

# *13th Annual Report*

## *2007-2008*

Report  junction.com



**JOINDRE CAPITAL SERVICES LTD.**

## **JOINDRE CAPITAL SERVICES LIMITED**

### **MEMBERSHIP**

NATIONAL STOCK EXCHANGE OF INDIA LTD.  
BOMBAY STOCK EXCHANGE LTD.  
VADODARA STOCK EXCHANGE  
COCHIN STOCK EXCHANGE  
BANGALORE STOCK EXCHANGE  
SAURASHTRA KUTCH STOCK EXCHANGE  
INTER CONNECTED STOCK EXCHANGE

DP: CENTRAL DEPOSITORY SERVICES (I) LTD.

### **SUBSIDIARY COMPANIES**

## **JOINDRE COMMODITIES LTD.**

### **MEMBERSHIP**

NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED  
MULTY COMMODITY EXCHANGE OF INDIA LIMITED

## **JOINDRE DMCC**

### **MEMBERSHIP**

DUBAI GOLD & COMMODITIES EXCHANGE

**JOINDRE****JOINDRE CAPITAL SERVICES LTD.****13th ANNUAL GENERAL MEETING**

**Date** : 13th September, 2008  
**Day** : Saturday  
**Time** : 10.00 A. M.  
**Place** : M.C. Ghia Hall (ITAMMA)  
 Bhogilal Hargovindas Building,  
 2nd Floor, 18/20 Kaikhushru  
 Dubash Marg, (behind Prince  
 of Wales Museum),  
 Mumbai – 400 001  
**Book Closure** : 6th September, 2008  
**Date** : To  
 13th September, 2008  
 (Both days inclusive)

**BOARD OF DIRECTORS**

<b>Anil Mutha</b>	Whole-time Director
<b>Dinesh Khandelwal</b>	Whole-time Director
<b>Paras Bathla</b>	Whole-time Director
<b>Ranjit Baradia</b>	Whole-time Director
<b>Subhash Agarwal</b>	Whole-time Director
<b>Sunil Jain</b>	Whole-time Director
<b>Kamal Agrawal</b>	Director (Resigned w.e.f. 29th November, 2007)
<b>Jayesh Shah</b>	Director (Resigned w.e.f. 29th November, 2007)
<b>Mahendrakumar Jain</b>	Director
<b>Pradeep Jain</b>	Director
<b>Ram Ratan Chirania</b>	Director (Resigned w.e.f. 21st April, 2008)
<b>Shankar Khandelwal</b>	Director
<b>Veepin Thokal</b>	Director

**COMPANY SECRETARY**

Vijay Pednekar

**AUDITORS**

**Banshi Jain & Associates**  
Chartered Accountants

**BANKERS**

Bank of India  
ICICI Bank Ltd.  
HDFC Bank Ltd.  
IDBI Bank Ltd.

**SHARE TRANSFER AGENTS**

**Sharex Dynamic (India) Pvt. Ltd.**  
17/B, Dena Bank Building, 2nd Floor, Horniman Circle,  
Fort, Mumbai – 400 001.  
Tel. No. (022) 22702485, 22641376, Fax No. 22641349  
e-mail : [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com)

**REGISTERED OFFICE**

32, Raja Bahadur Mansion,  
Ground Floor, Opp. Bank of Maharashtra,  
Mumbai Samachar Marg,  
Fort, Mumbai – 400023.  
Tele No. (022) 40334720, 40334724, Fax No. 40334721

**ADMINISTRATIVE OFFICE**

Botawala Building, 2nd Floor,  
11/13, Horniman Circle,  
Fort, Mumbai – 400023.  
Tel No. (022) 40334567, 40334569, Fax No. 40334568  
Website : [www.joindre.com](http://www.joindre.com)

**CONTENTS**

Page No.

