



AJCON GLOBAL SERVICES LIMITED

(Formerly known as Ajcon Capital Markets Limited)

**WITH THE RIGHT COMPANY THERE IS ONLY ONE DIRECTION
TO GO, THAT IS**



UP

**21st ANNUAL REPORT
2007-2008**

Dear Shareholders,



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An Internet Trading Portal



CA. Ashok Kumar Ajmera

Chairman & Managing Director
Your Friendly Advisor

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AJCON GLOBAL SERVICES LIMITED

Regd. Off. :101, Samarth, Lt. P.N. Kotnis Road,

Off. Hinduja Hospital, Mahim (West), Mumbai 400 016.



CORPORATE INFORMATION**BOARD OF DIRECTORS**C.A. Ashok Kumar Ajmera – *Chairman and Managing Director*

Shashikant B. Limaye - Director

CA. Narayan Atal – Director

CA. Rajendra Bakiwala - Director

Ankit Ajmera – Executive Director

Anuj Ajmera – Executive Director

AUDITORS

G.N.SHANBHAG & CO.

Chartered Accountants

Mumbai

COMPANY SECRETARY

Mr. S. M. Jain

BANKERS

Union Bank of India

Corporation Bank

Andhra Bank

HDFC Bank

ICICI Bank

AXIS Bank

REGISTERED AND CORPORATE OFFICE

101, Samarth, Lt. P.N. Kotnis Road,

Off. Hinduja Hospital, Mahim (West),

Mumbai 400 016.

Tel: 022 40280400- 450

Fax: 022 2446 0339

Email: ajcon@ajcon.net**WEB SITE**www.ajcononline.comwww.pyarapaisa.com**REGISTRAR AND TRANSFER AGENTS**

Bigshare Services Pvt. Ltd.

E-2/3, Ansa Industrial Estate,

Sakivihar Road, Saki Naka, Andheri (E),

Mumbai 400 072.

Tel No. 022 – 28473747/ 28473474/ 28470652/53

Fax: 91-22-28475207

Email: bigshare@bom7.vsnl.net.in**DEMAT ISIN NO.**

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Regd. Off. : 101, Samarth, Lt. P.N. Kotnis Road,
Off. Hinduja Hospital, Mahim (West), Mumbai 400 016.

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NOTICE

Notice is hereby given that the Twentyfirst Annual General Meeting of the Members of Ajcon Global Services Limited will be held at the Registered Office of the Company on, Tuesday, 12th August, 2008 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 & Loss Account for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To ratify the Interim Dividend as final dividend.
3. To appoint a director in place of Mr. Shashikant B. Limaye who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint the Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General meeting and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and if though fit to pass with or without modifications the following Resolution as an Ordinary Resolution :

"RESOLVED THAT Mr. Anuj Ajmera who was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act,1956 read with the Article of Association of the Company and who would vacate his office at the ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act,1956 along with necessary deposit from a shareholder proposing the candidature of Mr. Anuj Ajmera as a Director of the Company, be and is hereby appointed as a Director of the Company whose office shall be liable to retirement by rotation."

6. To consider and if though fit to pass with or without modifications the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 198,269,309,310,311 and other applicable provisions of the Companies Act,1956 as amended ,and subject to the approval of the Central Government and/or any other statutory authority, if applicable, the consent of the Company be and is hereby accorded to the appointment of Mr. Anuj Ajmera as the Executive Director of the Company with effect from 01.04.2008 for a period of five years .on such remuneration and terms and conditions as set out in the Explanatory Statement annexed to the notice convening this meeting."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the tenure of Mr. Anuj Ajmera as Executive Director, payment of salary and perquisites and other allowances stated herein shall be paid as minimum remuneration to Mr Anuj Ajmera for that year, subject however to the extent allowed under the relevant provisions of Companies Act, 1956."

Mumbai
30.06.2008
Regd Off. : 101, Samarth, Lt. P.N. Kotnis Road
Off Hinduja Hospital, Mahim (W), Mumbai 400 016.

By Order of the Board

(Ashok Kumar Ajmera)
Chairman

Notes:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a Member.
2. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the meeting.
3. Members / Proxies should bring the Attendance Slip duly filled in and signed for attending the meeting.
4. Shareholders seeking any information with regard to accounts are requested to write to the Company at least seven days in advance so as to enable the Company to keep the information ready.
5. The Register of Members and Share Transfer Books of the Company will remain closed from **08.08.2008 to 12.08.2008** (both days inclusive).
6. Members are requested to send all communications concerning shares, duplicate Dividend Warrants etc. to the Company's Registrar, Bigshare Services Pvt. Ltd. quoting their folio and reference no.
7. As stipulated under Clause 49 of the Listing Agreement, a profile and brief resume of the directors seeking appointment and reappointment, their memberships/chairmanship in various Board Committees and names of other Companies in which they hold directorships, is given in the Corporate Governance Report which forms part of the Annual Report.
8. Explanatory Statement pursuant to Section 173(2) of the Companies Act,1956 is appended to the Notice.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO.5

Mr. Anuj Ajmera was appointed as an additional director of the Company in the Board meeting held on 22/11/2007 and will hold office upto the date of the ensuing Annual General Meeting of the Company. The Company has received a notice under section 257 of the Companies Act, 1956 from member signifying his intension for appointment of Mr. Anuj Ajmera as a Director of the Company. Considering his vast experience in Information Technology and Marketing as the Director of Ajcon IT. Com. Ltd., it will be in interest of the Company to appoint him as Director.

The Board recommends the appointment of Mr. Anuj Ajmera as Director.

Mr. Ashok Kumar Ajmera and Mr. Ankit Ajmera being relatives are interested or concerned in the aforesaid resolution.

ITEM NO.6

At the Meeting of the Board of Directors and Remuneration Committee of Directors of the Company held on 31.03.2008, the terms and conditions and remuneration of Mr. Anuj Ajmera who was already appointed as a wholetime Director on 22/11/2007, as an Executive Director were approved as set out below and are subject to the approval of the Shareholders of the Company, Central Government and/or any other statutory authority, if applicable as required under Section 269 read with Schedule XIII to the Companies Act, 1956. The Principal terms and conditions are:

1. Period of Appointment: The appointment shall be effective from 01.04.2008 and shall extend to the period of five years.
2. Remuneration:
 - (a) Salary: Rs. 30,000/- (Rupees Thirty Thousand Only) per month with such annual increments as may be decided by the Board, not exceeding a sum of Rs. 50,000/- (Rupees Fifty Thousand Only) per month during the period of 5 years.
 - (b) Perquisites/Allowance: Not exceeding the monthly salary. In addition to the salary, the following perquisites shall be paid to Mr. Anuj Ajmera:
 - (i) House Rent Allowance: To the extent of actual rent payable by him or in case of owned house, a sum not exceeding 50% of the salary.
 - (ii) Medical Expenses: Reimbursement of medical expenses including hospitalizing and surgical charges of self and family, or direct payment by the Company against actual medical bills, receipts and / or cash memos up to a total of 8.33% of basic annual salary.
 - (iii) Leave Travel Assistance: Entitlement for Leave Travel Assistance for self and family equivalent to one month's basic salary.
 - (iv) Medical Policy : Coverage under the Company's Group Medclaim Policy and Personal Accident Insurance Policy for which the entire premium will be paid by the Company. The premium under this head shall not exceed Rs. 15,000/- per annum.
 - (v) Club Fees: Entitlement for reimbursement of fees and expenses for membership of two clubs other than life membership fees.
 - (vi) Leave: Leave with full pay or encashment, as per the rules of the Company.
 - (vii) Provident Fund, Superannuation Fund and Annuity Fund: Company's contribution to Provident Fund, Superannuation Fund and Annuity Fund shall be as per the Schemes of the Company to the extent these, either singly or put together, do not exceeds 27% of the consolidated salary as not taxable under the Income Tax Act, 1961, or any amendments thereto.
 - (viii) Gratuity: Entitlement to gratuity equivalent to one month's salary for each completed year of service as per the rules of the Gratuity Scheme in operation for the Management Group Personnel.
 - (c) Amenities :
 - (i) Provision of Car: The Company shall provide car(s) with chauffeur for official as well as personal purpose.
 - (ii) Communication Facilities: Telephone/ Telefax /Cell phone and other suitable communication facilities at residence.
 - (d) Minimum Remuneration:

In case of loss or inadequacy of profits in any financial year during the currency of tenure of service, payment of salary and perquisites and other allowances stated herein shall be paid as minimum remuneration for that year, subject however to the extent allowed under the relevant provisions of Companies Act, 1956.
3. Other Terms and Conditions:
 - (i) As long as Mr. Anuj Ajmera functions as Executive Director of the Company, no sitting fees will be paid to him for attending meetings of the Board of Directors or Committee thereof.
 - (ii) Mr. Anuj Ajmera shall be entitled to reimbursement of entertainment expenses actually and properly incurred by him in the course of the legitimate business of the Company and traveling, hotel and other

expenses incurred by him in India and abroad, exclusively for the business of the Company, as per the rules and regulations of the Company or as approved by the Board of Directors.

- (iii) Mr. Anuj Ajmera shall not retire by rotation while he continues to hold office. However, upon termination of the Agreement, he shall cease to be the Executive Director of the Company.
- (iv) As long as Mr. Anuj Ajmera functions as Executive Director, he shall not be interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company in future without the prior approval of the Central Government.
- (v) Mr. Anuj Ajmera shall not during the continuation of his employment with the Company or at any time thereafter divulge or disclose to any person whomsoever or to make any use whatsoever for his own purpose or for any purpose other than that of the Company, any information or knowledge obtained by him during his employment as to the business or affairs of the Company or its methods or as to any trade secrets or secrets processes of the Company and shall use his best endeavors to prevent any other person from doing so. However, such divulgence or disclosure by him to officers and employee of the Company for the purpose of business of the Company shall not be deemed to be a contravention of this clause.
- (vi) The Company or Mr. Anuj Ajmera shall be entitled to terminate the Agreement by giving to the other party 180 days notice in writing.

In compliance with the provisions of Section 269, 309 and other applicable provisions of the Companies Act, 1956, the terms and conditions relating to the appointment and remuneration of Mr. Anuj Ajmera specified above are placed before the Shareholders in the general meeting for their approval.

The Directors recommend the Resolution set out at item No. 5 of the Notice for approval of the Shareholders.

Mr. Anuj Ajmera is concerned or interested in the Resolution as it relates to his own appointment and remuneration. Mr. Ashok Kumar Ajmera and Mr. Ankit Ajmera being relative of Mr. Anuj Ajmera are also concerned or interested. Save as aforesaid, none of the other Directors are, in any way, concerned or interested in the said resolution.

By Order of the Board

(Ashok Kumar Ajmera)
Chairman

Place: Mumbai
Dated: 30.06.2008

Registered Office
101, Samarth,
Off. Hinduja Hospital,
Lt. P.N. Kotnis Road,
Mahim (W), Mumbai -400 016.

DIRECTORS' REPORT

To

The Members,

Your Directors have great pleasure in presenting the Twentyfirst Annual Report and the Audited Accounts of your Company for the year ended 31st March 2008.

FINANCIAL RESULTS

	Year Ended 31.03.2008 (Rs. in Lacs)	Year Ended 31.03.2007 (Rs. in Lacs)
Income from Operations and Other Income	341.64	191.85
Profit before Interest & Dep.	148.96	83.50
Less: Interest	16.65	11.68
Less: Depreciation	22.58	16.73
Profit before Tax	109.73	55.09
Less: Provision for Taxation	30.76	14.11
Profit after Tax	78.97	40.98
Less: Deferred Tax Liabilities	1.56	4.90
Net Profit	77.41	36.08
Add: Surplus brought forward	92.07	55.99
Balance available for appropriation :	169.48	92.07
Appropriations		
Transfer to General Reserve	50.00	NIL
Dividend (inclusive of Dividend Tax)	33.94	NIL
Balance carried to Balance Sheet	85.54	92.07

OPERATIONS:

The operations of the Company for the year under review have resulted in the gross profit of Rs.148.96 Lacs against Rs. 83.50 Lacs in the previous year. After providing for interest, depreciation and taxes, the Company has earned a net profit of Rs.78.97 Lacs as against the profit of Rs. 40.98 Lacs in the previous year. The gross revenue stood at Rs.341.64 Lacs as against Rs. 191.85 Lacs during the previous year. The above figures demonstrated a notable growth of 7.89% in the topline and 93% in the bottomline.

The Company continued its main thrust of expanding the retail network and has added 13 more retail outlets taking the total to 20 such locations. The online internet portal of the Company "**Pyarapaisa.com**" is ready for launch. The Company's Risk Management Systems have worked very well during the period of crises post January,2008. The consultancy and advisory business has done extremely well during the year as the by completing many prestigious assignments. On the Depository front also the performance has been very satisfactory.

FUTURE OUTLOOK

From January, 2008 onwards the overall economic scenario has suddenly became bearish and much more volatile. The Indian Economy which was growing at above 9% level for last 4 years is showing the signs of slow down and is expected to grow between 7.50 to 8.00% this year. Your Company being a player in the Financial Markets will have to work very hard to overcome the slackness. Given your Company's professional character and inherent managerial capabilities, we are sure that the Company will find suitable avenues to continue to grow at a much faster rate than many of the competitors. From the current year many income streams viz. Online Internet Trading, Merchant Banking and Portfolio Management Services (PMS) will start contributing to the gross revenue of the Company. The Company has earmarked a major amount towards publicity and advertisement of the internet trading portal "**Pyarapaisa.com**", for which even the advance payments are made. Barring unforeseen circumstances, your Board is hopeful of maintaining the growth during the current year.

SHARE CAPITAL AND SHARE WARRANTS

During the year the Company has issued 3,15,000 equity Shares of Rs.10/- each on Preferential basis at a premium of Rs. 65/- per share and has also allotted 6,75,000 Share warrants at a price of Rs. 85/- per warrant on Preferential basis as per the SEBI Guidelines on Preferential Issue. These Warrants are convertible at the option of the holder at any time before the expiry of 18 months from its allotment into 1 fully paid equity share of Rs. 10/- each at a premium of Rs. 75/- per share against which 10 % of the value has been received by the Company on allotment of such warrants.

Listing and trading permission has been received from the Bombay Stock Exchange Ltd. for the said 3,15,000 Equity shares issued under the preferential issue Guidelines of SEBI.

The composition of Authorised Capital of the Company was changed to 70,00,000 Equity shares of Rs. 10/- each from 63,50,000 Equity Shares of Rs.10/- each and 65,000 Preference Shares of Rs.100/- each in the previous year.

SUBSIDIARY COMPANY

Ajcon Commodity Brokers Ltd, the subsidiary Company has now fully established the business of Commodity Brokers as the member of Multi Commodity Exchange (MCX). During the year, the Company has added more than 500 clients doing commodity trading and has started trading facilities at other Branches also through its holding Company Ajcon Global Services Ltd.

In compliance with the requirement of section 212 (2) of the Companies Act, 1956, Directors' Report along with the Statement of Accounts of Ajcon Commodity Brokers Ltd., the subsidiary of your Company for the year ended 31st March 2008 are appended to the Annual Report.

DIVIDEND

Your Directors had declared on 21st January,2008, an interim dividend of Rs.0.50 per Equity share on 5801200 equity shares of Rs. 10/- each. The total cash outflow on account of this dividend including tax on dividend was Rs. 33,93,558/-

Your board of Directors have firm belief in continuous increase in the shareholder value, resulting in a greater return threshold and has accordingly considered the interim dividend paid as the final dividend for the financial year ended 31.03.2008. The Board therefore proposes the ratification of interim dividend as the final dividend at the ensuing Annual General Meeting.

DIRECTORS

In accordance with the provisions of Section 255 & 256 of the Companies Act, 1956 and Article of Association of the Company, Mr. Shashikant B. Limaye, Director, retires by rotation and being eligible offer him self for re-appointment at the ensuing Annual General Meeting.

Mr. Ajay Ajmera, the whole time Director resigned from the Board of Directors of the Company after a long stint. His resignation was accepted by the Board in its meeting held on 22/11/2007 with a great reluctance. The Board records its deep sense of gratitude towards Mr. Ajay Ajmera for the excellent work carried out by him during his tenure as the Director of the Company. The Board appointed Mr. Anuj Ajmera as the whole time director with effect 22/11/2007 considering his vast experience and expertise in I.T. Services. As per the provisions of the Act, Mr. Anuj Ajmera holds the office till the conclusion of the ensuing Annual General Meeting. The Company has received requisite notice in terms of provisions of the Companies Act, 1956 from a member of the Company for the appointment of Mr. Anuj Ajmera as Director of the Company.

Brief resume of Directors proposed to be appointed and reappointed, nature of their expertise in specific functional areas and name of companies in which they hold directorship and memberships/Chairmanship of Board Committees, as stipulated under Clause 49 of Listing Agreement with the Stock Exchange in India, are provided in the Report on Corporate Governance forming part of Annual Report.

FIXED DEPOSITS

The Company has not accepted any fixed deposits from public within the meaning of section 58A of the Companies Act, 1956 and the rules made there under.

CORPORATE GOVERNANCE

To comply with conditions of Corporate Governance, pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a management discussion and analysis statement, Corporate Governance Report and Auditor Certificate are included in the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company confirms:

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departure for the same,
- ii. that the selected accounting policies were applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2008 and of the profit of the Company for the year ended on that date;
- 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.

INSURANCE

All the properties of the Company are adequately insured. The Company is also adequately insured for its activities as stock brokers & depository participant.

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

Particulars required to be given under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable, as the Company is not engaged in manufacturing activities. The Company has not earned any foreign exchange during the year. Foreign Exchange equivalent to Rs. 57,680/- has been spent on the foreign travel by the Managing Director.

EMPLOYEE INFORMATION

No information pursuant to Section 217 (2A) of the Companies Act, 1956 is attached, as there was no employee drawing remuneration in excess of limits prescribed.

AUDITORS AND AUDITORS' REPORT AND CERTIFICATE

M/s. Shanbhag and Co., Chartered Accountants, Mumbai, Auditors of the Company, retire at the ensuing Annual General Meeting, are eligible for re-appointment, their appointment is recommended to hold office until the conclusion of the forthcoming Annual General Meeting. The Company has received certificate from the Auditors to the effect that their reappointment, if made, will be in accordance with sub-section (1B) of section 224 of the Companies Act, 1956. The Auditors' Report forms the part of this Annual Report. The Auditors have also certified the Company's compliance requirements of Corporate Governance in terms of Clause 49 of the Listing Agreement and the same is enclosed as an annexure to the Report on Corporate Governance.

The observations made by the Auditors in their Report read with the relevant notes as given in the Notes on Accounts for the year ended 31st March, 2008 are self explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their thanks and gratitude to Company's bankers, Institutional and other clients and customers, SEBI, NSE, and other Authorities for their support, co-operation, guidance and assistance. The Board is also grateful to the shareholders for their continued confidence.

The Board of Directors take this opportunity to express their appreciation of the sincere efforts put in by the staff and executives at all the levels and hopes that they would continue their dedicated efforts in the future also.

For and on behalf of the Board

Mumbai
30.06.2008

(Ashok Kumar Ajmera)
Chairman

ANNEXURE TO DIRECTORS' REPORT
REPORT ON CORPORATE GOVERNANCE
(Pursuant to Clause 49 of the Listing Agreement)

1 MANDATORY REQUIREMENTS
1.1 Company's philosophy on Code of Corporate Governance:

The Company believes in the practice of good corporate governance. A continuous process of delegation of powers commensurate with accountability, coupled with trust, faith and transparency has been embedded in the day-to-day functioning. The Company will endeavor to improve on these aspects on an ongoing basis.

1.2 Board of Directors: (Board)
a. Size of the Board

As on 31st March, 2008 the Board of Directors comprised the Managing Directors, two other interested directors and three non executive independent directors, who brings in a wide range of skill and experience to the Board. The composition of the Board is in conformity with Clause 49 of the Listing Agreement.

b. No. of Board Meetings held during the year along with the dates of the meeting:

During the year 9 Board Meetings were held on following dates:

SR.NO.	DATE	SR.NO.	DATE
1 st	09.04.2007	6 th	22.11.2007
2 nd	20.06.2007	7 th	21.01.2008
3 rd	30.06.2007	8 th	05.03.2008
4 th	30.07.2007	9 th	31.03.2008
5 th	29.10.2007		

c. Composition, Category and their attendance at the Board meetings during the year and at the last Annual General Meeting as also the number of other Directorships / Memberships of Committees are as follows:

CATEGORY OF DIRECTORSHIP	NAMES OF THE DIRECTOR	ATTENDANCE DETAILS		OTHER DIRECTOR SHIPS *	OTHER BOARD COMMITTEE	
		BOARD MEETINGS	LAST AGM		MEMBER-SHIPS	CHAIR-MAN SHIPS
Promoter/ Exe.Chairman	Mr. Ashok Kumar Ajmera	9	1	1	-	-
Exe. Director	Mr. Ankit Ajmera	9	1	2	-	-
Exe. Director	Mr. Anuj Ajmera**	3	-	2	-	-
Promoter/ Non-Exe. Director	Mr. Ajay Ajmera***	5	1	-	-	-
Non Executive Directors	Mr. Narayan Atal	8	1	1	-	-
	Mr. Rajendra Bakiwala	6	1	-	-	-
	Mr. S.B.Limaye	8	1	-	-	-

* Excluding private, foreign and companies registered under Section. 25 of the Companies Act,1956. , **Appointed as a Wholtime Director w.e.f . 22/11/2007. *** Ceased to be a director with effect from 22/11/2007.

1.3 Audit Committee:
a. Terms of Reference:

The terms of reference of this committee cover the matters as specified for Audit Committees under Clause 49 of the Listing Agreement as well as according to the provisions of section 292A of the Companies Act. 1956.

b. Composition, Meetings and Attendance:

Currently the 3 Member Audit Committee comprises of 3 Non-Executive and Independent Directors (NED) of which Mr. Rajendra Bakiwala - Director and Mr. Narayan Atal – Directors are Chartered Accountants. Mr. Narayan Atal continues to be the Chairman of the committee.

During the year, the committee met 4 times and the attendance of the members was as follows:

NAME	NO. OF MEETINGS ATTENDED
Mr. S.B. Limaye	4
Mr. Narayan Atal	4
Mr. Rajendra Bakiwala	3

1.4 Remuneration Committee:

The Remuneration Committee comprises of two independent directors namely Mr. S.B.Limaye and Mr. Narayan Atal. Only two meeting of the Committee were held which were attended by both the Committee Members.

The details of the Remunerations paid to the Directors for the financial year 2007-2008 is given below:

DIRECTORS	REMUNERATION (INCLUDING PERQUISITES) (RS.)	COMMISSION (RS.)	SITTING FEES (RS.)	TOTAL (RS.)
Mr. Ashok Ajmera	5,67,000	-	-	5,67,000
Mr. Ankit Ajmera	4,26,000	-	-	4,26,000
Mr. Anuj Ajmera	-	-	-	-
Mr. S.B. Limaye	-	-	5,000	5,000
Mr. Narayan Atal	-	-	5,000	5,000
Mr. Rajendra Bakiwala	-	-	3,000	3,000

Mr. Ashok Kumar Ajmera is the Chairman & Managing Director of the Company. His appointment is contractual and is for a period of 5 (five) years. Mr. Ashok Kumar Ajmera's contract was renewed for a further period of 5 year upto 31.03.2012 at the 19th Annual General Meeting of the Company held on 28.09.2006. Mr. Ankit Ajmera, Director was appointed as the Executive Director, subject to regulatory approvals for a period of 5 years ending on 30/06/2011 in the 19th Annual General Meeting held on 28/09/2006. Mr. Anuj Ajmera was appointed by the Board as an Executive Director and his remuneration is commenced from 01.04.2008, subject to the approval of the members in the ensuing Annual General Meeting.

1.5 Shareholders' / Investors' Grievance Committee:

- 3 member Shareholders' /Investors' Grievance Committee is comprised of Mr. S.B.Limaye, Mr.Narayan Atal both NED and Mr. Ankit Ajmera, Executive Director and Compliance Officer of the Company.
- During the year the Company received 1(one) investor complaints which was satisfactorily resolved.
- The Committee also acted as the share transfer Committee and has held 20 Share Transfer Meeting during the year.
- There were 9970 shares of which transfer was pending at the close of the financial year.

