



DJS Stock and Shares Limited

Thirteenth Annual Report 2006 - 2007

DJS Stock and Shares Limited

14, Arts College Road
Coimbatore - 641 018



DJS Stock and Shares Limited

Board of Directors

Sri Prakash D Shah
Managing Director

Sri K. Annamalai
Whole-time Director

Sri Soresh P Shah
Whole-time Director

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

Auditors

P Mahendran B.Sc FCA
Chartered Accountant
Coimbatore - 18

Bankers

UTI Bank Ltd.
Oriental Bank of Commerce Ltd.

Head Office

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

Regd. Office

14, Arts College Road
Coimbatore - 641 018

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Notice To All Shareholders

Notice is hereby given that the **THIRTEENTH Annual General Meeting** of the Shareholders of the Company will be held on Saturday, the 29th day of September 2007 at 4.30 P.M. at the registered Office of the Company at 14, Arts College Road, Coimbatore 641 018 to transact the following business:

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31-03-2007 with Schedules, the Profit and Loss Account for the year ended on that date with schedules, the Director's Report and the Auditor's Report thereon.
2. To re-elect a Director in place of Sri Bhagawathi Prasad, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-election.
3. To re-elect a Director in place of Sri Amit P. Bhansali, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-election.
4. To appoint Auditors and fix their remuneration from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting.

SPECIAL BUSINESS

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

Resolved that pursuant to Section 198, 309, 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 reappointing of and making payment to Sri Prakash D. Shah, as Managing Director of the Company with effect from 16th November, 2006 to 15th November, 2011 @ Rs.30,000/- per month for a period of 5 years with power to reduce or enhance the remuneration depending upon the performance of the Managing Director with the following perquisites.

- | | |
|----------------------------|--|
| 1. Salary | : Rs.30,000 Per Month. |
| 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 | : For self and 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. |
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, 309, 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 increasing the payment of remuneration from Rs.20,000/- per month to Rs.25,000/- per month to Sri Sohesh P Shah, as Whole-time Director of the Company with effect from 1st April, 2007 for the remaining period of his term of Office with power to reduce or enhance the remuneration depending upon the performance of the Whole-time Director.



Annexure to Notice

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, 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 for their appointing Sri K. Annamalai as Whole-time Director for a period of 5 years with effect from 03-10-2006 without any salary.

By order of the Board
For DJS Stock and Shares Limited

Place: Mumbai
Date : 30.06.2007
Note:

Prakash D. Shah
Managing Director

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT INSTEAD OF HIMSELF TO ATTEND AND VOTE ONE OR MORE PROXY(IES) AND SUCH PROXY(IES) NEED NOT BE A MEMBER. A PROXY FORM IS ENCLOSED.
2. A proxy to be valid should be duly filed in and affixed with requisite stamp and lodged with the Company's Registered Office at least 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Registers of the Company will remain closed from 28-09-2007 to 29-09-2007(both days inclusive).
4. Members are requested to notify change of address, if any, promptly in order to serve them better.

Annexure to Notice:

Explanatory Statement pursuant to Section 173(2B) of the Companies Act, 1956 which forms part of the Notice convening the 13th Annual General Meeting.

5. Mr. Prakash D. Shah was re-appointed as Managing Director with effect from 16-11-2006 on a remuneration of Rs.30,000/- per month subject to your approval for a period of 5 years. Your Board commends the resolution for your approval keeping in the good performance of Mr Prakash D.Shah. Mr. Prakash D.Shah and Mr. Sohesh P. Shah may be deemed to be interest in the resolution. No other Director is interested in the resolution.
6. Mr. Sohesh P. Shah was appointed as Whole-time Director with effect from 29-09-2005 for a period of 3 years on a monthly salary of Rs.20,000/-. Considering his performance, your Board enhanced his remuneration to Rs.25,000/- per month with effect from 01-04-2007 for the remaining term of his Office subject to your approval.. Your Board commends the resolution for your approval keeping in the good performance of Mr Sohesh P.Shah. Mr. Prakash D..Shah and Mr. Sohesh P. Shah may be deemed to be interest in the resolution. No other Director is interested in the resolution.
7. Sri K. Annamalai has been the Whole-time Director looking after the affairs of the Company at Coimbatore. He was not drawing any salary. Your Board appreciates his gesture and wished to appoint him for a further term of 5 years with effect from 3-10-2006. The Board commend your approval. None of the Director other than Sri K Annamalai is interested in the resolution.

