

FIFTEENTH ANNUAL REPORT 1999 - 2000



J. M. Share & Stock Brokers Limited

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BOARD OF DIRECTORS

Mr. Nimesh N. Kampani — Chairman

Mr. M. C. Bhatt

Mr. Arunkumar R. Gandhi

Mr. Asit Chandmal

Mr. M. R. Mondkar

Mr. Ashith N. Kampani

REGISTERED OFFICE

141, Maker Chambers - III,
Nariman Point
Mumbai-400 021.

AUDITORS

M/s. Khimji Kunverji & Co.
Chartered Accountants
Mumbai

BANKERS

Indian Bank
Ground Floor,
Mittal Tower,
Nariman Point,
Mumbai-400 021.

SOLICITORS

M/s. Udawadia, Udeshi & Berjis (Regd.)
Mumbai

REGISTRARS AND TRANSFER AGENTS

PCS Industries Ltd.
Hyfa Building No. 2,
Near Johnson & Johnson,
Safed Pool,
Kurla-Andheri Road,
Mumbai-400 072.

HDFC Bank
Tulsiani Chambers
Nariman Point
Mumbai-400 021.



J.M. Share & Stock Brokers Ltd.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE FIFTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF J.M. SHARE & STOCK BROKERS LIMITED WILL BE HELD ON FRIDAY, SEPTEMBER 22, 2000 AT 3.30 P.M. AT KAMALNAYAN BAJAJ HALL & ART GALLERY, BAJAJ BHAVAN, GROUND FLOOR, NARIMAN POINT, MUMBAI - 400 021 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended March 31, 2000, the Balance Sheet as at that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr Nimesh N Kampani, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr M R Mondkar, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint the Auditors and authorise the Board of Directors to fix their remuneration.

Dematerialisation
of Securities:

Options for
Investor:

"Depository" means a Company formed and registered under the Companies Act, 1956 and which has been granted a Certificate of Registration under sub-section (1A) of Section 12 of the Securities And Exchange Board of India Act, 1992.

"Security" means such security as may be specified by SEBI.

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and offer the same in a dematerialised form in pursuance of the Depositories Act, 1996.

Every person subscribing to the securities offered by the Company shall have the option to opt for security certificates or to hold the securities with a Depository. A person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any securities in the manner provided by the Depositories Act, 1996 or any amendments thereto and the Company shall, in the manner and within the time prescribed, issue to such beneficial owner, the Certificate of Securities.

If a person opts to hold the securities with a Depository, the Company shall intimate such Depository, the particulars of allotment of security, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.

SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modification(s), the following resolutions as Special Resolutions:

5. **"RESOLVED THAT** pursuant to section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered by inserting a new Article 23(e) after Article 23(d) as follows :

DEMATERIALIZATION OF SECURITIES

23(e) Definitions: For the purpose of this Article :-

"Beneficial Owner" means a person whose name is recorded as such with a Depository.

"SEBI" means the Securities And Exchange Board of India established under section 3 of the Securities And Exchange Board of India Act, 1992.

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Securities in Depositories to be in fungible form:

All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in sections 153, 153A, 153B, 187B, 187C and 372A of the Companies Act, 1956 shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

Rights of Depositories and beneficial owners:

(a) Notwithstanding anything to the contrary contained in the Act or these Articles, Depository(ies) shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.

Transfer of Securities:

Nothing contained in section 108 of the Companies Act, 1956 or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.

(b) Save as otherwise provided in (a) above, the Depository(ies) or the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

Allotment of Securities dealt with in a Depository:

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with in a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his/her/its securities which are held by a Depository.

Distinctive numbers of securities held in a Depository:

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

Register and Index of beneficial owners:

The Register and Index of beneficial owners maintained by a Depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles."

Service of Documents:

Notwithstanding anything in the Act or these Articles to the

- (6) **"RESOLVED THAT** pursuant to section 31 and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification(s) thereto or any re-enactment(s) thereof for the time being in force), the Articles of Association of the Company be and are hereby altered in the following manner;



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The following new Articles 22(a) and 22(b) be inserted after the present Article 22 :

22(a) NOMINATION OF SHARES

- (I) Every holder of shares in the Company may at any time nominate, in the manner prescribed under the Act, a person to whom his/her shares in the Company shall vest in the event of his/her death.
- (II) Where shares in, the Company are held by more than one person jointly, the joint holders may together nominate, in the manner prescribed under the Act, a person to whom all the rights in the shares of the Company shall vest in the event of death of all the joint holders.
- (III) Notwithstanding anything contained in any other law for the time being in force or in disposition, whether testamentary or otherwise, in respect of the shares where a nomination made in the manner prescribed under the Act, purports to confer on any person the right to vest the shares in the Company, the nominee shall on the death of the shareholder concerned, or on the death of the joint holders become entitled to all the rights in relation to such shares to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner prescribed under the Act.
- (IV) Where the nominee is a minor, the holders of the shares concerned, can make the nomination to appoint in the manner prescribed under the Act, any person to become entitled to the shares concerned in the event of his/her death during the minority.

22(b) TRANSMISSION IN CASE OF NOMINATION

- (I) Any person who becomes a nominee by virtue of the provisions of section 109A of the

Companies Act, 1956 upon the production of such evidence as may be required by the Board and subject as hereinafter provided elect either-

- (a) To register himself as the holder of the share(s) or
 - (b) To make such transfer of share(s), as the deceased shareholder, could have made.
- (II) If the person being a nominee, so entitled, elects to be registered as holder of the share(s) himself/herself, he/she shall deliver or send to the Company a notice in writing duly signed by him/her stating that the nominee concerned so elects and such notice shall be accompanied with death certificate of the deceased shareholder.
 - (III) All the limitations, restrictions and provisions of the Act relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer were signed by that shareholder.
 - (IV) A person being a nominee, becoming entitled to a share by reason of the death of the holder shall be entitled to the same dividends and other advantages to which he/she would be entitled if he/she was the registered holder of the shares except that he/she shall not, before being registered as a member in respect of his/her shares, be entitled in respect of it to exercise any right(s) conferred by membership in relation to meetings of the Company.

Provided that the Board may, at any time give notice requiring any such person to elect either to register himself/herself or to transfer the share(s), and if the notice is not acted upon by

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the nominee within ninety days, the Board may thereafter withhold payments of all dividends, bonuses or other moneys payable in respect of the share(s) until requirements of the notice have been complied with."

By order of the Board

Nimesh N Kampani
Chairman

Date : June 24, 2000

Registered Office :

141, Maker Chambers III
Nariman Point,
Mumbai 400 021

NOTES:

- a. The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of item nos. 5 and 6 is annexed and forms part of this Notice.
- b. 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. THE PROXIES, IN ORDER TO BE VALID MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- c. The Register of Members and Share Transfer books of the Company will remain closed from Saturday, September 16, 2000 to Friday, September 22, 2000 (both days inclusive).
- d. Members while corresponding with the Company or its Registrars & Share Transfer Agents, PCS Industries Ltd. are requested to quote their respective folio nos.





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ANNEXURE TO THE NOTICE:

Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956

Item No.5:

As the members are aware, the investors now have the option to hold their securities in a dematerialised form by way of electronic entries instead of physical paper certificates. The National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) have set up depositories under the Depositories Act, 1996. Your Company may sign agreement(s) with any or both of the above Depositories for making an arrangement for its members to hold the shares electronically and trade them in dematerialised mode.

The introduction of this mode of holding and trading in securities in the electronic media along with the existing mode of holding securities in paper certificates requires an amendment in the Articles of Association of the Company, especially in matters such as Register of Members to cover the Beneficial Owners as per the records of the Depositories, fungibility of the shares held in Depositories, transfer of shares held in Depositories, etc. Accordingly, it is proposed to alter the Articles of Association of the Company by including a new Article 23(e) as set out under the Special Resolution at item no.5.

A copy of the Memorandum and Articles of Association of the Company is available for inspection of the Members at the Registered Office of the Company on any working day prior to the date of the Annual General Meeting.

The Board of Directors recommend passing of the Special Resolution proposed at item no.5 of the accompanying Notice.

None of the Directors of the Company is in any way concerned or interested in the said Resolution.

Item No.6:

Sections 109A and 109B and sub-section 11 of section 58-A have been inserted by The Companies (Amendment) Act, 1999 to allow nomination facility to the holders of the shares or debentures or fixed deposit in the Company. Under this facility, every holder of the shares or debentures or fixed deposit in the Company, may at any time nominate in the prescribed manner, a person to whom his/her shares/debentures/fixed deposits in the Company, shall vest in the event of his/her death. Accordingly, it is proposed to alter the Articles of Association of the Company by inserting new Articles 22(a) and 22(b) as set out in the Resolution under item no.6 to allow such nomination facility.

A copy of the Memorandum and Articles of Association of the Company is available for inspection of the Members at the Registered Office of the Company on any working day prior to the date of the Annual General Meeting.

The Board of Directors recommend passing of the Special Resolution proposed at item no.6 of the accompanying Notice.

None of the Directors of the Company is in any way concerned or interested in the said Resolution.

By order of the Board

Nimesh N Kampani
Chairman

Date : June 24, 2000

Registered Office :

141, Maker Chambers III
Nariman Point,
Mumbai 400 021