DJS Stock and Shares Limited

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## Board of Directors

Sri Prakash D. Shah  
**Managing Director**

Sri Bhagawati Prasad

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

Sri Chandan Parmar

Sri Amit P Bhansali

Sri Shohesh P Shah

## Auditors

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

## Bankers

Oriental Bank of Commerce Ltd.

Global Trust Bank Ltd.

## 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

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## Notice of the 7th Annual General Meeting

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Notice is hereby given that the Seventh Annual General Meeting of the shareholders of the Company will be held on Saturday, the 29th September, 2001 at 10.00 a.m. at the Registered Office of the Company at 14, Arts College Road, Coimbatore - 641 018 to transact the following business :

1. To consider, approve and adopt the Profit and Loss Account of the Company for the year ended 31st March 2001, 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 Amit P. Bhansali who retires by rotation and being eligible, offers him self for reappointment.
3. To appoint a Director in the place of Sri Sôhesh P. Shah who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors to hold office from the conclusion 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 Special Resolution :

Resolved that pursuant to Section 198, 269, 309, 310, 314, Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, the consent of the Company be, and is hereby accorded to the Board of Directors for their re-appointing Sri. Prakash D. Shah, as Managing Director of the Company for a further term of 5 years with effect from 16th November, 2001 on a remuneration of Rs.25,000/- per month and perquisites as detailed below :

Resolved further that Sri Prakash D. Shah shall not be liable to retire by rotation and nor shall he eligible for sitting fees, if any.

1. Salary : Rs.25,000/-p.m.
  2. 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.
  3. 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.
  4. Leave Travel Concession : For the Appointee and his family once in a year incurred in accordance with any rules specified by the Company.
  5. Club Fees : Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
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6. Personal Accident Insurance : Premium not to exceed Rs.1,000/- p.a.

7. 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 payment of remuneration to Sri Amit P. Bhansali as Director of the Company for a period of Two years with effect from 29.9.2000 on a remuneration of Rs.20,000/- p.m. (consolidated)

Resolved further that the remunerated Director shall not be entitled to any sitting fees for attending the Board Meetings.

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 payment of remuneration to Sri Soresh P. Shah, Director of the Company for a period of Two years with effect from 29.09.2001 on a remuneration of Rs.20,000/- p.m. (consolidated)

Resolved further that the remunerated Director shall not be entitled to any sitting fees for attending the Board Meetings.

Coimbatore  
31.7.2001

By order of the Board  
for DJS Stock and Shares Limited  
(Sd.) Prakash D Shah  
Managing Director

- Note :**
1. A member is entitled to attend and vote at the meeting is also entitled to appoint 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 signature in order to avert difficulty in transfer of their shares.
  3. The share transfer Books of the Company shall remain closed for a day on 29th September 2001.



## **Annexure to the Notice**

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### **Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.**

#### **Item No.6.**

Sri Prakash D. Shah has been working as Managing Director of the Company for a term of 5 years with effect from 16.11.1996. His term expires on 15.11.2001. Considering his valuable contribution to the Company during tenure of Office, your Board have re-appointed him for a further term of 5 years with effect from 16.11.2001 on expiry of his term of Office on the same remuneration of Rs.25,000 p.m. subject to your approval in a General Meeting.

Hence this resolution.

Sri Prakash D. Shah and Sri Sohesh P. Shah may be deemed to be interested in the resolution to the extent of the re-appointment and remuneration payable. No other director is interested in the resolution.

#### **Item No.7**

Sri Amit P. Bhansali was appointed as Whole-time Director in 1997 on a remuneration of Rs.20000/- p.m. (consolidated) for a period 3 years, After that he continues to work as a Director only with the same remuneration with effect from 29.9.2000. Your Board thought that his contribution is valuable to the Company and should be suitably rewarded. Hence they have fixed a remuneration of Rs.20,000/- p.m. (consolidated) to Sri Amit P. Bhansali as Director for a period of two years with effect from 29.9.2000 subject to your approval.

Hence this resolution.

Sri Amit P. Bhansali may be deemed to be interested in the resolution to the extent of remuneration payable to him. No other Director is interested in the resolution.

#### **Item No. 8**

Sri Sohesh P. Shah was appointed as Whole-time Director in 1997 on a remuneration of Rs.20000/- p.m. (consolidated). He voluntarily had forgone his remuneration but worked as a Director only. Your Board thought that his contribution which is valuable to the Company should be suitably rewarded. Hence they have fixed a remuneration of Rs. 20,000/- p.m. (consolidated) to Sri Sohesh P. Shah as Director for a period of two years with effect from 29.9.2001 subject to your approval.

