



DJS STOCK AND SHARES LIMITED

**SIXTEENTH ANNUAL REPORT
2009-2010**

**14. ARTS COLLEGE ROAD, COIMBATORE - 641 018.
TAMIL NADU, INDIA.**



DJS Stock and Shares Limited

Board of Directors

Shri Prakash D Shah
Managing Director

Shri K. Annamalai
Whole-Time Director

Shri Shohesh P Shah
Whole-Time Director

Shri Jayantilal P. Shah
Shri Bhagawati Prasad
Shri Devendra C. Shah
Shri Siddharth B. Jalan
Shri Ajay M. Gupta

Auditors

P. Mahendran B.Sc FCA
Chartered Accountant
Coimbatore - 641018

Bankers

AXIS 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 Share Holders

Notice is hereby given that the **Sixteenth Annual General Meeting** of the Shareholders of the Company will be held on Thursday, 30th day of September 2010 at 4.30 P.M. at the registered Office of the Company at 14, Arts College Road, Coimbatore 641 018 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31-03-2010 with Schedules, the Profit and Loss Account for the year ended on that date together with schedules, the Reports of the Directors and Auditor's thereon.
2. To appoint a Director in place of Shri. Bhagawati Prasad, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri. Jayanatilal P. Shah, who retires by rotation and being eligible offers himself for re-appointment.
4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. P. Mahendran, Chartered Accountant, (Registration No. 29194), the retiring Auditor of the Company be and are hereby re-appointed as Auditor of the Company to hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration as may be fixed by the Board of Directors.”

The present retiring auditor, Mr. P. Mahendran, Chartered Accountant, has expressed his willingness to continue in office. Certificate has been obtained from him that re-appointment, if made, will be in accordance with the limits specified in sub section (1B) of Section 224 of the Companies Act, 1956.

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

Place : Mumbai
Date : 29.05.2010

Prakash D. Shah
Managing Director



Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. 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 29-09-2010 to 30-09-2010 (both days inclusive).
4. Members are requested to notify change of address, if any, promptly in order to serve them better.
5. Members are requested to bring their copies of the Annual Report to the Meeting.
6. Members/proxies should bring the attendance slip duly filled in and signed for attending the meeting.
7. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID No. and those who hold shares in physical form are requested to write their Folio No. in the attendance slip for attending the meeting.
8. A brief resume of the Directors retiring by rotation and eligible for re-appointment/ recommended for appointment, as required by Clause 49(IV)(G) of the Listing Agreement signed by the Company with the stock exchange, is given in Annexure to this notice.

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

Place : Mumbai
Date : 29.05.2010

Prakash D. Shah
Managing Director



Brief Resume of Directors seeking re-appointment and Directors recommended for appointment at the forthcoming Annual General Meeting

[In pursuance of clause 49 of the Listing Agreement]

Name of Director	Shri Bhagawati Prasad	Shri Jayantilal P Shah
Date of Birth	18.02.1952	17.03.1939
Nationality	Indian	Indian
Date of Appointment	28.08.1995	30.09.2002
Qualification	B. Com, LL.B	B.Com
Shareholding in DJS Stock and Shares Limited	NIL	NIL
Expertise in specific functional area	Share Broking & Trading	Share Broking & Trading
Chairman /Director of other Companies	1.ANC Consultants Pvt. Ltd 2.ANC Securities Ltd 3.Narayani Finvest Holding P. Ltd	NIL
Chairman / Member of Committees of the Boards of other Companies of which he is a Director	NIL	NIL

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

Place: Mumbai
Date: 29.05.2010

Prakash D. Shah
Managing Director



Directors' Report

Your Directors hereby present the **Sixteenth Annual Report** together with the Audited Accounts for the Period ended 31st March 2010.

FINANCIAL PERFORMANCE

Particulars	(Rs. in lakhs)	
	2009-10	2008-09
Income from operations	110.76	163.50
Other Income	153.74	113.93
Total Expenditure before Interest & Depreciation	252.28	242.17
Profit /Loss before Interest and Depreciation	12.22	35.26
Finance Charges	7.98	15.49
Depreciation	2.22	6.62
Profit / (Loss)	2.02	13.15

DIVIDEND

In order to conserve the resources for long term capital requirements and future requirements, your Directors do not recommend any dividend for the year under review.

REVIEW OF OPERATIONS

The Company could achieve a profit of 2.02 lakhs in the financial year ended 2009-10 despite the adverse and volatile situation prevailing globally. There has been fall in the Income from Operations from Rs. 163.50 lakhs in 2008-09 to Rs. 110.76 lakhs in 2009-10. However with the improvement trend in the financial markets, the Company looks forward to yield better profits.

The performance of the Company, its business activities has been comprehensively covered in the Management Discussion and Analysis Report.

SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS

Mr. Prakash Devidas Shah holding 28,07,100 equity shares of Rs. 10/- each fully paid up, representing 55.80% of the total outstanding equity share capital and forming dominant group of DJS Stock and Shares Limited (hereinafter referred to as "DJS") had executed a Share Purchase Agreement (hereinafter referred to as "SPA") with B.K. Dyeing and Printing Mills Private Limited, Sriman Stocks Managements Private Limited, and Malar Share Shoppe Limited (hereinafter cumulatively referred to as "Acquirers") on 17th March, 2010 to transfer the said 28,07,100 equity shares along with the control and management of DJS Stock and Shares Limited. The Acquirers had also made a public announcement for an open offer dated 23rd March, 2010 for acquiring 10,06,080 Equity shares of Rs. 10/- each i.e. 20% of the paid-up capital of the Company from existing shareholders of the Company under Regulation 10 & 12 and other provisions of Chapter III and in compliance with the Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 and subsequent amendments thereof for substantial acquisition of shares and change in control. The said open offer was opened on 8th July, 2010 and was closed on 27th July, 2010.

DIRECTORS

Shri. Bhagawati Prasad and Shri. Jayantilal P Shah Directors retire by rotation at the forthcoming Annual General Meeting and both the Directors being eligible, offer themselves for re-appointment.

The details of the re-appointment of the aforesaid Directors together with their nature of expertise in specified functional areas and names of Companies in which they hold office as Director and / or the Chairman / Membership of Committees of Board, are provided in the notice of the ensuing Annual General Meeting.



AUDITORS

Mr. P. Mahendran (Registration No 29194), Statutory Auditor of the Company retire at the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment. Members are requested to consider their reappointment as Auditors for the financial year ending 31st March 2011 at remuneration to be decided by your Board of Directors or any Committee thereof.

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.

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 2010 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.

CORPORATE GOVERNANCE REPORT

Corporate Governance Report is enclosed.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review as required under Clause 49 of the Listing Agreement entered with the Stock exchange, is given as a separate statement in the Annual Report.

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**

Place : Mumbai
Date : 29.05.2010

Prakash D. Shah
Managing Director



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development

DJS Stocks and Shares Limited is mainly a stock broking company which carries on stock broking operations through an extensive network and suitable manpower and trades in shares, both quoted and unquoted. The industry structure, relevant to the company's operations, is mainly concerned with the capital market.

Economy Overview

The world experienced a deepest global downturn in the recent past. However, economic growth exhibited signs of recovery in the financial year 2009-10. In the early 2010, the global growth momentum was moderated because of the Euro Crisis. However, the Indian markets were not that much affected by such crisis. The Indian economy revived despite the impact of a deficient monsoon on agricultural production. GDP growth for financial year 2009 -10 was 7.2% as compared to 6.7% in the financial year 2008-09.

During the year, the primary market remained highly active in view of steady improving secondary market. The secondary market mirrored the recovery in the global economy and moderating financial risk. RBI too continued the accommodative monetary policy to maintain ample rupee liquidity, comfortable dollar liquidity and ensure flow of credit to productive areas of the economy.

Industry Overview

It is heartening to note that barring a few industries, the global meltdown had little bearing on most of the business sectors in India. Further to this the recovery has helped in improving economic fundamental and sustained policy support. Risk appetite has returned, equity market has improved and capital markets have re-opened.

Review of operations

During the year the Total Income of the Company is Rs.264.50 lakhs as compared to the previous year figure of Rs 277.43 lakhs. As a result, the profit before tax has come down to Rs.2.02 lakhs in comparison to the previous year figure of Rs.16.66 lakhs. Income from Client operations has reduced to Rs. 90.33 lakhs in the financial year 2009-10 as compared to Rs. 111.65 lakhs in the previous year. Income from Trading has reduced to Rs.20.43 lakhs in the financial year 2009-10 as compared to Rs. 51.85 lakhs in the previous year.

Outlook 2010-11

A significant portion of the Company's income arises from stock broking operations, which are largely dependent on the conditions of the stock market. The stock market activity depends largely upon the economic growth momentum and a combination of several factors like low inflation, growing domestic savings, surging portfolio investments into India, etc. The unusual developments in the global economy indicate heightened uncertainties and new challenges for the emerging market economies like India. However, several policy measures introduced by the Government to reduce the growing rate of inflation, consistently increasing savings and investment rate and achieve expected moderate GDP growth rate compared to other competing emerging markets and healthy corporate earnings which has the potential to attract strong foreign capital flows in the Indian capital market. The management is of the view that the Company will be able to reasonably perform in the context of the given economic environment by continuing its efforts to reach new client segments with its service capability.



Opportunities & Threats

With the significant initiatives taking place to reform the financial sector and improve the GDP growth rate of the country, it is expected that there would be growth in business opportunities for our Company.

Risk and Concerns

The Company's performance is closely linked to the Indian Capital Market and consequently to the risks associated with market operations. The performance of Company may be affected by factors affecting capital markets such as price and volume volatility, interest rates, currency exchange rates, foreign investment, government policy changes, political and economic developments and economic performance abroad.

