



GLOBAL CAPITAL MARKETS LIMITED

BOARD OF DIRECTORS

I. C. BAID	Director
AMITABH SHUKLA	Director
KUMAR RAY	Director
A. K. DAS	Director
L. N. SHARMA	Director

BANKERS

ABN AMRO
BHARAT OVERSEAS BANK LTD.
UNITED BANK OF INDIA
INDUSIND BANK LIMITED

AUDITORS

M/s. N. BANERJEE & CO.
Chartered Accountants
C/o. Satkari Das & Co.
196, Old China Bazar Street, Kolkata-700 001

REGISTRARS & SHARE TRANSFER AGENTS

AMI COMPUTERS (INDIA) LIMITED
60A & 60B, Chowringhee Road, Kolkata-700 020
Phone : 2280 0900

REGISTERED OFFICE

Sir R. N. M. House
3-B, Lal Bazar Street, 5th Floor, Kolkata - 700 001
Phone : 2248 9908, 2248 1053

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GLOBAL CAPITAL MARKETS LIMITED

**NOTICE
TO THE SHAREHOLDERS**

Notice is hereby given that Sixteenth Annual General Meeting of the members of M/s. Global Capital Markets Limited will be held on Thursday 29th day of September, 2005 at 10.00 a.m. at Shyamal Smriti Parishad, 30, Dr. Nagen Ghosh Road, Kolkata - 700 031 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31st March 2005, the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
 2. To appoint a Director in place of Shri L. N. Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
 3. To appoint and fix the remuneration of Auditors.
- (Note – a) The retiring auditors have expressed their unwillingness for their re-appointment.
b) The Company has received a special notice from a member, of his intention to propose M/s. Mitra Debmallik & Co., Chartered Accountants as Auditors in place of the Retiring Auditors).

To consider, and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution :

"RESOLVED THAT M/s. Mitra Debmallik & Co., Chartered Accountants, be and are hereby appointed as Auditor of the Company from the conclusion of this General Meeting and until the conclusion of the next Annual General Meeting in place of M/s. N. Banerjee & Co., Chartered Accountants, the retiring Auditor and that the Board of Directors/Audit Committee of Directors of the Company be and is hereby authorized to fix their remuneration plus reimbursement of any out-of-pocket expenses that may be incurred, in connection with the audit."

M/s. MITRA DEBMALLIK & CO. have intimated the Company that, if appointed, their appointment will be within the limit laid down under Section 224 of the Companies Act, 1956.

SPECIAL BUSINESS :

4. To appoint a Director in place of Shri Amitabh Shukla who was appointed as an Additional Director of the Company by Board of Directors with effect from 22nd March, 2005 under Section 60 of the Companies Act, 1956 and who holds office upto the date of the forthcoming Annual General Meeting but who is eligible for reappointment and in respect of whom the Company has received a Notice in writing under Section 257 of the Act proposing his candidature for the office of Director.
5. To appoint a Director in place of Shri Kumar Ray who was appointed as an Additional Director of the Company by Board of Directors with effect from 22nd March, 2005 under Section 60 of the Companies Act, 1956 and who holds office upto the date of the forthcoming Annual General Meeting but who is eligible for reappointment and in respect of whom the Company has received a Notice in writing under Section 257 of the Act proposing his candidature for the office of Director.

Registered Office :
Sir RNM House, 5th Floor
3-B, Lal Bazar Street,
Kolkata - 700 001
Date : 30th July, 2005

By Order of the Board
For Global Capital Markets Ltd.

L. N. Sharma
Director

NOTES :

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of item no. 4 & 5 of the Notice set out above is annexed hereto.
2. A Member entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
3. The instrument appointing a Proxy must be lodged at the Registered Office of the Company at least 48 hours prior to the time of the meeting.

ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956
ITEM NO. 4 & 5

Shri Amitabh Shukla, LL.M. and Shri Kumar Ray, FCA who were appointed as Additional Directors of the Company by the Board under Section 260 of the Companies Act, 1956 and who hold office until the conclusion of the forthcoming Annual General Meeting are eligible for reappointment. The Company has received notices from Members of the Company under Section 257 of the Companies Act, 1956 signifying their intention to propose the candidature of each of them for the office of Director. In view of their professional stature, the Board considers it desirable that the Company should continue to avail itself of the benefit of their services as directors and recommends the adoption of these resolutions.