Hence this resolution.

Sri Prakash D. Shah and Sri. Sohesh P. Shah may be deemed to be interested in the resolution to the extent of his re-appointment and remuneration payable. No other director is interested in the resolution.

Coimbatore  
31.7.2001

By order of the Board  
for **DJS Stock and Shares Limited**  
(Sd.) **Prakash D' Shah**  
Managing Director



## Directors' Report

Dear Shareholders.

Your Board of Directors are glad to present to you the 7th Annual Report for the year ending 31st March, 2001. The financial highlights are as given below :

| Financial Results                        | (Rs. in lakhs)          |                         |
|--|-------------------------|-------------------------|
|  | 2000-2001<br>(Rs. Lacs) | 1999-2000<br>(Rs. Lacs) |
| Gross Income                             | 250.27                  | 435.16                  |
| Gross Profit                             | 44.98                   | 217.83                  |
| Depreciation                             | 13.75                   | 10.80                   |
| Profit before tax                        | 31.23                   | 206.53                  |
| Provision for taxation                   | 9.75                    | 70.07                   |
| Profit after tax                         | 21.47                   | 136.45                  |
| Profit available for appropriation       | 17.09                   | 136.45                  |
| <b>Appropriations</b>                    |                         |                         |
| General Reserve                          | —                       | —                       |
| Surplus carried over to<br>Balance sheet | 17.09                   | 132.73                  |

### Dividend :

Your Board considered of recommending a dividend, since there is drastic change in Stock Market operations such as removal of Badla, Introduction of Rolling Settlement and futures and options, the performance of the Company could not be to the expected level. With the dwindling of operations and consequent profit earning, the Company could not declare any dividend for this year.

### Prospects :

During the year under report, the Company has made arrangements to operate through CTCL mode. The Company's Depository Division is efficient in its functioning. The Company has opened collection centres for DP at Erode, Pollachi, Namakkal, Coonoor and Madurai.

### Directors :

Sri Padmakant Devidas Shah, Devang M. Shah, and Sri Jayanthilal P. Shah have relinquished their office of Director, the Board records its deep appreciation for the valuable services rendered by these Directors, Sri Amit P. Bhansali and Sri Sohesh P. Shah are retiring at this Annual General Meeting and they being eligible offer themselves for re-election.

Sri Prakash D. Shah, has been the Managing Director of the Company since 16th November, 1996, for a period of 5 years. Keeping his valuable service, your Board have re-appointed him for a further term of 5 years from 16th November, 2000 subject to your approval in the ensuing Annual General Meeting.

A Proposal has been made to remunerate Directors Sri Amit P. Bhansali and Sri Sohesh P. Shah.

### Auditors :

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

### Audit Sub-Committee

Your Board has appointed an Audit Sub-committee as per requirements to amended listing agreement with the Stock Exchanges. The following Directors are in the Audit Sub-Committee :

1. Sri Amit P. Bhansali
2. Sri Bhagawati Prasad
3. Sri Chandan Parmar



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**Deposits :**

The Company has not accepted any deposits from the public.

**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.12,00,000/- p.a. or Rs.1,00,000 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.

**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 judgements 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, 2001 and the profit of the Company for the year ended on that date.
- iii) Proper and sufficient care have 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 accounts have been prepared on a going concern basis.

**Cash Flow Statement :**

The cash Flow statement 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 Exchanges, 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  
31.7.2001

For and on Behalf of the Board of Directors  
(Sd.) **Prakash D Shah**  
Managing Director



## 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, 2001 and the attached Balance Sheet as at 31st March 2001 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.

In my opinion, the Balance Sheet and the Profit and Loss account comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. 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 Companies 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 the books 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 undersub-

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.50000 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) According to the record to the company, ESI have been mostly regularly deposited during the year with the appropriate authorities.
- xiv) In my opinion, there was no amount outstanding on 31 March, 2001, 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 (Auditors Report) Order, 1988" are inapplicable to this Company.