Internal Control Systems

The Company has an adequate system of internal controls to ensure accuracy of accounting records, compliance with all laws & regulations and compliance with all rules, procedures & guidelines prescribed by the management. The Audit Committee of the Board reviews the scope of the internal audit on a regular basis.

Cautionary Note

This report describing the Companies activities, projections about future estimates, assumptions with regard to global economic conditions, government policies, etc may contain "forward looking statements" based on the information available with the Company. Forward looking statements are based on certain assumptions and expectations of future events. These statements are subject to certain risks and uncertainties. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results may be different from those expressed or implied since the Company's operations are affected by the many external and internal factors, which are beyond the control of the management. Hence the Company assumes no responsibility in respect of forward-looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

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

Place : Mumbai
Date : 29.05.2010

Prakash D. Shah
Managing Director



REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

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

Company's philosophy on Code of Corporate Governance

The Company remains committed to the concept of good corporate governance practices in all its activities to ensure the ultimate goal of making the Company a value driven Organisation. The Company desires to achieve transparency, full disclosure and independent monitoring of the state of affairs and shall be fair to all its stakeholders. Its philosophy on the code of Corporate Governance is:

- a) To utilise all resources optimally for the maximization of Stakeholders value and the company is providing quality services to its client which is matching with the international standards.
- b) To have a well knit family of employees, and imbibe the corporate values in the employees and encourage them in their conduct.
- c) To ensure that the decision making process is fair and transparent.
- d) To ensure adequate control systems to enable the Board to efficiently conduct the business and discharge its responsibilities to shareholders.

Board of Directors

The Board of Directors comprises of 8 members out of which 4 executive directors and 4 non-executive Independent directors. The composition is in conformity with the listing requirement.

The Chairman of the Board is an Executive Director and at least half of the board comprises of independent directors. The independent directors on the Board are professionals, who are senior, competent and highly respected persons from their respective fields and provide strategic direction and thrust to the operation of the Company.

The key decisions are taken after detailed deliberations and discussions by the Board. The Company always ensures that Board members are presented with all the relevant information on vital matters affecting the working of the Company including the information as inter-alia specified under clause 49 Annexure - IA of the Listing Agreement.

None of the Directors on the Board is a Member of more than ten Committees and Chairman of more than five Committees (as specified in Clause 49), across all the companies in which he is a Director.

The composition of the Board of Directors, their attendance at the Board Meetings during the year and at the last Annual General Meeting and the number of other Directorships and Committee Memberships held by them in other Companies are given below:



Name of Directors	Category	Designation	Attendance particulars		No. of other Directorships & committee memberships / chairmanships		
			Board Meeting	Last AGM	Directorships 1	Committee Membership 1&2	Committee Chairman 1 & 2
Shri. Prakash D.Shah	Promoter & Managing Director	Chairman	10	Yes	Nil	N.A	N.A
Shri. Jayantilal P. Shah	Promoter Director-Executive	Director	10	Yes	1	N.A	N.A
Shri. Bhagawati Prasad	Non-Executive Director – Independent	Director	3	No	2	N.A	N.A
Shri. K. Annamalai	Whole-time Director–Promoter	Whole-Time Director	3	Yes	Nil	N.A	N.A
Shri. Shohesh P. Shah	Whole-Time Director - Executive	Whole-Time Director	10	Yes	2	N.A	N.A
Shri. Devendra C. Shah	Non-Executive Director–Independent	Director	10	Yes	2	N.A	N.A
Shri. Ajay M. Gupta	Non-Executive Director–Independent	Director	10	Yes	2	N.A	N.A
Shri. Siddharth B. Jalan	Non-Executive Director–Independent	Director	2	No	1	N.A	N.A

Notes:

1. Includes Directorship held in the Company and other companies excluding Alternate Directorships and Directorships of Foreign Companies, Section 25 Companies and Private Limited Companies.
2. As required under Clause 49 of Listing Agreement, disclosure includes membership or Chairmanship of Audit Committee and the Shareholders'/Investor' Grievance and Share Transfer Committee in Indian Public Companies (Listed and unlisted including of the Company).
3. During the year under review, the Board of Directors met 10 times i.e 15th April 2009, 15th May, 2009, 11th June, 2009, 24th June, 2009, 31st July, 2009, 7th October, 2009, 29th October, 2009, 19th December, 2009, 28th January 2010, 28th February 2010. The Maximum interval between any two Meetings during this period does not exceed four months.

Dates for the Board Meetings for the ensuing year are decided well in advance and communicated to the Directors. The Agenda along with the explanatory notes are sent in advance to the Directors. Additional meetings of the Board are held when deemed necessary by the Board.



The Company has adopted the Code of Conduct for all Board members and managerial personnel of the Company. The Company has received affirmations from them regarding compliance of the provisions of the Code during the year under review. A declaration signed by the Managing Director of the Company to this effect is attached with the Report.