By order of the Board
For DJS Stock and Shares Limited

Place: Mumbai
Date : 30.06.2007

Prakash D. Shah
Managing Director



Directors' Report

Your Directors hereby present the **THIRTEENTH Annual Report** together with the Audited Accounts for the Period ended 31st March 2007.

FINANCIAL PERFORMANCE

	2006-2007	2005-2006
	(Rs. in lakhs)	
Income from operations	61.71	367.29
Other Income	59.14	68.33
Total Expenditure before Interest & Depreciation	127.07	149.90
Profit /Loss before Interest and Depreciation	(-) 6.22	285.72
Finance Charges	13.82	13.72
Depreciation	14.23	11.33
Profit / (Loss)	(-) 34.27	260.67

ABOUT THE INDUSTRY

The shareholders might have observed that there was unprecedented volatility in the stock market. This is reflected to that extent in the financial results of the company. The investors had been advised not to trade at certain periods. Though there were many Initial Public Offers the uncertainty in the market. We hope that better performance of the corporate and better days are ahead for the company and the investors.

REVIEW OF OPERATIONS

The company's performance is reflected in the income. Over the years our Company had created a good investor base hence your management expects this will continue to yield better prospects to the mutual interest of both the small investors and the company.

FUTURE PROSPECTS

In the month of May in the current year, there was a crash in the market. This was sudden and put small investors in temporary set back. From that time onwards the market is very highly volatile and even a small recovery is being nullified by a big drop in the prices. Hence the Directors prefer to approach the future with high caution. Added to the woe of stock market, the uncertainty in government.

DIRECTORS

No Director of the company is disqualified under section 274(1)(g) of the Companies Act, 1956, from being appointed as director of this company. The Directors Mr. Bhagwati Prasad and Mr. Amit P. Bhansali are retiring by rotation and being eligible to offer themselves for re-appointment. Mr. Prakash D. Shah is re-appointed as Managing Director and Mr.K.Annamalai has been re-appointed as Whole-time Director. The remuneration of Mr.Sohesh P. Shah is enhanced. Necessary proposals are made to the members for their approval.

AUDITORS

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



DEPOSITS

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

STATUTORY INFORMATION

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

DIRECTORS RESPONSIBILITY STATEMENT

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

- (i) All applicable accounting standards have been followed in the preparation of the annual accounts.
- (ii) Your directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as of 31st March 2007 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.

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 : 30.06.2007

Prakash D. Shah
Managing Director



MANAGEMENT ANALYSIS

Your Company is not in speculative trade and 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.

CORPORATE GOVERNANCE REPORT

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

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

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

POSITION OF BOARD OF DIRECTORS

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

BOARD MEETINGS AND ATTENDANCE

Seventeen Board meetings were held on 01.04.2006, 15.05.2006, 06.06.2006, 30.06.2006, 01.07.2006, 31.07.2006, 31.08.2006, 30.09.2006, 28.10.2006, 31.10.2006, 18.11.2006, 16.12.2006, 28.12.2006, 30.12.2006, 31.01.2007, 27.02.2007 and 10.03.2007.

Details of attendance of each Director at the meeting of the Board and General Meeting during the financial year ended March 31, 2007.

Sl. No	Directors	Date of Board Meeting									
		01.04.06	15.05.06	06.06.06	30.06.06	01.07.06	31.07.06	31.08.06	30.09.06	28.10.06	31.10.06
1.	Sri Prakash D.Shah	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Sri Jayantilal P. Shah	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
3.	Sri Bhagawathi Prasad	No	No	No	Yes	No	No	No	No	Yes	Yes
4.	Sri K. Annamalai	No	No	No	Yes	Yes	No	No	No	No	Yes
5.	Sri Soresh P. Shah	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
6.	Sri Amit P. Bhansali	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
7.	Sri Ajay M. Gupta	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8.	Sri Ashwin R. Shah	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes