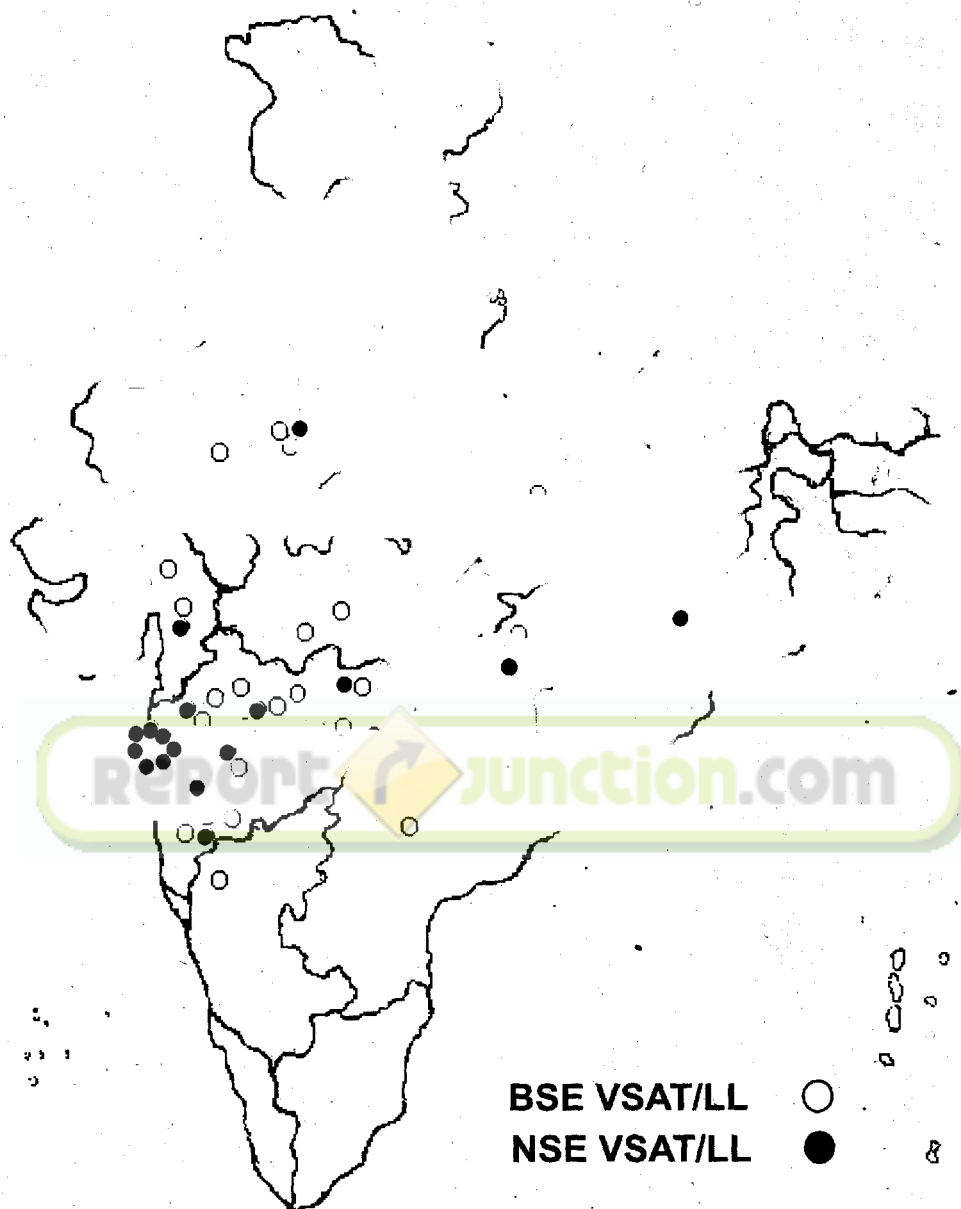


9th Annual Report
2003 - 2004

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JOINDRETM
CAPITAL SERVICES LTD.

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- **Andhra Pradesh:** Warangal • **Chattisgarh:** Bilaspur, Dantari, Jagdalpur, Raipur, Rajnandgaon • **Gujarat:** Baroda, Mahesana • **Jharkhand:** Jamshedpur
- **Karnataka:** Belgaum • **Madhya Pradesh:** Sendhwa, Vindyanagar
- **Maharashtra:** Ahmednagar, Amalner, Amravati, Bhusawal, Buldana, Jalgaon, Kopergaon, Kolhapur, Mumbai, Nashik, Pune, Sangli, Satara, Yavatmal • **New Delhi** • **Orissa:** Sambalpur • **Rajasthan:** Jaipur, Jodhpur
- **Uttar Pradesh:** Deoria, Varanasi • **Uttaranchal:** Dehradun

JOINDRE CAPITAL SERVICES LIMITED**9th ANNUAL GENERAL MEETING**

Date	: 25th September, 2004
Day	: Saturday
Time	: 9.30 a.m.
Place	: 32, Rajabhadur Mansion, 31-A & 31B, 3rd Floor, Ambalal Doshi Marg, Fort, Mumbai - 400 023.
Book Closure Date	: 17th September, 2004 to 25th September, 2004 (both days inclusive)

BOARD OF DIRECTORS

Anil Mutha	Whole-time Director
Subhash Agarwal	Whole-time Director
Ranjit Baradia	Whole-time Director
Dinesh Khandelwal	Whole-time Director
Kamal Agrawal	Whole-time Director
Sunil Jain	Whole-time Director
Paras Bathia	Whole-time Director
Jayesh Shah	Director
Ram Ratan Chirania	Director
Veepin Thokal	Director
Shankar Khandelwal	Director
Pradeep Jain	Director

AUDITORS

Banshi Jain & Associates
Chartered Accountants

BANKERS

ICICI Bank Ltd.
HDFC Bank Ltd.
The Federal Bank Ltd.
Indusind Bank Ltd.

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SHARE TRANSFER AGENTS

Dynamic Superways & Exports Ltd.
Rainbow Palace
I.C.Colony Cross Road No. 5,
Borivali (W), Mumbai - 400103.

REGISTERED OFFICE

32, Raja Bahadur Mansion,
Ground Floor, Opp. Bank of Maharashtra,
Mumbai Samachar Marg,
Fort, Mumbai - 400023.

ADMINISTRATIVE OFFICE

Botawala Building, 2nd Floor,
11/13, Horniman Circle,
Fort, Mumbai - 400023.

JOINDRE CAPITAL SERVICES LIMITED**NOTICE**

Notice is hereby given that the Ninth Annual General Meeting of the Shareholders of JOINDRE CAPITAL SERVICES LIMITED will be held on Saturday, 25th September, 2004 at 32, Rajabhadur Mansion, 31-A & 31-B, 3rd Floor, Ambalal Doshi Marg, Fort, Mumbai 400 023 at 9.30 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2004 and the Profit and Loss Account for the year ended 31st March, 2004 and the Report of the Directors and the Auditors thereon.
2. To declare dividend on equity shares
3. To appoint a Director in place of Mr. Jayesh Shah who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. Ranjit Baradia, who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors to hold Office from the conclusion of this meeting, until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT Mr. Ram Ratan Chirania, who was appointed as an Additional Director under Article 114 of Articles of Association of the Company and who by virtue of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting, but being eligible, offers himself for re-appointment and in respect of whom the Company has received Notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation".

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

"RESOLVED THAT Mr. Veepin Thokal, who was appointed as an Additional Director under Article 114 of Articles of Association of the Company and who by virtue of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting, but being eligible, offers himself for re-appointment and in respect of whom the Company has received Notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation".

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

"RESOLVED THAT Mr. Shankar Khandelwal, who was appointed as an Additional Director under Article 114 of Articles of Association of the Company and who by virtue of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting, but being eligible, offers himself for re-appointment and in respect of whom the Company has received Notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation".

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

"RESOLVED THAT Mr. Pradeep Jain, who was appointed as an Additional Director under Article 114 of Articles of Association of the Company and who by virtue of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting, but being eligible, offers himself for re-appointment and in respect of whom the Company has received Notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation".

JOINDRE CAPITAL SERVICES LIMITED

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

"RESOLVED THAT pursuant to Sections 258 and 259 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government, the number of directors of the Company for the time being in office be increased from 12 to 16.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution any one of the Directors of the Company be and is hereby authorised to do all necessary acts, deeds and things".

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

"RESOLVED THAT pursuant to the resolution passed at item no. 10 of the Notice and pursuant to section 31 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government being granted for increasing the numbers of Directors from 12 to 16, the Article No. 108 of the Articles of Association of the Company wherever the word '12' appears be replaced with '16'.

Registered Office,

32, Raja Bahadur Mansion,
Ground Floor, Opp. Bank of Maharashtra,
Mumbai Samachar Marg,
Fort, Mumbai- 400 023.

By order of the Board,

Subhash Agarwal
Director

Place: Mumbai,

Date : 30th June, 2004.

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956, for item no. 6 to 11 of the Notice is annexed.
4. The Register of Members and Share Transfer Register of the Company will remain closed from Friday, 17th September, 2004 to Saturday, 25th September, 2004 both the days inclusive.
5. Information u/s. 205A read with the Companies Unpaid Dividend (Transfer to General Reserve Account of the Central Government) Rules, 1978, consequent upon amendment to Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999, the amount of dividend remaining unpaid or unclaimed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund set up by the Government of India and no payments shall be made in respect of any such claims by the Fund.
6. The members are requested to :
 - a) Intimate changes, if any, in their Registered address to the Registrar and Transfer Agents of the Company.
 - b) Quote ledger folio numbers in all their correspondence.
 - c) Get the multiple folios consolidated and also get the shares transferred in joint names if they are held in single name to avoid inconvenience in future
 - d) Bring their copies of the Annual Report and the Attendance Slips with them at the Annual General Meeting.
 - e) Write atleast 10 days prior to the date of Meeting, any information which they desire on the accounts, to enable the management to keep the information ready.

JOINDRE CAPITAL SERVICES LIMITED**ANNEXURE TO THE NOTICE****EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956****ITEM NO. 6 to 9**

Mr. Ram Ratan Chirania, Mr. Veepin Thokal, Mr. Shankar Khandelwal and Mr. Pradeep Jain, were appointed as Additional Director under Article 114 of the Articles of Association of the Company on 5th March, 2004, pursuant to Section 260 of the Companies Act, 1956. As per the terms of appointment, their term as Directors expires at the forthcoming Annual General Meeting. The Company in turn has received notices from some members pursuant to Section 257 of the Companies Act, 1956 signifying their intention to appoint them as Directors of the Company liable to retire by rotation. Your Directors recommends their appointment in the best interest of the Company.

None of the Directors of the Company except Mr. Ram Ratan Chirania, Mr. Veepin Thokal, Mr. Shankar Khandelwal and Mr. Pradeep Jain, may be considered to be interested in the passing of the resolutions for their respective appointment.

ITEM NO. 10 & 11

As the members are aware that the Company is listed on Mumbai Stock Exchange. As per Clause 49 of the Listing Agreement pertaining to the Corporate Governance the composition of the Board of Directors shall be in the following manner :

- a. The Company shall have optimum combination of Executive and Non-executive Directors with not less than fifty percent of the Board of Directors comprising of Non-executive Directors and
- b. The number of independent Directors would depend on whether the Chairman is Executive or Non-executive. In case of the Non-executive Chairman, atleast one third of the Board should comprise of independent Directors and in case of an Executive Chairman, atleast half of the Board should comprise of independent Directors.

At present the Company is having 12 Directors out of which 7 are Executive Directors and 1 is Non-executive Director and 4 are Non-executive independent Directors. The Company is not fulfilling the requirements of atleast one half of Non-executive/ Independent Directors. To fulfill and implement the policy regarding the Corporate Governance in its true spirit, the Company has to induct atleast 4 more Non-executive independent Directors. The present composition of Board of Directors of the Company is 12 and the number of directors in office is to be increased to 16. It is, therefore, considered necessary to pass a ordinary resolution as required under section 258 of the Act. The approval of the Central Government is also required under the provisions of section 259 of the Act since the increase in the number of directors is beyond 12. Hence the ordinary resolution is proposed at item no. 10 of the Notice for your approval subject to permission of the Central Government.

In view of the above resolution is being carried out by the Company, after obtaining the Central Government approval, the Company has to also alter its Article No. 108 of Articles of Association, which at present restricts the maximum number of Directors to 12. The special resolution is proposed at item no. 11, which is an enabling resolution and will be implemented as and when the Central Government permission for increasing the number of Directors to 16 is obtained.

None of the Directors of the Company may be considered to be interested in the passing of the resolutions.

Registered Office,
32, Raja Bahadur Mansion,
Ground Floor, Opp. Bank of Maharashtra,
Mumbai Samachar Marg,
Fort, Mumbai- 400 023.

By order of the Board,

Subhash Agarwal
Director

Place: Mumbai,
Date : 30th June, 2004.

JOINDRE CAPITAL SERVICES LIMITED**DIRECTORS' REPORT**

To
The Members,

The Board of Directors are pleased to present herewith the Ninth Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2004.

1. FINANCIAL RESULTS

Particulars	(Rs. in Lakhs)	
	Year Ended 31st March, 2004	Year Ended 31st March, 2003
Gross Total Income	1702.28	830.87
Expenditure	1376.15	817.03
Interest	32.19	17.72
Gross Profit / (Loss)	293.94	(3.88)
Depreciation	53.67	28.00
Profit / (Loss) before tax	240.27	(31.88)
Provision for taxation		
Current (Including Dividend Tax)	62.44	-
Deferred	(2.54)	(37.38)
Excess/ (Short) provision for earlier years	-	(0.03)
Net Profit / (Loss) after tax	180.37	5.53
Balance brought forward from last year	278.10	272.57
Provision for opening deferred tax	(28.45)	-
Balance available for Appropriation	430.02	278.10
Proposed Dividend	83.53	-
Balance carried to the Balance Sheet	346.49	278.10

The consolidated financial results of the Company for the year ended 31st March, 2004 are presented and annexed elsewhere in this report.

2. DIVIDEND

Your Directors are pleased to recommend a dividend of 7.50% i.e. Re. 0.75 per share (Previous year - Nil) for the financial year ended 31st March, 2004.

3. REVIEW OF PERFORMANCE

Your Company has come out with improved financial results for the year under review. The Gross Total Income has increased by 105% and the net profits before tax has increased by 142% (excluding the extra-ordinary item).

The Company has been providing capital market services through the network of branches & sub-brokers/ Authorised Persons as Member of Cash Segment of NSE & BSE and the Trading-cum-Clearing Member of Derivatives Segment of both the Exchanges. The Company is also operating as a Depository Participant of Central Depository Services (I) Ltd..

During the year, the Company has invested Rs. 73.95 lakhs in 'Joindre Commodities Ltd.' which has become a subsidiary of the Company by virtue of the investment. The said company has acquired the memberships of National Commodity & Derivatives Exchange Limited (NCDEX) & Multi Commodity Exchange of India Ltd. (MCX). The operations at both the exchanges has been started by the subsidiary. The volumes in the commodity futures market are showing steady growth and there seems to be a vast business potential in commodity futures in the coming years.

In the current year, the Company has tied-up with Tatanet Division, NELCO Ltd. to provide the on-line connectivity for various market segments at a single VSAT, which shall be helpful in spreading the business of the Company.

The Company has recently shifted to the centralized system of accounting and a substantial portion of the ultimate clientele has already been registered with the Company under the new system. It will eliminate the duplication of work at the sub-broker's office and is expected to bring synergies of operations ensuring better services to the clients in long run.

4. DIRECTORS

Mr. Jayesh Shah and Mr. Ranjit Baradia, Directors retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment

Mr. Ram Ratan Chirania, Mr. Veepin Thokal, Mr. Shankar Khandelwal and Mr. Pradeep Jain, were appointed as Additional Director under Article 114 of the Articles of Association of the Company on 5th March, 2004, pursuant to Section 260 of the Companies

JOINDRE CAPITAL SERVICES LIMITED

Act, 1956. As per the terms of appointment, their term as Directors expires at the forthcoming Annual General Meeting. The Company in turn has received notices from some members pursuant to Section 257 of the Companies Act, 1956 signifying their intention to appoint them as Directors of the Company liable to retire by rotation.

5. CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In terms of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, your Directors wish to state that the same is not applicable to the Company.

6. FIXED DEPOSITS

The Company has not accepted any deposits from public.

7. PARTICULARS OF EMPLOYEES

Particulars of Employees as required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended are not given as no Employee of the company is in receipt of remuneration of Rs. 24,00,000/- per annum or Rs. 2,00,000/- per month.

8. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors state:

- i) That in the preparation of the Annual Accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures.
- ii) That appropriate accounting policies have been selected and applied consistently and the judgement and estimates made by them are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit or loss of the Company for the year.
- iii) That 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.
- iv) That the annual accounts have been prepared on a going concern basis.

9. CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, the Corporate Governance Report is separately given in this Report. The statutory auditor's certificate on corporate governance is also annexed to this report.

10. SUBSIDIARY COMPANIES

The information including Annual Accounts, Director's Report and Auditor's Report in respect of the subsidiary viz. Joindre Commodities Limited as on 31st March 2004 are annexed as required u/s 212 of the Companies Act 1956.

11. LISTING OF SHARES

The Company's shares are listed on The Stock Exchange, Mumbai and the company has paid the listing Fees for the same.

12. AUDITORS

M/s. Banshi Jain & Associates, Chartered Accountants retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a certificate from them to the effect that their re-appointment, if made would be within the prescribed limits specified under Section 224(1B) of the Companies Act, 1956.

13. ACKNOWLEDGMENT

The Board wishes to place on records its appreciation to all its Shareholders, Customers, Bankers, Stock Exchange Authorities and Employees for the co-operation and contributions made by them at all levels.

Registered Office,
32, Raja Bahadur Mansion,
Ground Floor, Opp. Bank of Maharashtra,
Mumbai Samachar Marg,
Fort, Mumbai- 400 023.

By order of the Board,

Subhash Agarwal
Director

Place: Mumbai,
Date : 30th June, 2004.

JOINDRE CAPITAL SERVICES LIMITED**CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF
CONDITIONS OF CORPORATE GOVERNANCE****To the shareholders of Joindre Capital Services Ltd**

We have examined the compliance of conditions of Corporate Governance by Joindre Capital Services Ltd, for the year ended 31st March, 2004 as stipulated in clause 49 of the Listing Agreements of the said company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement, subject to the following:

The Board of Directors of the Company does not have an optimum combination of executive and non-executive directors. The number of non- executive directors is less than 50 per cent of the strength of total directors. Further since the board meetings are chaired by an executive director, the company does not have the minimum requisite number of independent directors.

We state that no investor grievance is pending against the Company exceeding one month as per records maintained by the Company which are presented to the Shareholders/ Investors Grievance Committee.

We 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.

For Banshi Jain & Associates
Chartered Accountants

Parag Jain
(Partner)

Membership No.: 78548

Place : MUMBAI

Dated : 30th June, 2004.