Audit Committee

The Company has constituted an Audit Committee in the year 2007. The role, powers and functions of the Audit committee are as per guidelines stated in the Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee inter-alia are broadly as under:

1. To oversee the Company's financial reporting process and the disclosure of its financial information, to ensure that the financial statement is correct, sufficient and credible.
2. To recommend to the Board, the appointment and reappointment of Statutory Auditors, fixation of audit fees and also approval for payment of any other services.
3. To review with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement in the Board's report, in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of related party transactions.
 - g) Qualifications in the draft audit report.
4. To review with the management, the quarterly financial statements before submission to the Board for approval.
5. To review with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
6. To review the status on utilization of IPO proceeds.
7. To review the adequacy of internal control system, including the structure of the internal audit department, staffing of the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors for any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To review the functioning of the Whistle Blower mechanism, if and when introduced.
12. Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and / or other Committee(s) of the Directors of the Company.

The Audit Committee comprises of 3 Non-Executive Independent Directors. The members of the Committee possess the sound knowledge of finance & accounts. The Audit Committee invites such of the executives, as it considers appropriate to be present at the meetings of the committee.

During the year under review, the Committee met four times on 24.06.2009, 31.07.2009, 29.10.2009, 28.01.2010.



The details of the Composition of the Committee and attendance at its meetings are given in table below:

Name of Member	Status	Category	No of meetings attended
Shri Ajay Gupta	Chairman	Independent Director	4
Shri Bhagawati Prasad	Member	Independent Director	3
Shri Devendra C. Shah	Member	Independent Director	4
Shri Shohesh P. Shah	Member	Whole Time Director	4

Compensation / Remuneration Committee

The Company has constituted Compensation/Remuneration Committee in the year 2007. The scope of the activities of the Compensation / Remuneration Committee is to recommend the remuneration payable to the Managing Director and Executive Director of the Company, payment of commission and sitting fees to Non Executive Directors.

During the year under review, the Committee met once on 29.10.2009

The details of the Composition of the Committee and attendance at its meeting are given in table below:

Name of Member	Status	Category	No of meetings attended
Shri Shohesh P. Shah	Chairman	Whole Time Director	1
Shri Jayantilal P. Shah	Member	Independent Director	1
Shri Ajay Gupta	Member	Independent Director	1

Stock Options:

Presently the Company does not have any practice of granting stock options. None of the Directors held any equity shares in the Company as on 31st March, 2010 except Mr. Prakash D. Shah who held 28,07,100 equity shares.

Shareholders' Investor Grievance and Share Transfer Committee

The Company has constituted the Committee in the year 2007. The Committee looks into redressal of shareholders' grievances and investors complaints like transfer of shares, non-receipt of balance sheet etc. and approves share transfers, transmission and issue of duplicate share certificates etc. The committee meets regularly in order to comply with the above requirements.

During the year 2009-10, the Committee met two times on 29.10.2009 and 28.02.2010

The details of the Composition of the Committee and attendance at its meetings are given in table below:

Name of Member	Status	Category	No of meetings attended
Shri Bhagawati Prasad	Chairman	Independent Director	2
Shri Devendra C. Shah	Member	Independent Director	2
Shri Siddharth B. Jalan	Member	Independent Director	2

Subsidiary Companies

There are no subsidiary Companies to this Company.



General Body Meetings

Details of Annual General Meetings held during last three years:

AGM for Financial Year ended	Date	Time	Location	Special Resolutions passed thereat
2008-2009	17.08.2009	4.30 p.m.	Regd. Office: 14, Arts College Road, Coimbatore - 641018	<ul style="list-style-type: none">• Re-appointment and payment of remuneration to Shri Prakash D. Shah, Managing Director• Increase in payment of remuneration to Shri Shohesh Shah, Whole-time Director• Appointment of Shri K. Annamalai as Whole-time Director
2007-2008	30.09.2008	4.30 p.m.	Regd. Office: 14, Arts College Road, Coimbatore - 641018	<ul style="list-style-type: none">• Re-appointment of Shri Shohesh Shah as Whole-time Director• Enhancement of remuneration of Shri Prakash Shah, Managing Director
2006-2007	29.09.2007	4.30 p.m.	Regd. Office: 14, Arts College Road, Coimbatore - 641018	No special resolution passed

Special Resolution Passed through Postal Ballot & Voting Pattern for the Same

No special resolution was passed through Postal Ballot during 2009-2010. None of the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.



Disclosures

1) Compliance with other Mandatory Requirements:

- a) **Management Discussion and Analysis:** A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under clause 49(IV)(F) of the Listing Agreement.
- b) **Basis of related party transactions:** There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their relatives, its subsidiaries etc. that may have potential conflict with the interests of the Company at large. Transactions with related parties during the period are disclosed in the Annual Report, in accordance with the requirements of Accounting Standard AS-18.
- c) **Disclosure of Accounting Treatment:** The financial statements are prepared on accrual basis of accounting and Company complied with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.
- d) **Details of non-compliance with regard to Capital Markets:** During the last three years, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.
- e) **Board Disclosures Risk Management:** The Company has laid down the requisite procedures to inform the Board Members about the risk assessment and minimization procedures.