1.6 Risk Management :

Risk Management Committee is comprising of 3 Directors of whom 2 Directors are independent. The composition is as under:

Mr. Ashok Kumar Ajmera - Managing Director
Mr. Narayan Atal - Independent Director
Mr. S.B. Limaye - Independent Director

The Committee reviews the risks confronted by the Company with respect to its business area /operations as well as financial and validates the adequacy of insurance and other risk mitigation measures proposed by the Company's business. During the year 3 meetings of Risk Management Committee were held which were attended by all the three members.

- Name and designation of Compliance Officer: Mr. Ankit Ajmera, Executive Director is the Compliance Officer pursuant to Clause 47 (a) of the Listing Agreement with Stock Exchange.

1.8 General Body Meetings:

Date, Time and Location of the last three Annual General Meeting.

YEAR	LOCATION	DATE	TIME
2004-05	101, Samarth, Lt. P.N. Kotnis Road, Off. Laxmi Clinic, Mahim (W), Mumbai 400016.	18.09.2005	10.00 a.m.
2005-06	101, Samarth, Lt. P.N. Kotnis Road, Off. Laxmi Clinic, Mahim (W), Mumbai 400016	28.09.2006	10.00 a.m.
2006-07	101, Samarth, Lt. P.N. Kotnis Road, Off. Laxmi Clinic, Mahim (W), Mumbai 400016	31.08.2007	10.00 a.m.

1.9 Disclosures:

- During the year, there were no transactions of material nature with the Promoters, Directors or the Management or their relatives or with the subsidiary etc. that have potential conflict with the interest of the Company at large.
- During the previous three years, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any other Statutory Authority for non-compliance of any matter related to the Capital Market.
- None of the directors of the company are disqualified for being appointed as Directors as stipulated under section 274 (1)(g) of the Companies Act, 1956 as amended by Companies (Amendment) Act, 2000.

d. Issue of fresh Capital & Share Warrants.

During the year the Company raised Rs.236.25 Lacs through the Issue of 3,15,000 Equity shares and Rs.57.38 Lacs through the Issue of 6,75,000 Share Warrants under the SEBI Guidelines on Preferential Issue. The entire proceed of Rs.293.63 Lacs was fully utilized towards the objects of the Issues as mentioned in the Notice of the meeting for the said Issue.

1.10 Means Of Communication:

- The quarterly results are published in National Daily in India including Mumbai edition published from Mumbai in English and Marathi, the regional language.
- These results are also displayed on the Company's Website viz. www.ajcononline.com
- These results are also displayed on SEBI's website www.sebidifir.nic.in
- The Management Discussion and Analysis report forms a part of this Annual Report.

1.11 General Shareholders Information:

(a) ANNUAL GENERAL MEETING

Day and Date	:	Tuesday, 12 th August, 2008
Time	:	10.00 a.m.
Venue	:	Registered Office of the Company at 101, Samarth, Lt. P.N.Kotnis Road, Off. Hinduja Hospital, Mahim (W), Mumbai 400 016.

(b) PROFILE OF DIRECTORS SEEKING APPOINTMENT AND RE-APPOINTMENT

- At the ensuing Annual General Meeting of the Company, Mr. Shashikant Limaye would be retiring by rotation and being eligible for reappointment, has offered himself for the same. A brief profile of the said Director is given below:-

Mr. S.B. Limaye holds M.Sc (Tech), L.E.E., L.M.E, Grad.I.E (India) DBM & DIM degrees and has vast experience of technical appraisals and project evaluation as the former General Manager (Tech.) M.S.F.C. The Company has gained a lot from his vast knowledge and experience in the field of Project Advisory Services. Apart from being a Director on the Board of the Company, Mr. Limaye holds the membership of Audit Committee, Remuneration Committee, Shareholder/Investors Grievance Committee and Risk Management Committee.

- At the ensuing Annual General Meeting, Mr. Anuj Ajmera, is being appointed as the Director of the Company. A brief profile of the said Director is given below:

Aged 26 years, Mr. Anuj Ajmera is an IT professional having over 6 years of experience in Information Technology and also Marketing. Mr. Anuj Ajmera is a Director of M/s. Ajcon IT.Com. Ltd., M/s. Ajcon Commodity Brokers Ltd., M/s Surge Impex Pvt. Ltd., M/s Ajcon Infra Projects Pvt. Ltd, M/s. Ajcon Communication Pvt. Ltd and M/S. Ajcon Exports Pvt. Ltd. The Company will be immensely benefited from the services of Mr. Anuj Ajmera.

(c) FINANCIAL CALENDER (Tentative and subject to change)

First quarter results ending 30.06.2008	: by July, 31,2008.
Second quarter results ending 30.09.2008	: by October, 31,2008.
Third quarter results ending 31.12.2008	: by January, 31,2008.
Last quarter/Unaudited annual results ending 31.03.2009	: by May 31, 2009.
Annual General Meeting for the	
Year ended 31.03.2009	: by September, 30, 2009.
Venue of AGM	: Mumbai

- BOOK CLOSURE** : Thursday, 08th August, 2008 to Tuesday, 12th August, 2008
(Both days inclusive)

(e) LISTING ON STOCK EXCHANGES

Bombay Stock Exchange Ltd, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 023.
Annual Listing Fees, as prescribed has been paid to the Stock Exchange for the year 2008-2009.

- Stock exchange Code: 511692 (BSE)**

- Demat ISIN No: INE759C01019**

(h) SHARE TRANSFERS AND OTHER COMMUNICATIONS SHALL BE ADDRESSED TO:

Bigshare Services Pvt. Ltd.
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka, Andheri (E),
Mumbai 400 072.

(i) INVESTORS' COMPLAINTS MAY BE ADDRESSED TO:

Compliance Officer
Ajcon Global Services Limited
101, Samarth, Lt. P. N. Kotnis Road,
Mahim West, Mumbai 400016.
Tel: 022 240280400-450
Fax : 022 2446 0339
Email : ajcon@ajcon.net

(j) STOCK MARKET PRICE DATA

High / Low during each month in last financial year on BSE:

MONTH / YEAR	HIGH (RS.)	LOW (RS.)	MONTH / YEAR	HIGH (RS.)	LOW (RS.)
April 2007	8.10	5.31	October 2007	12.04	7.36
May 2007	7.98	5.06	November 2007	17.50	8.67
June 2007	8.00	4.88	December 2007	33.10	16.55
July 2007	8.00	6.00	January 2008	49.35	28.65
August 2007	9.90	5.96	February 2008	38.00	26.65
September 2007	13.08	8.30	March 2008	26.60	16.20

(k) REGISTRAR AND SHARE TRANSFER AGENTS

The Company has appointed Bigshare Services Pvt. Ltd. E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai 400 072 as Registrar and Share Transfer Agents of the Company.