Notice .....	2
Directors' Report .....	4
Report on Corporate Governance .....	5
Auditors' Report .....	9
Balance Sheet .....	12
Profit and Loss Account .....	13
Schedules forming part of Statement of Accounts .....	14
Cash Flow Statement .....	20
Statement in pursuance of Sec. 212 of the Companies Act, 1956 .....	21
Consolidated Financial Statements .....	21
Annual Report of Subsidiaries .....	22
Proxy Form & Attendance Slip .....	44



JOINDRE

JOINDRE CAPITAL SERVICES LTD.

## NOTICE

Notice is hereby given that the Thirteenth Annual General Meeting of the Shareholders of **JOINDRE CAPITAL SERVICES LIMITED** will be held on Saturday, 13th September, 2008 at M. C. GHIA HALL (ITAMMA), Bhogilal Hargovindas Building, 2nd Floor, 18/20, Kaikhushru Dubash Marg, ( Behind Prince of Wales Museum), Mumbai – 400001 at 10.00 A.M. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2008 and the Profit and Loss Account for the year ended 31st March, 2008 and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Mahendrakumar Jain, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Shankar Khandelwal, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Pradeep Jain, who retires by rotation and being eligible offers himself for re-appointment.
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 in accordance with the provisions of Section 94 and all other applicable provisions, if any, of the Companies Act, 1956, the Authorised Share Capital of the Company be increased from Rs. 11,75,00,000/- (Rupees Eleven Crores Seventy Five Lacs only) divided into 1,17,50,000 (One Crore Seventeen Lakhs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten only) to Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only)".

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

"RESOLVED THAT pursuant to Section 16 and other applicable provisions of the Companies Act, 1956, Clause V of the Memorandum of Association of the Company be and is hereby altered by deleting the same and substituting, in its place, the following:

- V. The Authorised Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each with power to increase or reduce the same".

"RESOLVED FURTHER THAT Mr. Subhash Agarwal, Director of the Company or any other Director(s) of the Company be authorized to submit an application to the Registrar of Companies, Maharashtra, Mumbai and to do all such acts, deeds and things as may be required to be done in this regard to give effect to the above resolution".

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

"RESOLVED THAT pursuant to Section 31 and other applicable provisions of the Companies Act, 1956, Article 3 of the Articles of Association of the Company be and is hereby altered by deleting the same and substituting, in its place, the following:

3. The Authorised Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each with rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being with power to increase or reduce Capital or to divide the Shares in the Capital for the time being to several classes and to attach thereto respectively such preferential or other rights, privileges or conditions in such manner as may be permitted by the Act or provided by the Articles of Association of the Company for the time being and as may be thought expedient".

"RESOLVED FURTHER THAT Mr. Subhash Agarwal, Director of the Company or any other Director(s) of the Company be authorized to submit an application to the Registrar of Companies, Maharashtra, Mumbai and to do all such acts, deeds and things as may be required to be done in this regard to give effect to the above resolution".

**By Order of the Board**

**Subhash Agarwal**  
Whole Time Director

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

**Place : Mumbai**  
**Date : 30th June, 2008**



JOINDRE

JOINDRE CAPITAL SERVICES LTD.

**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 of the Companies Act, 1956 for item nos. 6 to 8 of the notice is enclosed.
4. The Register of Members and Share Transfer Register of the Company will remain closed from Saturday, 6th September, 2008 to Saturday, 13th September, 2008 both the days inclusive.
5. Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, dividend for the financial year March 31, 1998 and dividends declared thereafter, which remain unclaimed for a period of seven years, will be transferred by the Company to the IEPF pursuant to Section 205C of the Companies Act, 1956.

Financial Year ended	Date of declaration of Dividend	Last date for claiming un-paid Dividend
31st March, 2004	25th September, 2004	24th September, 2011

Members who have not so far received / encashed Dividend for the aforesaid year are requested to seek issue of duplicate warrant(s) by writing to the Company's Registrar & Transfer Agents, Sharex Dynamic (India) Private Limited immediately.

**Members are requested to note that no claims shall be against the said fund or the Company in respect of any amounts which were unclaimed and unpaid for a period of 7 (seven) years from the dates they first became due for payment and no payment shall be made in respect of any such claims.**

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 at least 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.