Your Company is not in speculative trade and is investors' friendly and hence market risk is eliminated. The volatile movements in the stock market are natural and your Company had to cope with the situation. This they wish to achieve by prudent and frugal deployment of available funds to minimize loss and risk in the market.

- f) **Code of Conduct:** As required by the revised clause 49 of the Listing Agreement, the Board of Directors of the Company have adopted a Code of Conduct for all Board Members and Senior Management of the Company. The members of the Board of Directors and Senior Management have affirmed compliance of the said Code during the period under review. A declaration to this effect signed by the Managing Director of the Company is given elsewhere in the Annual Report.
- g) **CEO Certification:** A Certificate from Managing Director of the Company on the financial statements of the Company was placed before the Board.

2. Compliance with non-mandatory requirements of clause 49 of the listing agreement.

The Company has voluntarily complied with the non-mandatory requirements relating to Remuneration Committee.

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.



General Shareholders Information

Company Registration Details	The Company is registered in the state of Tamil Nadu. The Corporate Identification Number (CIN) allotted to the Company by Ministry of Corporate Affairs (MCA) is L67120TZ1994PLC005030.
AGM : Date and Time Venue	30 th September, 2010 at 4.30 p.m. Registered Office of the Company: 14 Arts College Road, Coimbatore 641018
Financial Calendar Financial Year ending <u>Results for Quarter ending :</u> 30 th June, 2010 30 th September, 2010 31 st December, 2010 31 st March, 2011 (Audited)	(Tentative) 31 st March, 2011 On or before 14 th August, 2010 On or before 14 th November, 2010 On or before 14 th February, 2011 On or before 30 th May, 2011
Date of Book Closure	29.09.2010 to 30.09.2010 (both days inclusive)
Dividend Payment Date	Not Applicable
Listing on Stock Exchange	Bombay Stock Exchange Limited Coimbatore Stock Exchange Limited Saurashtra Kutch Stock Exchange
Scrip Code	511636
Payment of Listing Fees	Annual listing fee for the year 2010-11 (as applicable) has been paid by the Company to the above Stock Exchanges where the equity shares of the Company are listed.
Market price Data : High , Low during each month in the financial year 2009-2010	See Table No. 1 below
Registrar and Share Transfer Agents	Purva Sharegistry (India) Private Limited 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai -400 011. Tel: (022) 2301 8261/2301 6761
Distribution of shareholding & Summary of Shareholding Pattern	See Table No. 2 & 3
Demat ISIN Numbers in NSDL & CDSL for Equity Shares	ISIN: INE234E01019
De-materialization of shares and liquidity	As on 31 st March, 2010, 90.01% of the Company's total equity shares representing 45,28,000 shares were held in dematerialized form and balance 9.99% representing 5,02,400 shares were held in physical form.
Outstanding GDRS/ADRS/Warrants or any convertible instruments, conversion date and likely impact on equity	There were no such outstanding instruments as on 31 st March, 2010



<p>Address for correspondence</p>	<p>ADDRESS FOR CORRESPONDENCE</p> <p>Registration of POA, Status Change, Transmission, Consolidation, Split and other queries may directly be sent to the following address:</p> <p>DJS Stock and Shares Limited 8-B, Mitali Trust, Shirin Sohrab Palace, Nariman Road, Vile Parle-East, Mumbai – 400 057. Phone : 022 – 26103594 / 2618 5011 Fax : 022 – 2613 5319 e-mail : contactus@djsstock.com & djsparle@yahoo.co.in</p> <p>Or</p> <p>Purva Sharegistry (India) Private Limited 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai -400 011. Tel: (022) 2301 8261/2301 6761</p>
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Stock Market Data for the period – 1st April, 2009 to 31st March, 2010

Share price performance in comparison on BSE:

Month (2009-10)	BSE		Sensex		No. of Shares transacted
	High (Rs.)	Low (Rs.)	High	Low	
April	14.90	14.80	11492.10	9546.29	1400
May	25.43	15.64	14930.54	11621.30	46000
June	40.00	26.70	15600.30	14016.95	842100
July	42.10	31.85	15732.81	13219.99	454200
August	60.30	41.85	16002.46	14684.45	161700
September	39.80	36.30	17142.52	15356.72	45200
October	39.60	36.20	17493.17	15805.20	25900
November	39.55	35.90	17290.48	15330.56	12500
December	51.70	40.50	17530.94	16577.78	35100
January	58.20	40.35	17790.33	15982.08	42700
February	42.25	36.65	16669.25	15651.99	834300
March	54.45	41.05	17793.01	16438.45	168100



(7) DISTRIBUTION OF SHARE HOLDING (As on 31.03.2010)

Range		No. of shareholders	% to no. of share holders	No of shares	% to no. of shares
From	To				
1	100	1189	50.11	118500	2.36
101	500	691	29.12	207300	4.12
501	1000	144	6.07	119000	2.37
1001	5000	267	11.25	727580	14.46
5001	100000	80	3.37	1085020	21.57
100001	1000000	0	0	0	0
Above	1000000	2	0.08	2773000	55.12
Total		2373	100	5030400	100

SHAREHOLDING PATTERN AS ON 31.03.2010

Category	% of shareholding
Directors and Relatives	55.80
Other Body Corporate.	4.69
Nationalised Banks/Mutual Funds.	NIL
Public.	39.51
Total	100.00

Shareholding of Non-Executive and Executive Directors as on 31st March, 2010

Name of Director	Status	No. of Shares
Prakash D. Shah	Executive Director	28,07,100
K. Annamalai	Executive Director	NIL
Jayantilal P. Shah	Executive Director	NIL
Shohesh P. Shah	Executive Director	NIL
Bhagwati Prasad	Non-Executive Director	NIL
Ajay Gupta	Non-Executive Director	NIL
Dr. Devendra Shah	Non-Executive Director	NIL
Siddharth B. Jalan	Non-Executive Director	NIL

Auditors' Certificate on Corporate Governance

The Auditors' Certificate on compliance with Clause 49 of the Listing Agreement relating to Corporate Governance is published as an annexure to the Directors' Report.

Declaration on compliance with Code of Conduct

It is hereby affirmed that all the Directors and the senior management personnel have complied with the Code of Conduct framed by the Company and a confirmation to that effect has been obtained from the Directors and Senior Management.

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

Place: Mumbai
Date: 29.05.2010

Prakash D. Shah
Managing Director



Declaration by Managing Director under Clause 49 of Listing Agreement

The Members of DJS STOCK & SHARES LTD

This is to declare that to the best of my knowledge and belief all the Members of the Board and senior Management personnel of the Company have affirmed their respective Compliance with the DJS Code of Conduct for the year ended 31.03.2010.

Mumbai
May 29, 2010

Prakash D. Shah
Managing Director



AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

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, 2010 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. My 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.

Mumbai
29-05-2010

P. Mahendran
Chartered Accountant



AUDITOR'S 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 at 31st March 2010, 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, 2004 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 2010 and taken on record by the Board of Directors, I report that none of the directors are disqualified as on 31st March 2010 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 at 31st March 2010;
 - (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

Mumbai
29.05.2010

P. Mahendran
Chartered Accountant



Annexure to Audit Report dated 29.05.2010

(Referred to in paragraph 3 of my 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 program 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.
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. 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 there are no contracts or arrangements referred to in Sec.301 of the Act.
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.
7. In my 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 at 31.03.10 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 no accumulated losses and has not incurred any cash loss during the financial year and in the immediately preceding financial covered by my audit.
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. The Company has not obtained any term loans.
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 the 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 was noticed or reported during the year.

Mumbai
29-05-2010

P. Mahendran
Chartered Accountant



Profit and Loss Account for the year ended 31.03.2010

INCOME	Schedule	31.03.2010	31.03.2009
Income from operations	G	1,10,76,548	1,63,50,068
Dividend and other Income	H	1,53,73,855	1,13,93,280
		<u>2,64,50,403</u>	<u>2,77,43,348</u>
EXPENDITURE			
Administrative Exp.	I	1,57,60,301	1,42,08,452
Stock Exch. Exp	J	85,33,092	94,92,398
Bank Charges & Interest	K	7,98,199	15,48,932
Licence fees and Taxes	L	3,24,722	1,66,009
Depreciation		2,21,983	6,61,616
		<u>2,56,38,297</u>	<u>2,60,77,407</u>
NET PROFIT		8,12,106	16,65,942
Add: Balance B/F.		6,41,17,882	7,25,87,020
Total		6,49,29,988	7,42,52,962
Add : Deferred Tax Liability		(2,56,281)	(1,20,203)
Less : Appropriation			
Donations		6,10,001	3,50,502
Provision for Taxes		7,50,460	3,86,000
Income tax of earlier years		-	92,78,374
Short provision of FBT		11,113	-
Total		<u>13,71,574</u>	<u>1,00,14,876</u>
Balance carried down to Balance Sheet		<u>6,33,02,133</u>	<u>6,41,17,882</u>
Basic earnings per share		0.04	0.33
Diluted earnings per share		0.04	0.33

The Schedules referred to above form is an integral part of the Profit and loss A/c
As per my report even dated

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

29.05.2010
Mumbai.

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

(Sd/-) Shri. Shohesh P Shah
Whole Time Director



Balance Sheet as on 31.03.2010

	SCHEDULES	31.03.2010 Rs.	31.03.2009 Rs.
SOURCES OF FUNDS			
SHARE HOLDERS FUNDS	A	5,03,04,000	5,03,04,000
RESERVES AND SURPLUS	B	6,37,53,912	6,43,13,381
TOTAL		11,40,57,912	11,46,17,381
APPLICATION OF FUNDS			
	SCHEDULES	31.03.2010	31.03.2009
FIXED ASSETS	C	21,49,411	29,68,586
INVESTMENTS	D	6,08,62,835	1,99,24,986
CURRENT ASSETS	E	14,98,37,122	14,44,49,589
Less: CURRENT LIABILITIES & PROVISIONS	F	9,87,91,456	5,27,25,780
		5,10,45,666	9,17,23,809
TOTAL		11,40,57,912	11,46,17,381
Notes to the accounts and significant accounting policies	M		