(l) DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2008

SR. NO.	RANGE (IN RS.)	NO. OF HOLDERS	% TO TOTAL SHAREHOLDERS	VALUE IN (RS.)	% TO TOTAL EQUITY
1	1 – 5000	4053	86.16	56,67,120	9.27
2	5001- 10000	332	7.06	29,09,920	4.76
3	10001- 20000	146	3.10	22,62,340	3.70
4	20001- 30000	42	0.89	10,89,930	1.78
5	30001- 40000	17	0.36	6,02,710	0.98
6	40001- 50000	17	0.36	8,09,480	1.32
7	50001- 100000	45	0.96	33,86,780	5.54
8	100001 and above	52	1.11	4,44,33,720	72.65
TOTAL		4704	100.00	6,11,62,000	100.00

(m) SHAREHOLDING PATTERN AS ON 31.03.2008

	CATEGORY	NO. OF SHARES HELD	PERCENTAGE OF SHAREHOLDING %
A.	PROMOTERS HOLDING		
1.	Promoters		
a.	Indian promoters	30,08,188	49.184.
b.	Foreign promoters	0	0
2.	Persons acting in concert	0	0
	Total	30,08,188	49.184
B.	NON PROMOTERS HOLDING		
3.	Institutional investors	0	0
a.	Mutual funds	52,100	0.852
b.	Banks, financial institutions Insurance companies (central / state govt. Institution / non government institutions	300	0.005
c.	FII's	0	0
	Sub total	52,400	0.857
4.	OTHERS		
a.	Private corporate bodies	10,19,182	17.154
b.	Indian public	19,86,786	32.484
c.	NRI / OCB	9,674	0.158
d.	Any other – share in transit	9,970	0.163
	Sub total	30,55,612	49.959
	Total	31,08,012	50.816
	GRAND TOTAL	61,16,200	100.00

(n) DEMATERIALISATION OF SHARES

The shares of the Company are traded in compulsorily dematerialised form. As on 31.03.2008, 41,36,060 Equity shares have been dematerialized.

(o) ADDRESS FOR CORRESPONDENCE

Ajcon Global Services Limited
101, Samarth, Lt. P. N. Kotnis Road,
Mahim West, Mumbai 400 016.
Tel: 022 40280400-450
Fax: 022 2446 0339
Email: ajcon@ajcon.net

1.12 Secretarial Audit

The Auditor's of the Company carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

1.13 Compliance Certificate From The Auditors

A certificate from the Auditors of the Company certifying the Company's compliance with conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is annexed to and forms a part of this report.

1.14 CEO & CFO Certification

The Chairman & Managing Director who is the CEO & CFO of the Company has certified to the Board of Directors of the Company that:

- (a) They have reviewed financial statements and cash flow statement for the year and that to the best of their knowledge and belief;
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- (c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or proposes to take to rectify these deficiencies.
- (d) They have indicated to the Auditors and the Audit Committee that there is:
 - (i) No significant change in internal control over financial reporting during the year
 - (ii) No significant change in accounting policies during the year under review and
 - (iii) No instance of any fraud in the Company in which the management has any role.

2. NON-MANDATORY REQUIREMENTS

2.1 Chairman Of The Board:

The Company has an Executive Chairman and hence the requirement pertaining to reimbursement of expenses to a Non-Executive Chairman does not arise.

2.2 Remuneration Committee:

Please refer item no. 1.4 in the Mandatory Requirements section.

2.3 Shareholders' Rights:

As the Company's Quarterly results are published in English Newspaper having circulation all over India and also in a Regional Newspaper circulated in Maharashtra, the same are not sent to each household of shareholders.

2.4 Postal Ballot:

The provisions relating to Postal Ballot will be complied with in respect to matters where applicable.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT
An Overview:

The Indian economy embarked on a high growth path right since 2003-04 with a GDP growth of over 9% in 2007-08. There has been a tremendous improvement in production and performance across all the sectors accompanied by buoyancy in capital markets. But a downtrend has started from January, 2008 due to the rising inflation and global happenings. Year 2007-08 was a remarkable year for the economy where the stock market indices surpassed the best of the expectations, reaching all time high. But, certain global happenings Viz. sub prime problems, rising crude prices coupled with local negative factors viz. rising inflation and political uncertainties has brought the markets down by the end of the year.

But India is still poised to achieve a GDP growth of about 8.0% during 2008-09 as the major fundamentals remain intact which will keep the markets going well. The overall turnover on the bourses though dropped from the peak is still not that bad.

Outlook & Opportunities.

Understanding well the growth potential, your company has continued expansion program of its retail broking business and strengthened its in house systems and controls. During the year, your company has added many more new institutional broking clients and established about 20 retail outlets. The company is planning to place itself as complete financial solution provider with Merchant Banking and Portfolio Management services, subject to regulatory approvals. The company continues its thrust on providing the following services to its clients:-

- ☐ Equity Broking in Cash and F&O segment.
- ☐ Depository services.
- ☐ Commodity Broking (through its subsidiary company).
- ☐ Online internet trading – “Pyarapaise.com”.
- ☐ Marketing of IPO and other financial products.
- ☐ Merchant Banking services.
- ☐ Portfolio Management services.
- ☐ Investment Banking services.
- ☐ Consultancy & corporate advisory services.

Analysis of Financial Trends

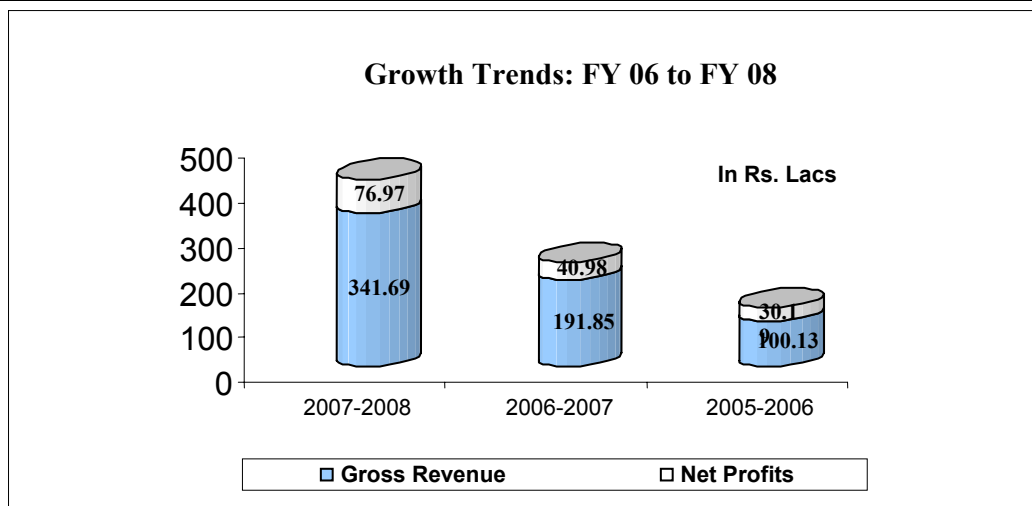
The company expanded its retail broking outlets during the year. The depository services have also stabilized. The Institutional business division has also performed very well during the year. The online internet trading platform “www.Pyarapaisea.com” is ready for launch. The total income of the company has increased by almost 78% and the net profit has also shown handsome growth of about 93% over last year. The detailed financial results and performance for the year 2007-08 are elaborated in Directors report.

The financials for last three years are as under:-

The Company's average top line growth in last three years is 75% while the bottomline growth has averaged 156%.

(Rs. in Lacs)

FINANCIAL YEAR	GROSS REVENUE	GROWTH (%)	NET PROFITS	GROWTH (%)
F.Y.2007-2008	341.69	78	76.97	93
F.Y.2006-2007	191.85	92	40.98	36
F.Y.2005-2006	100.13	50	30.19	345
AVERAGE GROWTH		75		156



Internal Control System

The Company has adequate internal control systems commensurate with the nature and size of its business. Internal Audit is conducted at regular intervals by independent firm of Chartered Accountants. System Audit is also conducted periodically by the qualified System Auditors.

Human Resources

The Company has been following standard procedure for recruitment of best personnel for all the departments and is making constant and continuous efforts to retain and groom them to meet its present and future requirements. The relation between the management and staff remained very cordial during the year.

Insider Trading

The Company has comprehensive guidelines for Insider Trading in accordance with SEBI Regulations in this regard, which advises and cautions the Directors and Key Management personnel on the procedure to be following while dealing with securities of the Company.

Business Outlook

In spite of pressures building up in the economy due to high prices of international crude and higher rate of inflation, your Company is better placed as compared to its competitors having the combination of Stock & Commodity Broking on the one hand and Consultancy and Corporate Advisory Services on the other hand. The business prospects of the Company are still very good even if the overall growth of the Capital Markets and the GDP growth of the Country Moderates.

Safe Harbour Clause

The statements in this document, other than factual/ historical information, contain the words or phrases such as "expect", "plan", "objective" and other similar words, which are forward looking in nature. Such forward looking statements may be subject to a variety of risks and uncertainties that could result in actual results differing materially from those indicated in this document. The Company is not under any obligation to update such forward looking statements after this date.

Mumbai
30.06.2008
Regd Off. : 101,
Samarth, Lt. P.N. Kotnis Road
Off Hinduja Hospital,
Mahim (W), Mumbai 400 016.

By Order of the Board

(Ashok Kumar Ajmera)
Chairman

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of AJCON GLOBAL SERVICES LIMITED,

We have examined the compliance of conditions of Corporate Governance by Ajcon Global Services Limited for the year ended 31st March, 2008 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no investor grievances against the Company remaining unattended / pending for more than 30 days.

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 G.N. SHANBHAG & CO.
Chartered Accountants

Mumbai
30th June, 2008

G.N. Shanbhag
(Proprietor)
Membership No. 32057

AUDITORS' REPORT

To,
THE MEMBERS OF AJCON GLOBAL SERVICES LIMITED,

We have audited the attached Balance Sheet of AJCON GLOBAL SERVICES LIMITED as at 31st March 2008 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides the reasonable basis for our opinion.

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in Paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in Paragraph 2 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Profit & Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit & Loss account and Cash Flow Statement comply with the accounting standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable to the Company;
 - e) On the basis of written representations received from the Directors as on 31st March, 2008 and taken on records by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2008 from being appointed as a Director in terms of clause (g) of the sub section (1) of the Section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the Significant Accounting Policies and other notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) In the case of Balance sheet, of the state of affairs of the Company as at 31st March 2008,
 - ii) In the case of the Profit & Loss Account, of the profit for the year ended on 31st March 2008,
 - iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on 31st March 2008.

For G.N. SHANBHAG & CO.
Chartered Accountants

Mumbai
30th June 2008

G.N. Shanbhag
(Proprietor)
Membership No. 32057

ANNEXURE TO AUDITORS' REPORT

(Referred to in Paragraph (1) of our report of even date)