Coimbatore  
31.07.2001

P. Mahendran B.Sc., FCA  
Chartered Accountant





**Balance Sheet as at 31st March, 2001**

| SCHEDULES   |   | 31.03.2001<br>Rs.  | 31.03.2000<br>Rs.  |
|---|---|--------------------|--------------------|
| <b>LIABILITIES</b>  |   |                    |                    |
| SHARE HOLDERS FUNDS                                       | A | 5,03,04,000        | 5,03,04,000        |
| RESERVES & SURPLUS  | B | 3,08,84,740        | 2,91,76,392        |
| <b>TOTAL</b>  |   | <b>8,11,88,740</b> | <b>7,94,80,392</b> |
| <b>ASSETS</b>   |   |                    |                    |
| FIXED ASSETS  | C | 1,70,07,082        | 1,70,59,549        |
| CURRENT ASSETS  | D | 13,38,21,580       | 16,26,57,182       |
| Less: CURRENT LIABILITIES & PROVISIONS                    | E | (-)6,99,12,902     | (-)10,06,00,309    |
| MISCELLANEOUS EXPENDITURE                                 | F | 6,39,08,678        | 6,20,56,873        |
|   |   | 2,72,980           | 3,63,970           |
| <b>TOTAL</b>  |   | <b>8,11,88,740</b> | <b>7,94,80,392</b> |
| Notes to the accounts and significant accounting policies | G |                    |                    |

**Schedule C: Fixed Assets**

| Sl. No. | Name of the Assets      | Cost as on 01.04.2000 | Addition            | Deletion           | Total Cost as on 31.03.2001 | Depreciation        |                     |                    |                     | W.D.V. as on 31.03.2001 | W.D.V. as on 31.03.2000 |
|---------|-------------------------|-----------------------|---------------------|--------------------|-----------------------------|---------------------|---------------------|--------------------|---------------------|-------------------------|-------------------------|
|         |                         |                       |                     |                    |                             | upto 31.03.2000     | for the year        | with draw          | upto 31.03.2001     |                         |                         |
|         |                         | 1                     | 2                   | 3                  | 4                           | 5                   | 6                   | 7                  | 8                   | 9                       | 10                      |
| 1.      | Stock Exc. Mem. Card    | 1,02,00,000.00        | 0.00                | 0.00               | 1,02,00,000.00              | 0.00                | 0.00                | 0.00               | 0.00                | 1,02,00,000.00          | 1,02,00,000.00          |
| 2.      | Office Equipments       | 61,56,962.36          | 11,11,312.93        | 0.00               | 72,68,275.29                | 23,34,261.72        | 10,92,543.00        | 0.00               | 34,26,804.72        | 39,41,476.57            | 38,22,700.64            |
| 3.      | Furniture & Fittings    | 25,81,783.58          | 2,11,603.00         | 0.00               | 27,93,386.58                | 4,54,219.84         | 1,74,371.00         | 0.00               | 6,28,659.84         | 21,64,726.74            | 21,27,493.74            |
| 4.      | Motor Car               | 11,41,856.00          | 0.00                | —                  | 11,41,856.00                | 2,32,499.94         | 1,08,477.00         | 0.20               | 3,40,976.94         | 8,00,879.06             | 9,09,356.06             |
|         | <b>Total</b>            | <b>2,00,80,601.94</b> | <b>13,22,921.93</b> | <b>—</b>           | <b>2,14,03,523.87</b>       | <b>30,21,051.50</b> | <b>13,75,390.00</b> | <b>0.00</b>        | <b>43,96,441.50</b> | <b>1,70,07,082.37</b>   | <b>1,70,59,550.44</b>   |
|         | <b>As At 31.03.2000</b> | <b>1,85,59,445.23</b> | <b>29,89,165.71</b> | <b>5,73,009.00</b> | <b>2,00,80,601.94</b>       | <b>21,12,521.40</b> | <b>10,80,083.10</b> | <b>1,71,553.90</b> | <b>30,21,051.50</b> | <b>1,70,59,550.44</b>   | <b>1,64,56,923.83</b>   |

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

As per my report even dated

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

Coimbatore  
31.07.2001

(Sd.) Sri Prakash Devidas Shah  
Managing Director

(Sd.) Sri K.Annamalai  
Whole time Director



## Profit and Loss Account for the year ended 31st March, 2001

|   | Schedule | 31.03.2001<br>Rs.  | 31.03.2000<br>Rs.  |
|---|----------|--------------------|--------------------|
| <b>INCOME</b>                                 |          |                    |                    |
| Income from operations                        | H        | 2,00,27,283        | 3,83,60,590        |
| Dividend and other Income                     | I        | 49,99,667          | 51,55,677          |
|   |          | <b>2,50,26,960</b> | <b>4,35,16,267</b> |
| <b>EXPENDITURE</b>                            |          |                    |                    |
| Administrative Expenses                       | J        | 80,89,581          | 92,88,374          |
| Stock Exchange & Expense                      | K        | 69,84,461          | 69,46,945          |
| Brokerage Paid                                |          | 9,25,211           | 18,30,646          |
| Bank Charges & Interest                       | L        | 18,63,512          | 31,06,956          |
| Licence fees and Taxes                        | M        | 5,78,407           | 3,20,750           |
| Audit Fee                                     |          | 23,250             | 23,250             |
| Depreciation                                  |          | 13,75,390          | 10,80,082          |
| Bad debts                                     |          | 20,65,063          | —                  |
| Loss on Sales of Assets                       |          | —                  | 2,66,456           |
|   |          | <b>2,19,04,875</b> | <b>2,28,63,459</b> |
| <b>NET PROFIT</b>                             |          |                    |                    |
|   |          | <b>31,22,075</b>   | <b>2,06,52,808</b> |
| Add: Balance B/F.                             |          | 2,91,76,392        | 1,59,02,242        |
|   |          | <b>3,22,98,467</b> | <b>3,65,55,050</b> |
| <b>Appropriations</b>                         |          |                    |                    |
| Donations                                     |          | 27,052             | 2,80,668           |
| Preliminary expenses written off              |          | 90,990             | 90,990             |
| Provision for Taxes                           |          | 9,75,000           | 70,07,000          |
| Income tax of earlier years                   |          | 3,20,685           | —                  |
|   |          | <b>14,13,727</b>   | <b>73,78,658</b>   |
| <b>Balance carried down to Balance Sheet</b>  |          | <b>3,08,84,740</b> | <b>2,91,76,392</b> |
| 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 P.Mahendran, FCA  
Chartered Accountant

Coimbatore  
31.07.2001

(Sd.) Sri Prakash Devidas Shah  
Managing Director

(Sd.) Sri K. Annamalai  
Whole time Director



## Schedules Annexed to the Accounts

| 31.03.2000<br>Rs.                           |   | 31.03.2001<br>Rs.   |
|---|---|---------------------|
| <b>SCHEDULE - A</b>                         |   |                     |
| <b>Share Capital</b>                        |   |                     |
| <b>Authorised</b>                           |   |                     |
| 10,00,00,000                                | 1,00,00,000 Equity shares of Rs.10 each                   | 10,00,00,000        |
| <b>Issued, Subscribed and fully paidup</b>  |   |                     |
| 5,03,04,000                                 | 50,30,400 Equity Shares of Rs.10 each                     | 5,03,04,000         |
| <b>5,03,04,000</b>                          |   | <b>5,03,04,000</b>  |
| <b>SCHEDULE - B</b>                         |   |                     |
| <b>RESERVES AND SURPLUS</b>                 |   |                     |
| 2,91,76,392                                 | Profit & Loss A/c   | 3,08,84,740         |
| <b>2,91,76,392</b>                          | <b>TOTAL</b>  | <b>3,08,84,740</b>  |
| <b>SCHEDULE - D</b>                         |   |                     |
| <b>CURRENT ASSETS, LOANS &amp; ADVANCES</b> |   |                     |
| 4,31,96,256                                 | Advances & Deposits                                       | 2,03,23,692         |
| 5,619                                       | Stamps on Hand  | 3,507               |
| <b>DEBTORS:</b>                             |   |                     |
| 16,93,753                                   | Outstanding for more than six months<br>(Considered Good) | 40,52,671           |
| 5,33,07,515                                 | Others  | 6,86,58,854         |
| <b>CASH AND BANK BALANCES:</b>              |   |                     |
| 2,11,124                                    | Cash on hand  | 4,09,043            |
| 3,64,87,930                                 | Cash at Bank  | 3,51,59,820         |
| 2,77,54,985                                 | Stock on trade  | 52,13,993           |
| <b>16,26,57,182</b>                         | <b>TOTAL</b>  | <b>13,38,21,580</b> |



31.03.2000  
Rs.

31.03.2001  
Rs.

**SCHEDULE - E**

**CURRENT LIABILITIES & PROVISIONS**

| 8,13,90,464         | <b>Current Liabilities &amp; Provisions</b> |                    |
|---------------------|---|--------------------|
|                     | Current Liabilities                         | 6,08,33,987        |
|                     | <b>Provisions</b>                           |                    |
| 1,82,47,000         | Provisions for Taxation                     | 79,82,000          |
| 9,62,845            | Provisions for expenses                     | 10,96,915          |
| <b>10,06,00,309</b> | <b>TOTAL</b>                                | <b>6,99,12,902</b> |

**SCHEDULE - F**

**MISCELLANEOUS EXPENDITURE**

|                 |                      |                 |
|-----------------|----------------------|-----------------|
| 4,54,961        | Preliminary Expenses | 3,63,970        |
| 90,991          | Less: Written Off    | 90,990          |
| <b>3,63,970</b> | <b>TOTAL</b>         | <b>2,72,980</b> |

**SCHEDULE - H**

**INCOME FROM OPERATIONS**

|                    |                     |                    |
|--------------------|---------------------|--------------------|
| 3,08,61,088        | Brokerage           | 1,91,09,009        |
| 74,99,502          | Income from Trading | 9,18,274           |
| <b>3,83,60,590</b> | <b>TOTAL</b>        | <b>2,00,27,283</b> |

**SCHEDULE - I**

**DIVIDEND AND OTHER INCOME**

|                  |                   |                  |
|------------------|-------------------|------------------|
| 7,53,274         | Dividend Received | 4,41,601         |
| 41,69,157        | Interest Received | 35,18,940        |
| 2,33,246         | Other Income      | 10,39,126        |
| <b>51,55,677</b> | <b>TOTAL</b>      | <b>49,99,667</b> |



| 31.03.2000<br>Rs.                |                              | 31.03.2001<br>Rs. |
|----------------------------------|------------------------------|-------------------|
| <b>SCHEDULE - J</b>              |                              |                   |
| <b>ADMINISTRATIVE EXPENSES</b>   |                              |                   |
| 33,29,473                        | Salaries & Bonus             | 29,67,936         |
| 5,60,643                         | Travelling Expenses          | 5,62,265          |
| 18,32,965                        | Repairs & Maintenance        | 17,28,598         |
| 7,39,523                         | Electricity Charges          | 5,60,082          |
| 11,86,150                        | Postage, Courier & Telephone | 8,93,759          |
| 1,99,050                         | Rent                         | 2,37,000          |
| 1,57,591                         | Insurance Charges            | 1,26,791          |
| 2,30,902                         | General Expenses             | 2,00,730          |
| 6,19,178                         | Printing & Stationery        | 5,25,562          |
| 52,428                           | Sales Promotion              | 94,763            |
| 2,16,320                         | Staff Welfare                | 86,590            |
| 1,64,151                         | Legal & Professional Charges | 1,05,505          |
| <b>92,88,374</b>                 | <b>TOTAL</b>                 | <b>80,89,581</b>  |
| <b>SCHEDULE - K</b>              |                              |                   |
| <b>STOCK EXCHANGE EXPENSES</b>   |                              |                   |
| 10,32,540                        | Transaction charges          | 35,02,883         |
| 6,84,630                         | Vsat charges                 | 5,35,640          |
| 4,68,393                         | Stamp Duty                   | 2,69,632          |
| 2,43,570                         | Share transfer               | 56,401            |
| 17,01,685                        | Stock Exchange expense       | 13,96,188         |
| 28,16,127                        | Depository Charges           | 12,23,717         |
| <b>69,46,945</b>                 |                              | <b>69,84,461</b>  |
| <b>SCHEDULE - L</b>              |                              |                   |
| <b>BANK CHARGES AND INTEREST</b> |                              |                   |
| 6,77,300                         | Bank Guarat. fee             | 11,07,876         |
| 4,47,710                         | Bank Charges                 | 2,73,602          |
| 19,81,946                        | Interest Paid                | 4,82,034          |
| <b>31,06,956</b>                 |                              | <b>18,63,512</b>  |



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| 31.03.2000<br>Rs.        |                       | 31.03.2001<br>Rs. |
|--------------------------|-----------------------|-------------------|
| <b>SCHEDULE - M</b>      |                       |                   |
| <b>LICENCE AND TAXES</b> |                       |                   |
| 24,250                   | Listing fee           | 29,000            |
| 1,66,000                 | SEBI Registration Fee | 4,34,407          |
| 1,30,500                 | Membership fee        | 1,15,000          |
| <u>3,20,750</u>          |                       | <u>5,78,407</u>   |

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As per my report even dated

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

Coimbatore  
31.07.2001

(Sd.) Sri Prakash Devidas Shah  
Managing Director

(Sd.) Sri K. Annamalai  
Whole time Director



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**SECHEDULE - G**

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**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 31-03-2001 were valued at cost or market prices whichever is lower.