GLOBAL CAPITAL MARKETS LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting their Sixteenth Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2005.

Financial Results

	(Rs. in lacs)	
	Year ended 31-3-2005	Year ended 31-03-2004
Total Income	68.32	44.64
Profit/(Loss) before Depreciation & Tax	47.55	30.77
Less: Depreciation	5.70	1.15
Profit/(Loss) before tax	41.85	29.63
Less : Provision for taxation		
Current	8.66	2.22
Deferred	6.65	(0.15)
Profit/(Loss) after tax	26.54	27.56
Add : Balance brought forward from previous year	(50.56)	(78.11)
Balance carried forward	(24.02)	(50.55)

DIVIDEND

Your Directors regret their inability to recommend any dividend in view of inadequacy of profits for the year ended 31st March, 2005.

PRESENT PERFORMANCE AND FUTURE PROSPECT

The Company has been successful to show a better and a commendable performance as compared to last year through effective deployment of funds. Your Company has achieved all round performance during the current financial year. A higher growth in interest income coupled with a healthy and favourable capital market environment has enabled the Company to sustain its growth. With the market showing further sign of improvement and a positive investment climate, your Company is expected to achieve a higher growth in the years to come.

FUTURE PLANNING OF THE COMPANY

Globalization of Indian Economy has offered spectrum growth opportunities in financial services sector. Economic liberalization which started in 1991 and continuous economic reforms has provided a strong platform of growth to Indian Financial Services Sector which has grown at around 15% and displayed stability in the past seven years even though the other Asian Markets witnessed negative trends.

Financial Services Sector has been able to offer the much needed support to the growing needs of corporates and borrowers. Indian Capital Markets have witnessed substantial progress in terms of regulatory changes, depository services (paperless trading), application of technology to trading settlement systems, introduction of Derivative market (Future and Options). Such positive changes have resulted in tremendous growth in average daily trading volume at BSE and NSE which increased from Rs.4,800.00 million (approx) in 1995-96 to Rs.232,094 millions (approx) in April 2004. In terms of shareholder base, India now stands as the third largest investor base in the World after USA and Japan.

In order to capitalize the growth opportunities provided by the present financial services sector, the company proposes to further expand its present business activities which includes :

a) Depository Services

The continuous up trend and buoyant secondary market for the last several years offers good business potential in the Depository Services Sector. The increasing participation of retails investors in the stock markets provides enough growth prospects for development of business as Depository Participant. The Company proposes to apply for Depository Participant under NSDL and CDSL. It has also plans to enter into small cities and towns wherein depository services are not available or available in a very limited scale.



b) Membership of Stock Exchange in Derivative Segment

Its group Company M/s. GCM Securities Limited is already a Member of National Stock Exchange under Capital Market Segment. Your Company invests its funds in Capital Market through its Group Company, M/s. GCM Securities Ltd. which has also acquired the Trading Membership under Derivative Segment (Future and Options). Also, the Company is expanding its trading network through its own website by offering Internet Trading facility to the potential investors. Through Net trading facility, the Company can offer its trading facility to any investor located at anywhere in India. Your Company has acquired 21.32% stake in GCM Securities Limited. The healthy growth and buoyant secondary market is sure to contribute immensely to the future revenue of the Company.

c) Membership of Commodity Exchanges

Commodity Futures is another sunrise sector in India, which offers tremendous growth potential in future. In order to capitalize the growth opportunities provided by the commodity markets, your Company through its another group M/s. GCM Commodity & Derivatives Pvt. Ltd. has acquired the Membership of National Commodity and Derivatives Exchange Ltd (NCDEX). It also proposes to apply for the Membership of Multi Commodity Exchange (MCX). The synchronization of trading under NCDEX and MCX would go a long way in getting the commodity future market organized. The membership of commodity market would help the Company to exploit the new business opportunities thereby earning higher revenue.

d) Membership of The Stock Exchange, Mumbai

Your Company is also considering to acquire the Membership of Bombay Stock Exchange through its another group company. Membership of NSE & BSE alongwith Membership of Commodity market (NCDEX & MCX) and in house Depository Services would enable the Company to offer a spectrum of services to its potential investors. It would go a long way to enable the Company to achieve tremendous growth and substantial revenue in future.