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/-) P.Mahendran, FCA
Chartered Accountant

29.05.2010
Mumbai.

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

(Sd/-) Shri. Shohesh P Shah
Whole Time Director



SCHEDULES ANNEXED TO THE ACCOUNTS

	31.03.2010 Rs.	31.03.2009 Rs.
SCHEDULE - A		
SHARE CAPITAL		
Authorised		
1,00,00,000 Equity shares of Rs.10 each	10,00,00,000	10,00,00,000
Issued, Subscribed and fully paidup		
50,30,400 Equity Shares of Rs.10 each	5,03,04,000	5,03,04,000
Total	5,03,04,000	5,03,04,000

SCHEDULE - B

RESERVES AND SURPLUS

Profit And loss a/c	6,33,02,133	6,41,17,882
Net deferred Tax Liability	4,51,779	1,95,498
Total	6,37,53,912	6,43,13,381

Schedule - C: Fixed Assets

Sl. No.	Name of the Assets	Cost as on 01.04.2009	Addition	Deletion	Depreciation					W.D.V as on 31.03.10	W.D.V. as on 31.03.09
					Total Cost as on 31.03.10	upto 31.03.09	for the year	with drawn	upto 31.03.10		
		1	2	3	4	5	6	7	8	9	10
1.	Office Equipments	1,01,35,700	0	14,913	1,01,20,787	88,63,544	80,873	0	89,44,417	11,76,370	12,72,156
2.	Furniture & Fittings	21,04,307	14,913	6,38,536	14,80,684	9,28,394	1,24,400	5,45,151	5,07,643	9,73,041	11,75,913
3.	Motor Car	10,12,608	0	10,12,608	0	4,92,091	16,710	5,08,801	0	0	5,20,517
Total		1,32,52,615	14,913	16,66,057	1,16,01,471	102,84,029	2,21,983	10,53,952	94,52,060	21,49,411	29,68,586
As At 31.3.09		1,29,09,060	5,43,556	2,00,000	1,32,52,615	96,22,413	6,61,616	0	102,84,029	29,68,586	32,86,647



	31.03.2010 Rs.	31.03.2009 Rs.
SCHEDULE - D		
INVESTMENTS		
Un Quoted		
In Equity Shares of the Companies under the Same Management	0	40,50,000
In Equity Shares of Bombay Stock Exchange Ltd.	0	31,61,158
In Equity Shares of Central Depository Services (I) Ltd.	0	1,000
In Equity Shares of Saurashtra Kutch Stock Exchange Ltd.	0	5,000
In Equity Shares of Bhoomi Hotels Pvt. Ltd.	0	1,00,00,000
In Equity Shares of Calcutta Stock Exchange	0	2,00,000
UTI Mutual Fund	0	20,00,000
Commercial Building	0	5,07,828
Quoted Securities		
In Equity Shares of Sunteck Realty Ltd – 157365 shares	6,08,62,835	0
TOTAL	<u>6,08,62,835</u>	<u>1,99,24,986</u>
SCHEDULE - E		
CURRENT ASSETS, LOANS & ADVANCES		
Advances & Deposits	8,96,39,272	2,99,24,462
DEBTORS:		
Exceeding six months	36,54,790	75,01,040
Others	99,36,700	2,20,96,234
CASH AND BANK BALANCES:		
Cash on hand	7,17,381	7,49,513
Cash at Bank	4,43,24,433	6,52,18,288
Stock on Hand	15,64,545	1,89,60,052
TOTAL	<u>14,98,37,121</u>	<u>14,44,49,589</u>
SCHEDULE - F		
CURRENT LIABILITIES & PROVISIONS		
Current Liabilities	9,30,71,770	4,74,90,030
Provisions for Taxation	52,20,460	45,96,000
Provisions for Expenses	4,99,225	6,39,750
TOTAL	<u>9,87,91,455</u>	<u>5,27,25,780</u>



	31.03.2010 Rs.	31.03.2009 Rs.
SCHEDULE- G		
INCOME FROM OPERATIONS		
Income from clients operations	90,33,524	1,11,65,405
Income from Trading	20,43,024	51,84,663
TOTAL	1,10,76,548	1,63,50,068
SCHEDULE - H		
DIVIDEND AND OTHER INCOME		
Dividend Received	42,678	2,29,249
Interest Received	35,06,990	45,59,799
Other Income	1,18,24,187	66,04,232
TOTAL	1,53,73,855	1,13,93,280
SCHEDULE - I		
ADMINISTRATIVE EXPENSES		
Salaries & Bonus	82,16,474	61,28,018
Arbitrage Refund	23,95,954	17,14,882
Traveling Expenses	4,76,389	2,21,085
Repairs & Maintenance	18,24,755	26,49,888
Electricity Charges	3,58,440	4,47,342
Postage, Courier & Telephone	6,51,424	6,11,128
Rent	7,05,750	8,70,000
Insurance Charges	-	62,009
Legal and professional charges	5,60,998	9,22,106
General Expenses	50,028	33,471
Printing & Stationery	2,74,011	3,14,143
Staff Welfare	53,409	1,00,465
Sales Promotion	1,63,076	1,04,415
Advertisement Expenses	4,594	4,500
Audit Fees	25,000	25,000
TOTAL	1,57,60,302	1,42,08,452