JOINDRE CAPITAL SERVICES LIMITED

CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on corporate governance is aimed at assisting the top management of the company in efficient conduct of its business, transparency in management and in meeting its obligations towards shareholders.

2. BOARD OF DIRECTORS

The present strength of the Board is 12 (Twelve) Directors. The Board comprises of 7 Whole-Time (Executive) Directors and 5 Non-executive Directors. The Board's role, functions, responsibility and accountability are clearly defined. The company has not appointed any Director as Chairman of the Board of Directors or of the company. In the current year the Company proposes to have optimum combination of Executive and Non-executive / independent Directors in accordance with the requirement of Clause 49 of the Listing Agreement. The Company proposes to increase the strength of its Board of Directors from 12 Directors to 16 Directors, for which necessary resolutions are incorporated in the Notice convening Annual General Meeting.

The Meeting of the Board of Directors are generally chaired by Mr. Subhash Agarwal or in his absence by Mr. Kamal Agrawal. The attendance of each Director at the Board Meetings and the last AGM is given below:

Name of the Director	Category of Directorship	Attendance of Board Meeting	Attendance of Last AGM	No. of Other Directorships	No. of other Committees as Member/ Chairperson
Mr. Anil Mutha	Whole Time	16	Yes	4	-
Mr. Subhash Agarwal	Whole Time	16	Yes	2	-
Mr. Ranjit Baradia	Whole Time	16	Yes	2	-
Mr. Dinesh Khandewal	Whole Time	16	Yes	1	-
Mr. Kamal Agrawal	Whole Time	16	Yes	1	-
Mr. Sunil Jain	Whole Time	16	Yes	1	-
Mr. Paras Bathia	Whole Time	16	Yes	1	-
Mr. Jayesh Shah	Non-executive	-	No	5	-
*Mr. Ram Ratan Chirania	Non-executive	1	No	-	-
	Independent				
*Mr. Veepin Thokal	Non-executive	1	No	-	-
	Independent				
*Mr. Shankar Khandelwal	Non-executive	1	No	1	-
	Independent				
*Mr. Pradeep Jain	Non-executive	1	No	-	-
	Independent				

* Appointed with effect from 5th March, 2004.

Shri Ram Ratan Chirania is a practising Chartered Accountant since last 13 years.

Shri Veepin Thokal is a practising Advocate since last 18 years.

Shri Shankar Khandelwal is a businessman.

Shri Pradeep Jain is a practising Chartered Accountant since last 7 years.

3. AUDIT COMMITTEE

The following Directors have been appointed as Members of the Audit Committee (i) Mr. Subhash Agarwal - Chairman (ii) Mr. Anil Mutha - Member (iii) Mr. Kamal Agrawal - Member. Mr. Sunil Jain, a Whole-Time Director of the Company would attend the meeting on the invitation of the Chairman. The Audit Committee would meet periodically and give its reports and recommendations to the Board of Directors for Corporate Governance and overall improvement in the functioning of the Company. There were 3 meetings of the Audit Committee during the year 2003-2004. The attendance of each member of the Committee is given below:

Name of the Director	No. of Meetings attended
Mr. Subhash Agarwal	3
Mr. Anil Mutha	3
Mr. Kamal Agrawal	3
Mr. Sunil Jain	3

As per the terms of reference prescribed by the Board as stipulated in Clause 49(II)(d) of the Listing Agreement, the committee performs such duties and tasks as are assigned to it by the Board. The Committee has access to all records of the Company. The committee reviews the report of the internal and statutory auditors, internal audit systems and procedures, internal control systems, etc. and also addresses the requirements of the Companies Act, 1956 and the Listing Agreement with the Stock Exchanges.

With effect from 5th March, 2004, the Board of Directors has reconstituted the Audit Committee which shall consist of the following members: (i) Mr. Pradeep Jain - Chairman (ii) Mr. Ram Ratan Chirania - Member and (iii) Mr. Shankar Khandelwal - Member, all being non-executive independent directors.