**EXPLANATORY STATEMENT**

(Pursuant to Section 173(2) of the Companies Act, 1956)

The following explanatory statement sets out the material facts relating to Item Nos. 6 to 8 of the Notice convening the Annual General Meeting of the Company.

**ITEM NOS. 6 to 8**

At present the Authorised Share Capital of the Company is Rs. 11,75,00,000/- (Rupees Eleven Crores Seventy-Five Lacs only) divided into 1,17,50,000 (One Crore Seventeen Lakhs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten only) each.

The Company has proposed the Amalgamation of Priority Shreshoppe Private Limited with the Company. The Company is required to allot the Shares to the Shareholders of Priority Shreshoppe Private Limited as per Share Exchange Ratio as may be approved by the Hon'ble High Court, Mumbai. In order to enable the Company to issue Shares to the Shareholders of Priority Shreshoppe Private Limited, the Company is required to increase its present Authorised Share Capital from Rs. 11,75,00,000/- (Rupees Eleven Crores Seventy Five Lacs only) divided into 1,17,50,000 (One Crore Seventeen Lakhs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each. The resolution for increase in Authorised Share Capital is proposed at item No. 6 of the Notice.

Consequent to the increase in Authorised Share Capital, the Capital Clause V of Memorandum of Association of the Company will be altered and accordingly item No. 7 of the Notice is recommended for the same.

Consequent to the increase in Authorised Share Capital, the Article 3 of Articles of Association of the Company will be altered and accordingly item No. 8 of the Notice is recommended for the same.

None of the Directors is concerned or interested in these resolutions, except as Members of the Company.

**By Order of the Board**

**Subhash Agarwal**  
Whole Time Director

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

**Place : Mumbai**  
**Date : 30th June, 2008**



JOINDRE

JOINDRE CAPITAL SERVICES LTD.

## **DIRECTORS' REPORT**

To  
The Members,

The Board of Directors are pleased to present herewith the Thirteenth Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2008.

### **1. FINANCIAL RESULTS**

(Rs. in Lakhs)

Particulars	Year Ended 31st March, 2008	Year Ended 31st March, 2007
Gross Total Income	5148.26	3451.50
Expenditure	4119.70	2914.34
Interest	74.78	42.82
Gross Profit/(Loss)	953.78	494.34
Depreciation	35.25	(46.01)
Profit/(Loss) before Tax	918.53	540.35
Provisions for Taxation		
Current	229.02	157.17
Deferred	(7.51)	(2.97)
Provision for earlier year	10.22	-
Net Profit/(loss) after Tax	686.80	386.15
Balance B/f from last year	1161.33	775.18
Balance C/f to the Balance Sheet	1848.13	1161.33

### **2. DIVIDEND**

Your Directors do not recommend any dividend for the year under review in order to conserve the resources of the Company.

### **3. REVIEW OF PERFORMANCE**

During the year under review the Gross Total Income of the Company increased from Rs.3451.50 Lacs to Rs.5148.26 Lacs showing an increase of 49.16 % and Net Profit for the year increased from Rs.386.15 Lacs to Rs.686.80 Lacs showing an increase of 77.86%

The Company has been providing Capital Market Services through the network of Branches and 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.

The Subsidiary Joindre Commodities Ltd. is providing Services for Trading in Commodity Futures as a Member of NCDEX & MCX. The Company incorporated a Subsidiary M/s JOINDRE DMCC at Dubai is providing Services for Trading in Commodity as a Member of DGCX.

The Research Division of the Company has been providing value added services to our clients in Capital and Commodities Market.

As regards the turnover fee liability of SEBI, refer to note no. B (9) to the notes forming part of accounts, which is self explanatory.

### **4. DIRECTORS**

Mr. Mahendrakumar Jain, Mr. Shanker Khandelwal and

Mr. Pradeep Jain Directors retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. Mr. Kamal Agrawal, Mr. Jayesh Shah and Mr. Ram Ratan Chirania have resigned as Director of the Company. The Board records its appreciation for the valuable contribution made by them during their tenure as Directors of the Company.