	31.03.2010 Rs.	31.03.2009 Rs.
SCHEDULE - J		
STOCK EXCHANGE EXPENSES		
VSAT charges	9,32,245	5,44,088
Stock Exchange expense	4,85,347	6,84,653
CDSL Expenses	32,10,982	23,22,643
Demat transaction charges	2,53,860	3,13,116
SEBI Turnover Tax	51,186	68,961
NSE Transaction/Penalty Charges	68,268	2,07,686
STT	35,31,205	53,51,251
TOTAL	85,33,093	94,92,398

SCHEDULE - K

BANK CHARGES AND INTEREST

Bank Guarantee fee	7,11,037	12,90,009
Bank Charges	59,199	77,999
Bank interest	5,754	1,39,783
Car Loan Interest	22,209	41,141
TOTAL	7,98,199	15,48,932

SCHEDULE- L

LICENCE FEES AND TAXES

Listing fee	55,000	15,000
Service Tax	2,69,722	1,51,009
TOTAL	3,24,722	1,66,009

As per my report even dated

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

Mumbai.
29.05.2010

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

(Sd/-) Shri. Shohesh P Shah
Whole Time Director



SCHEDULE- M

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 31-03-2010 where valued at cost or market prices whichever is lower.

5. Managerial Remuneration:

	31.3.2010	31.03.2009
	Rs.Lakhs	Rs.Lakhs
Salary	14.40	12.60
Contribution to Provident & other funds	—	—
Perquisites	—	—
	<u>14.40</u>	<u>12.60</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 Quoted Securities - i.e. 157365 Eq Shares of M/s. Sunteck Realty Ltd.

8. Contingent Liabilities

Guarantees given by the Company's Bankers on behalf of the Company is amounting to Rs.850 lakhs.

9. No employee is eligible for Gratuity.

10. Auditor's Remuneration:

	31.03.10	31.03.09
Audit Fee	25000.00	25000.00
Tax Audit Fee	15000.00	7500.00

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

As per my report even dated

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

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

(Sd/-) Shri. Shohesh P. Shah
Whole Time Director

29.05.2010,
Mumbai.

**CASH FLOW STATEMENT****31.03.2010**

Net Profit as per profit and loss Statement	8,12,106
Less : Donation made	(-) 6,10,001
Add : Depreciation written off	2,21,983
Less : Tax Provisions	(-) 7,61,574
	(-) 3,37,486

FUNDS FROM OPERATIONS

Cash From operations	-
Funds from operations	(-) 3,37,486
Increase in Trade and other receivables	(-) 4,37,09,025
Reduction in Inventories	1,73,95,507
Increase in Trade payables and other current liabilities	(-) 4,71,74,473
Cash From Operations	2,05,23,469

CASH FLOW STATEMENT**Cash from operating activities**

Net cash from operating activities (from ordinary activities)	2,05,23,469
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Cash from investing activities

Increase in Investment in shares	(-)4,09,37,849
Purchase of Assets	-
Reduction in Fixed Assets (Car, Furniture)	5,97,192
Net cash from investing activities	(-)4,03,40,657

Cash from Financing Activities

Reduction in Borrowings	(-)11,08,798
Unsecured Borrowing	-
Cash from financing activity	(-)11,08,798

Decrease in cash and cash equivalents during the year	(-) 2,09,25,987
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Add: Opening balances of cash and cash equivalents	6,59,67,801
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Closing Balance of cash and cash equivalents	4,50,41,814
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29.05.2010

Mumbai

(Sd/-) Shri. Prakash Devidas Shah
Managing Director**(Sd/-) Shri. Shohesh P Shah**
Whole Time 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, 2010 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
29.05.2010**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, 2010

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 : 11,40,57,912 Total Assets : 11,40,57,912

Sources of Funds

Paid up Capital : 5,03,04,000 Reserves & Surplus : 6,37,53,912
Secured Loans : NIL Unsecured Loans : NIL

Application of Funds

Net Fixed Assets : 21,49,411 Investments : 6,08,62,835
Net Current Assets : 5,10,45,666 Misc. Expenditure : NIL

IV Performance of Company (Amount in Rs.)

Turnover : 2,64,50,403 Total Expenditure : 2,62,48,298
Profit/Loss before Tax : 2,02,105 Profit/Loss After tax : -5,48,355
Earning Per share in : 0.04 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/-) Shri. Prakash Devidas Shah
Managing Director

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

(Sd/-) Shri. Shohesh P Shah
Whole Time Director

29.05.2010,
Mumbai.