**5. Managerial Remuneration**

|                                       | 31.3.2001   | 31.3.2000   |
|---------------------------------------|-------------|-------------|
|                                       | Rs. Lakhs   | Rs. Lakhs   |
| Salary                                | 5.40        | 5.40        |
| Contribution to product & other funds | —           | —           |
| Perquisites                           | —           | —           |
|                                       | <u>5.40</u> | <u>5.40</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, as amended vide notification dated 16-12-93 issued by the Central Government.

**7. Contingent Liabilities**

Guarantees given by the Company's Bankers on behalf of the Company is amounting to Rs.500 lakhs.

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

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As per my report even dated

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

Coimbatore  
31.07.2001

(Sd.) Sri Prakash Devidas Shah  
Managing Director

(Sd.) Sri K.Annamalai  
Whole time Director



## CASH FLOW STATEMENT

|  | 31.03.2001   | 31.03.2000   |
|--|--------------|--------------|
| <b>A. Cash Flow from Operative Activities:</b>               |              |              |
| Net Profit before Tax and ExtraOrdinary items                | 3122075      | 20919264     |
| Adjustments for Depreciation                                 | 1375390      | 1080082      |
| Operating Profit before Working Capital Chag                 | 4497465      | 21999346     |
| Adjustments for:   |              |              |
| Trade and other Receivable                                   | (-)5335670   | (-)691598    |
| Inventories  | (+) 22540992 | (-) 9037959  |
| Trade Payable  | (-) 20219831 | (+)25209403  |
|  | (-) 3014509  | (+) 15479846 |
| Cash Generated from operations*                              | 1482956      | 37479192     |
| Direct Taxes Paid  | 1264292      | 7843597      |
| Cash Flow Before Extraordinary items                         | 218664       | 29635595     |
| Extraordinary items  | 27052        | 280668       |
| Net Cash from Operating Activities                           | 191612       | 29354927     |
| <b>B. Cash Flow from Investing Activities:</b>               |              |              |
| Purchase of Fixed Assets                                     | 1322922      | 2089166      |
| Sale of Fixed Assets   | —            | 140000       |
| Net Cash used in Investing Activities                        | 1322922      | 1949166      |
| <b>C. Cash Flow from Financing Activities:</b>               |              |              |
| Increase in Share Capital                                    | —            | —            |
| Dividends Paid   | —            | —            |
| Net Cash Increase in Financing Activities                    | —            | —            |
| Net Increase\Decrease in Cash and Cash Equivalents           | (-) 1131310  | 27405761     |
| Cash and Cash Equivalents as at 01.04.2000 (Opening Balance) | 36700173     | 9294412      |
| Cash and Cash Equivalents as at 31.03.2001 (Closing Balance) | 35568863     | 36700173     |

31.07.2001  
Coimbatore

Sri K. Annamalai  
Whole-Time-Director

Sri Prakash Devidash Shah  
Managing Director

### Auditors 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, 2001 and found the same to be in accordance therewith and also with the requirements of Clause-32 of the Listing Agreement with Stock Exchanges.

Coimbatore  
31.07.2001

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





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**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

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**I. Registration Details**

Registration No. : 181-5030 State Code: 18  
Balance Sheet Date : 31st day of March, 2001.

**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 : 8,11,88,740 Total Assets : 8,11,88,740

**Sources of Funds**

Paid up Capital : 5,03,04,000 Reserves & Surplus : 3,08,84,740  
Secured Loans : NIL Unsecured Loans : NIL

**Application of Funds**

Net Fixed Assets : 1,70,07,082 Investments : NIL  
Net Current Assets : 6,39,08,678 Misc. Expenditure : 2,72,980  
Accumulated Losses : NIL

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

Turnover : 2,50,26,950 Total Expenditure : 2,19,04,875  
Profit/Loss Before Tax : 31,22,075 Profit/Loss Aftertax : 21,47,075  
Earning Per Share in Rs 0.427 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.

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As per my report even dated

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

Coimbatore  
31.07.2001

(Sd.) Sri Prakash Devidas Shah  
Managing Director

(Sd.) Sri K.Annamalai  
Whole time Director

BOOK POST

*If undelivered please return to :*

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

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