### **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:

- That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- That appropriate Accounting Policies have been selected and applied consistently and judgment 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 the financial year and of the profit or loss of the Company for the year.
- 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.
- That the Annual Accounts have been prepared on a going concern basis.

### **9. CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, the Corporate Governance Report is separately given in this Report. The Auditor's Certificate on Corporate Governance is also annexed to this report.

### **10. SUBSIDIARY COMPANIES**

The information including Annual Accounts, Directors' Report and Auditors' Report in respect of the Subsidiaries viz. Joindre Commodities Limited and Joindre DMCC, Dubai as on 31st March 2008 are annexed as required U/s 212 of the Companies, Act 1956.



JOINDRE

JOINDRE CAPITAL SERVICES LTD.

## 11. LISTING OF SHARES

The Company's Shares are listed on Bombay Stock Exchange Ltd., 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.

By Order of the Board

**Subhash Agarwal**  
Whole Time Director

### Registered Office :

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

Place : Mumbai

Date : 30th June, 2008

## 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, 2008 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 percent 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

Date : 30th June, 2008

## CORPORATE GOVERNANCE

The Bombay Stock Exchange Limited has implemented the revised provisions of Clause 49 of the Listing Agreement from December 31, 2005. The Company has already taken steps to comply with the revised provisions to the maximum extent possible.

As per Schedule IC of Clause 49 of Listing Agreement, which requires to incorporate certain mandatory disclosure with regard to Corporate Governance Report. In pursuance of the said requirements, the Board of Directors reports the following:

### 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 Board's role, functions, responsibility and accountability are clearly defined. The Company has not appointed any Director as Chairman of the Board of Directors of the Company.

i) Board Composition: The strength of the Board was 11 Directors as on 31st March, 2008. The composition and category of Directors on the Board of the Company are:

#### Executive Directors

Name of Director	Designation	Relationship
Mr. Subhash Agarwal	Whole Time Director	No relation with other Director
Mr. Anil Mutha	Whole Time Director	No relation with other Director
Mr. Sunil Jain	Whole Time Director	No relation with other Director
Mr. Ranjit Baradia	Whole Time Director	No relation with other Director
Mr. Dinesh Khandelwal	Whole Time Director	No relation with other Director
Mr. Paras Bathia	Whole Time Director	No relation with other Director



JOINDRE

JOINDRE CAPITAL SERVICES LTD.

**Non - Executive Directors**

Name of Director	Designation	Relationship
* Mr. Kamal Agarwal	Director	No relation with other Director
* Mr. Jayesh Shah	Director	No relation with other Director
**Mr. Ram Ratan Chirania	Independent Director	No relation with other Director
Mr. Veepin Thokal	Independent Director	No relation with other Director
Mr. Shankar Khandelwal	Independent Director	No relation with other Director
Mr. Pradeep Jain	Independent Director	No relation with other Director
Mr. Mahendrakumar Jain	Independent Director	No relation with other Director

\* Resigned w.e.f. 29th November, 2007

\*\* Resigned w.e.f. 21st April, 2008

The Independent Directors do not have any material or pecuniary relationship or transaction with the Company, its promoters or its management, which may affect their judgment in any manner.

ii) Other Directorship and Membership of Board Committees: None of the Directors hold Directorship in more than the permissible number of Company under the relevant provision. Further, none of the Directors on the Board is a member of more than Ten Committees or Chairman of more than Five Committees.

iii) Board Meetings: The Board met 28 times during the period from April, 2007 to March, 2008, i.e. 2nd April, 2007, 10th April, 2007, 28th April, 2007, 10th May, 2007, 5th June, 2007, 29th June, 2007, 10th July, 2007, 31st July, 2007, 10th August, 2007, 30th August, 2007, 5th September, 2007, 27th September, 2007, 10th October, 2007, 18th October, 2007, 31st October, 2007, 1st November, 2007, 29th November, 2007, 6th December, 2007, 3rd January, 2008, 28th January, 2008, 31st January, 2008, 5th February, 2008, 11th February, 2008, 3rd March, 2008, 14th March, 2008, 19th March, 2008, 26th March, 2008 and 31st March, 2008.