After implementation of all the above activities, your Company would be able to post substantial jump in revenues and sustain its growth in the years to come.

DIRECTORS

Shri L. N. Sharma retires by rotation at the ensuing Annual General Meeting and offers himself for re-appointment.

Shri Amitabh Shukla, LLM and Shri Kumar Ray, FCA who were appointed as an Additional Director of the Company by Board of Directors during the year and who hold office up to the forthcoming Annual General Meeting but who are eligible for reappointment and in respect of whom the Company has received Notices in writing from the members of the Company under Section 257 of the Act proposing his candidature for the office of Director, offer themselves for reappointment as Directors of the Company.

AUDITORS

M/s. N. Banerjee & Co., Chartered Accountants who hold office till the conclusion of the ensuing Annual General Meeting have expressed their unwillingness for re-appointment. M/s. Mitra Debmallik & Co., Chartered Accountants are appointed as Auditor of the Company from the conclusion of this Annual General Meeting and untill the conclusion of the next Annual General Meeting. M/s. Mitra Debmallik & Co. has informed the Company that, if appointed, their appointment will be within the limit laid down under Section 224 of the Companies Act, 1956.

FIXED DEPOSIT

The Company has not accepted any fixed deposits within the meaning of Section 58A of the Companies Act, 1956 and Rules made thereunder.



GLOBAL CAPITAL MARKETS LIMITED

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company comes under the category of Non-Banking Financial Company, there was no scope for conservation of energy or technology absorption.

There was no foreign exchange earnings/outgo during the year under review.

PARTICULARS OF EMPLOYEES

No employee of the Company is covered by Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 as amended.

CASH FLOW STATEMENT

The Cash Flow Statement for the year ended 31st March, 2005 pursuant to Clause 32 (as amended) of the Listing Agreement with Stock Exchanges is annexed herewith.

CORPORATE GOVERNANCE

As per requirements of the Listing Agreement entered into with stock exchanges, a separate report on Corporate Governance together with the certificate from the Company's Auditor regarding Compliance of Corporate Governance is attached to this report for information of the members.

Your Company has obtained a Compliance Certificate from Shri Gautam Tibrewal, Practising Company Secretary. The certificate of Shri Gautam Tibrewal is annexed to this report.

DIRECTORS RESPONSIBILITY STATEMENT

In compliance with Section 217(2AA) of the Companies Act, 1956, the Directors report that :

1. The preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to Standard Accounting Practices.
2. Such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give true and fair view of the state of the affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The annual accounts have been prepared on a going concern basis.

APPRECIATION

Your Directors express their feelings of gratitude for the assistance and co-operation extended by Banks, Government authorities, Shareholders, Suppliers and Customers of the Company.

The Directors wish to extend their sincere thanks to each and every employees of the Company for their dedicated contribution and look forward the continuance of it in the times to come.

For and on behalf of the Board of Directors

Kolkata,
July 30, 2005

L. N. SHARMA
Director



GLOBAL CAPITAL MARKETS LIMITED

COMPLIANCE CERTIFICATE FROM COMPANY SECRETARY

To
The Board of Directors
GLOBAL CAPITAL MARKETS LIMITED

I have examined the registers, records and papers of **GLOBAL CAPITAL MARKETS LIMITED** as required to be maintained under the Companies Act, 1956, the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company (the requirements) for the year ended March 31, 2005.

Based on my examination as well as information and explanations furnished by the Company to me and the records made available to me, I report that.

1. The Company is a Listed Company.
2. All the requisite registers and other records required under the Act and Rules made there under have been maintained in accordance with the requirements.
3. All the requisite forms, returns and documents required under the Act and Rules made there under have been filed with the Registrar and other authorities as per the requirements.
4. All the requirements relating to the meetings of directors, shareholders, creditors and other (wherever applicable) as well as relating to the minutes of the proceedings there at, have been complied with.
5. No new appointment of directors and/or other officers of the Company have been made during the financial year.
6. Due disclosure under the requirements have been made by the Company. It has also complied with the requirements in pursuance of the disclosure made by its Directors.
7. The issue of Capital and Securities is in conformity with the requirements.
8. The Company has entrusted the work of Share transfers and other related matters to M/s. AMI Computers (I) Limited, Kolkata and the compliance of various provisions of the Companies Act as regards transfer and transmission of shares etc. has been monitored by the Company through its compliance officer from time to time.
9. Loans and Investments have been made by the Company in accordance with the requirements.
10. All necessary approvals of directors, shareholders, Central Government and other authorities, if any, wherever required have been obtained.