iv) Board Meeting Attendance record of the Directors in 2007-2008: The Meeting of the Board of Directors are generally chaired by Mr. Subhash Agarwal. The attendance of each Director at the Board Meetings and the last AGM is given below:

Name of the Director & Directorship	Attendance of Board Meeting	Attendance of last AGM	No. of other Directorships	No. of other Committees Chair Person
Mr. Anil Mutha (Whole Time Director)	28	Yes	6	-
Mr. Subhash Agarwal (Whole Time Director)	28	Yes	4	-
Mr. Ranjit Baradia (Whole Time Director)	28	Yes	4	-

Name of the Director & Directorship	Attendance of Board Meeting	Attendance of last AGM	No. of other Directorships	No. of other Committees Chair Person
Mr. Dinesh Khandelwal (Whole Time Director)	28	Yes	3	-
Mr. Sunil Jain (Whole Time Director)	28	Yes	4	-
Mr. Paras Bathia (Whole Time Director)	28	Yes	4	-
* Mr. Kamal Agrawal (Director)	2	No	1	-
* Mr. Jayesh Shah (Director)	-	No	5	-
** Mr. Ram Ratan Chirania (Non-Executive Independent Director)	4	No	-	-
Mr. Veepin Thokal (Non-Executive Independent Director)	4	Yes	-	-
Mr. Shankar Khandelwal (Non-Executive Independent Director)	4	No	1	-
Mr. Pradeep Jain (Non-Executive Independent Director)	4	No	-	-
Mr. Mahendrakumar Jain (Non-Executive Independent Director)	4	No	1	-

\* Resigned w.e.f. 29th November, 2007.

\*\* Resigned w.e.f. 21st April, 2008

**v) Code of Conduct:**

The Board has formulated a code of conduct for the Board Members and Senior Management of the Company. All Board Members and Senior Management have affirmed their compliance with the code. A declaration to this effect signed by the Whole Time Director of the Company is given elsewhere in the Annual Report.

**3. AUDIT COMMITTEE**

The following Directors have been appointed as Members of the Audit Committee (i) Mr. Pradeep Jain – Chairman, (ii) Mr. Ram Ratan Chirania – Member (iii) Mr. Shankar Khandelwal – Member, all being Non-Executive Independent Directors.

The Audit Committee of the Company meets before the finalization of Accounts each year and also meets each quarter before the Results of that quarter is published in the newspaper and informed to the Stock Exchange as required under Clause 41 of the Listing Agreement. The Audit Committee gives its reports and recommendations to the Board of Directors for Corporate Governance and overall improvement in the functioning of the Company.

There were 4 meetings of the Audit Committee during the year 2007 – 2008. The attendance of each member of the Committee is given below:

**JOINDRE****JOINDRE CAPITAL SERVICES LTD.**

Name of the Director	No. of Meetings Attended
Mr. Pradeep Jain	4
Mr. Ram Ratan Chirania	4
Mr. Shankar Khandelwal	4

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.

#### 4. REMUNERATION COMMITTEE

The resolution passed at the Tenth Annual General Meeting has constituted the Board of Directors as the Remuneration Committee and Accordingly the Board of Directors (Constituted Remuneration Committee) which determines and recommends the Remuneration package payable to the Whole Time Directors subject to approval by Members in the General Meeting. The Board of Directors (Constituted Remuneration Committee) has approved the re-appointment and Remuneration payable to Mr. Anil Mutha, Mr. Subhash Agarwal, Mr. Ranjit Baradia, Mr. Dinesh Khandelwal, Mr. Sunil Jain, Mr. Paras Bathia and \*Mr. Kamal Agrawal approved by the Members at the Tenth Annual General Meeting. The present terms of their appointment are upto 14th September, 2010. The aggregate value of remuneration, perquisites and sitting fees paid to the Whole Time Directors and Non-Executive Independent Directors for the year ended 31st March, 2008, were as under:

Name of the Director	Salary	Provi- dent Fund	Perqui- -sites	Sitting Fees
Mr. Anil Mutha	600000	72000	23452	Nil
Mr. Subhash Agarwal	600000	72000	34283	Nil
Mr. Ranjit Baradia	600000	72000	26249	Nil
Mr. Dinesh Khandelwal	600000	72000	25495	Nil
Mr. Sunil Jain	600000	72000	18445	Nil
Mr. Paras Bathia	600000	72000	21789	Nil
* Mr. Kamal Agrawal	Nil	Nil	Nil	Nil
* Mr. Jayesh Shah	Nil	Nil	Nil	Nil
** Mr. RamRatan Chirania	Nil	Nil	Nil	Nil
Mr. Veepin Thokal	Nil	Nil	Nil	Nil
Mr. Mahendrakumar Jain	Nil	Nil	Nil	Nil
Mr. Shankar Khandelwal	Nil	Nil	Nil	Nil
Mr. Pradeep Jain	Nil	Nil	Nil	Nil

\* Resigned w.e.f. 29th November, 2007

\*\* Resigned w.e.f. 21st April, 2008

#### NOTES:

- The Company has not paid any remuneration to Independent Non-Executive Director.
- The Company does not pay bonus, pension and incentives to the Executive Director. The Company so far has not issued any stock options to Executive / Non-executive / Independent Director.

#### 3. Equity shares of Joindre Capital Services Limited held by Non Executive Directors are as follows:

Directors	No. of Shares held as on 31st March, 2008	No. of Shares held as on 31st March, 2007
Mr. Jayesh Shah	Nil	19,22,150
Mr. Kamal Agarwal	Nil	3,03,250
Mr. Veepin Thokal	Nil	Nil
Mr. Shankar Khandelwal	Nil	Nil
Mr. Pradeep Jain	Nil	Nil
Mr. Mahendrakumar Jain	Nil	Nil
Mr. Ram Ratan Chirania	Nil	Nil

#### 5. SHAREHOLDERS/INVESTORS GRIEVANCES COMMITTEE

The Board has re-constituted on 28th December, 2005 a Shareholders / Investors Grievances Committee comprising of (i) Mr. Pradeep Jain – Chairman being Non Executive Independent Director, (ii) Mr. Ram Ratan Chirania – Member & Non Executive Independent Director, (iii) Mr. Subhash Agarwal – Member & Executive Director. The Committee looks into investors / shareholders complaints. The Company has resolved all complaints by furnishing the requisite information/documents. All share transfer work of the Company is carried out by the Company's Share Transfer Agents M/s. Sharex Dynamic (India) Private Limited.

As required by the Stock Exchanges, the Company has appointed Mr. A. P. Shukla as the Compliance Officer to monitor the Share Transfer process and liaise with the regulatory authorities.

#### 6. GENERAL BODY MEETINGS

Date time and venue for the last 3 Annual General Meetings are given below:

Financial Year Ended	Date	Time	Venue
31-3-2005	24-9-2005	9.30 a.m.	32, Raja Bahadur Mansion, 31-A/31-B, 3rd Floor, Ambalal Doshi Marg, Fort, Mumbai - 400 023.
31-3-2006	23-9-2006	9.30 a.m.	----- Do -----
31-3-2007	29-9-2007	9.30 a.m.	----- Do -----

#### Notes:

- There were no special resolutions passed by the Company at any of the above meetings.
- There were no special resolutions passed through postal ballot last year.
- At the ensuing Annual General Meeting, there are no resolutions proposed to be passed through postal ballot.

#### 7. DISCLOSURES

- The Company has not entered into any materially significant related party transaction during the year that may have potential conflict with the interests of the Company at large.