Kolkata
30th June 2005

GAUTAM TIBREWAL
Company Secretary



CORPORATE GOVERNANCE REPORT

Company's policies on the Corporate Governance and due compliance report on specific areas for the year ended 31st March, 2005 are given hereunder divided into the following areas :

I. Company's philosophy on Corporate Governance

Corporate Governance ensures that the company operates within the regulatory framework guided by ethics. A good practice of Corporate Governance helps the Company to use the financial and human resources at its best which brings benefits to investors, customers, creditors, employees and the society in general. Our Company believes that good Corporate Governance is essential to achieve long term corporate goals and to enhance stakeholders' value. Corporate Governance comprises of four essential components viz., transparency, disclosure, independence and fairness.

II. BOARD OF DIRECTORS

(a) Composition of the Board

The Board has presently five members out of which four are non-executive directors. Out of four non-executive directors, three are independent directors. The Board members comprises of professionals possessing required skills, experience and expertise necessary to manage the Company. Normally, the Board meets once in every quarter to review the Company results and all other matters materials in nature. The Company placed before the Board all the statutory and essential matters as recommended by SEBI on Corporate Governance vide its Circular No. SEBI/CFD/DIL/CG/1/2004/12/10 dated 29th October, 2004. The particulars of the Directors and their attendance at the Board Meeting and committee meeting during the year and last AGM as also their number of directorship and committee membership as on 31/03/2005 are enclosed herein below :

Name of Director	Category of Director	No. of other Directorship held	No. of other Board Committee(s) of Which he is a Member	No. of other Board Committee(s) of which he is Chairman
Mr. I. C. Baid	Promoter-Non Executive	Two	Nil	Nil
Mr. L. N. Sharma	Executive	Nil	Nil	Nil
Mr. A. K. Das	Independent-Non Executive	Nil	Nil	Nil
Mr. Amitabh Shukla	Independent-Non Executive	Nil	Nil	Nil
Mr. Kumar Ray	Independent-Non Executive	Nil	Nil	Nil

(b) Details of sitting fees, remuneration etc. paid to Directors.

Name of Director	Sitting fees for attending Meetings of the Board and/or Committee thereof	Remuneration paid during 1st April, 2004 to 31st March, 2005
Mr. I. C. Baid	Rs. 5,000/-	—
Mr. A. K. Das	Rs. 5,000/-	—
Mr. L. N. Sharma	Rs. 5,000/-	—



GLOBAL CAPITAL MARKETS LIMITED

(c) Number of Board Meetings held and attended by Directors

- (i) Five Meetings of the Board of Directors were held during the year 1st April, 2004 to 31st March, 2005.

These were held on :

1. 30th June, 2004
2. 31st July, 2004
3. 30th October, 2004
4. 31st January, 2005
5. 22nd March, 2005

- (ii) The attendance record of each of the Directors at the Board Meetings during the year ended on 31st March, 2005 and at the last Annual General Meeting is as under :

Name of Director	No. of Board Meetings attendance	Attendance at the last AGM
Mr. I.C.Baid	5	Yes
Mr. A.K.Das	5	Yes
Mr. L.N.Sharma	5	Yes
Mr. Amitabh Shukla	1	No
Mr. Kumar Ray	1	No

Information in cases of appointment or reappointment of Directors as required under Listing Agreement

Sl. No.	Name	Date of Birth	Date of Appointment	Experience in Specific Functional area	Educational Qualification	No. of Other Directorship
1	Mr. L. N. Sharma	29.06.1945	27.10.1997	Real Estate Consultant & Developer, Marketing & Sales, Administration	B.Com	Nil
2	Mr. Amitabh Shukla	06.03.1960	22.03.2005	Finance, Company Law, Legal Advisor	LLM	Nil
3	Mr. Kumar Ray	05.10.1949	22.03.2005	Finance, Accounting, Taxation, Company Law	FCA	Nil

III. Audit Committee

- (a) Presently, the Audit Committee comprises of the following independent Directors :

- 1) Mr. Kumar Ray
- 2) Mr. Amitabh Shukla
- 3) Mr. A. K. Das