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- ii. There has been no incidence of non-compliance by the Company of any Statutory Regulations nor any penalty or stricture imposed by the Stock Exchange or SEBI or any other Statutory Authority, on any matter relating to the capital market over the last three years.
- iii. The details of all transactions with related parties are placed before the Audit Committee on quarterly basis.
- iv. In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.
- v. The constitution of whistle blower policy is a non-mandatory requirement. However the Company affirms that no employee has been denied access to the Audit Committee during the financial year 2007-08.
- vi. The Company has complied with all mandatory requirements of clause 49 of Listing Agreement, except Independent Directors which the Company is in the process of appointment of Independent Directors.

## 8. MEANS OF COMMUNICATION

The Board takes on record the Un-audited (with Limited Reviews by the Auditors) Financial Results in the prescribed proforma of the Stock Exchanges within a month of closure of the quarter and announces forthwith the Results to all the Stock Exchanges where the Company is listed. Further, the highlights of quarterly Un-audited Financial Results are also published at least in two newspapers within 48 hours of the conclusion of the meeting of the Board in which they are taken on record. This is published at least in one english daily newspaper circulating in the whole or substantially the whole of India and in one newspaper published in the language of the region, i.e. Maharashtra since, the place of the Registered Office of the Company is at Mumbai (Maharashtra).

## 9. GENERAL SHAREHOLDER INFORMATION

**AGM Date : 13th September, 2008**

### Financial Year

Your Company follows April – March as financial year. The Un-audited Results for first, second and third quarter would be published in July, 2008, October, 2008 and January, 2009 respectively. Annual Audited Results would be published in June, 2009.

### Listing on Stock Exchanges

The Company's Shares are Listed at Bombay Stock Exchange Ltd., Mumbai (Code No. 531861) and the listing fees for the year 2008 – 2009 have been paid to the Exchange.

### Stock Market Data

### BSE (Rs.)

Month	Month's High	Month's Low
April-2007	17.75	13.25
May-2007	17.60	13.10
June-2007	18.70	15.10
July-2007	18.65	13.50
August-2007	37.95	15.10
September-2007	43.05	29.05
October-2007	39.30	29.50
November-2007	41.70	30.50
December-2007	64.40	42.15
January-2008	90.95	52.30
February-2008	54.65	36.55
March-2008	36.00	21.05

## Share Transfer System

Share transfer in physical form are registered and returned within a period of 30 days from the date of lodgment, in case the documents are complete in all respect. The Company provides the facility of simultaneous transfer and dematerialization of shares. As regards the transfer of dematerialized shares, the same can be effected through the demat accounts maintained by the transferors and the transferees with recognized depository participants. Shareholders are advised to approach the Company's Registrar and Transfer Agents M/s Sharex Dynamic (India) Private Limited for any physical or demat share related enquiries.

## Distribution of Shareholding as on 31<sup>st</sup> March, 2008

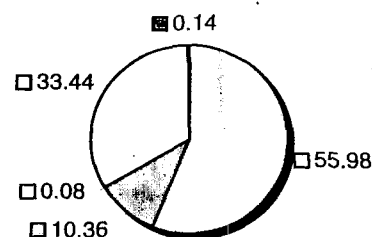
No. of Shares	No. of Share holders	No. of Shares Held	%age of Share Holding
Upto 500	1712	376393	3.38
501 to 1000	314	278651	2.50
1001 to 5000	339	808915	7.26
1001 to 10000	58	457545	4.11
10001 to 100000	67	2155751	19.36
100000 & above	22	7059205	63.39
Total	2512	11136460	100.00

## Dematerialization of shares

As on 31st March, 2008, 1,05,85,410 shares representing 95.05 % of the Paid-up Capital of the Company were dematerialized.

## Shareholding Pattern as on 31st March, 2008

Category	No. of Shares Held	%age of Shares Held
Director & Relatives	6233725	55.98
Body Corporates	1153810	10.36
NRI'S	9134	0.08
Public	3724276	33.44
Clearing Members	15515	0.14



## 10. Auditors' Certificate on Corporate Governance

Auditors' certificate on compliance of clause 49 of the Listing Agreement relating to Corporate Governance is published as an annexure to the Directors' Report.