1. a) The Company has maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
b) As explained to us, physical verification of a major portion of fixed assets as at 31st March, 2008 was conducted by the management during the year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the nature of its assets. No material discrepancies were noticed on such physical verification.
c) During the year, the Company has not disposed off any Fixed Assets and therefore the going concern status of the Company is not affected.
2. In respect of inventories,
a) Company's inventory comprises of only the shares and securities. The Management during the year has physically verified those stocks which were not in dematerialised form and the rest were verified through demat statements of depositaries. In our opinion the frequency of such verification was reasonable.
b) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book record
3. In respect of loans, secured or unsecured, granted or taken by the Company to and from companies, firms or other parties covered in the Register maintained under Section 301 of the companies Act, 1956;
a) The Company has granted interest free unsecured loans of Rs. 72.96 lacs (Rs. 52.60 Lacs) to its subsidiary Company. There are no stipulations as regards repayment of the said loan amount and hence the question of overdue amounts does not arise.
b) The loans granted to the companies listed in the Register maintained u/s 301 are repayable on demand. Accordingly there are no overdue amounts more than Rs.1.00 Lacs in respect of loans granted to any of the Companies, firms or other parties listed in the Registrar maintained u/s 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchases of equipments and other assets and with regards to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
5. a) To the best of our knowledge and belief and according to the information and explanations given to us by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
b) In our opinion and according to the information and explanation given to us the transactions made in pursuance of contracts and arrangements referred to in (a) above and exceeding the value of Rs.5.00 Lacs with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from public.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
8. The Central Government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act 1956 for any of the services rendered by the Company.
9. According to the information and explanation given to us, the undisputed amounts payable in respect of taxes, wealth tax, service tax, sales tax, customs duty, excise duty, and any other statutory dues have generally been deposited regularly with the concerned authorities.
10. The Company does not have any carry forward losses and also not incurred cash loss either during the year or in the immediately preceding financial year.
11. According to the information and explanation given to us, the Company has not defaulted in scheduled repayment of dues to banks and financial institutions.
12. Based on our examination of the records and the information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. However, as regards the client's shares and securities taken as margin, the Company has maintained adequate documents.
13. In our opinion the Company is not a chit fund or a nidhi / mutual benefit fund or society.
14. The Company is dealing and trading in securities, derivatives and other instruments and has maintained proper records of the transactions and contracts and timely entries are made therein. All the shares, securities, debentures and other securities have been held by the Company in its own name except to the extent of exemption granted under Section 49 of the Act.
15. According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from Bank or Financial Institutions.
16. According to the information and explanations given to us, the term loan from Bank during the year have been applied by the Company for the purpose for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment and vice versa.
18. During the year, the Company has made preferential allotment of Share Warrants to the parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956. The price at which the said Share Warrants are issued is not prejudicial to the interest of the Company.
19. The Company has not issued any Debentures.
20. We have verified the end use of money raised through the Preferential Issue of Equity and Share Warrants as disclosed in the notes to the Accounts.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For G.N. SHANBHAG & CO.
Chartered Accountants

G.N. Shanbhag
(Proprietor)
Membership No. 32057

Mumbai
30th June, 2008

BALANCE SHEET AS ON 31ST MARCH 2008

PARTICULARS	Schedule	2007-2008 Rs.	2006-2007 Rs.
<u>SOURCES OF FUNDS</u>			
SHAREHOLDERS FUNDS			
Share Capital	A	61,162,000	58,012,000
Share Warrants (Refer Note)		5,737,500	NIL
RESERVES AND SURPLUS	B	34,028,449	9,206,931
BORROWED FUNDS			
Secured Loans	C	12,396,709	5,398,539
Unsecured Loans	D	10,150,000	8,650,000
Deferred Tax Liability		1,783,602	1,627,482
		125,258,260	82,894,952
<u>APPLICATION OF FUNDS</u>			
FIXED ASSETS	E		
Gross Block		28,816,124	23,207,946
Less: Depreciation		9,948,916	7,690,351
Net Block		18,867,208	15,517,595
INVESTMENT	F	19,350,000	17,750,000
CURRENT ASSETS & LOANS AND ADVANCES			
Inventories	G	16,848,525	14,982,589
Sundry Debtors	H	17,810,639	15,311,082
Cash & Bank	I	7,016,939	2,453,683
Loans & Advances	J	57,694,466	27,522,855
		99,370,569	60,270,209
LESS: CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	K	7,842,517	7,148,852
Provision for Taxation		4,487,000	3,494,000
		12,329,517	10,642,852
NET CURRENT ASSETS		87,041,052	49,627,357
(to the extent not written off or adjusted)			
		125,258,260	82,894,952

Notes forming the part of accounts

P

As per our report of even date attached

FOR G.N. SHANBHAG & CO.
 CHARTERED ACCOUNTANTS

G.N. SHANBHAG

 PROPRIETOR
 M. No. 32057
 Mumbai
 30.06.2008

Ashok Kumar Ajmera
 MANAGING DIRECTOR

Narayan Atal
 DIRECTOR

Anuj Ajmera
 EXECUTIVE DIRECTOR

S.B. Limaye
 DIRECTOR

Ankit Ajmera
 EXECUTIVE DIRECTOR

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2008

PARTICULARS	Schedule	2007-2008	2006-2007
		Rs.	Rs.
INCOME			
Income from Operations	L	33,387,025	18,811,944
Other Income	M	777,451	372,805
		<u>34,164,476</u>	<u>19,184,749</u>
EXPENDITURE			
Administrative and Operative Expenses	N	19,268,699	10,835,209
Financial Expenses	O	1,665,016	1,168,053
Depreciation	E	2,258,565	1,672,836
		<u>23,192,280</u>	<u>13,676,098</u>
PROFIT BEFORE TAX		10,972,196	5,508,651
Provision for taxation :-			
Income tax	2,950,000		1,335,000
Fringe Benefit Tax	<u>126,000</u>	3,076,000	76,000
Deferred Tax Liabilities		156,120	489,872
PROFIT AFTER TAX		7,740,076	3,607,779
Add: Balance brought forward		<u>9,206,931</u>	<u>5,599,152</u>
Balance available for Appropriation		<u>16,947,007</u>	<u>9,206,931</u>
Appropriations			
Dividend /Interim Dividend on Equity Shares	2,900,600		NIL
Dividend Tax on Equity shares	492,958		NIL
Transfer to General Reserves	<u>5,000,000</u>	<u>8,393,558</u>	<u>NIL</u>
BALANCE CARRIED FORWARD TO BALANCE SHEET		<u>8,553,449</u>	<u>9,206,931</u>
EARNING PER SHARE - BASIC		1.33	0.62
- DILUTED		1.32	0.62

Notes forming the part of accounts

P

As per our report of even date attached

FOR G.N. SHANBHAG & CO.
 CHARTERED ACCOUNTANTS

Ashok Kumar Ajmera
 MANAGING DIRECTOR

S.B. Limaye
 DIRECTOR

G.N. SHANBHAG
 PROPRIETOR
 M. No. 32057
 Mumbai
 30.06.2008

Narayan Atal
 DIRECTOR

Ankit Ajmera
 EXECUTIVE DIRECTOR

Anuj Ajmera
 EXECUTIVE DIRECTOR

SCHEDULES 'A' TO 'P' ANNEXED TO AND FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2008

PARTICULARS	2007-2008	2006-2007
	Rs.	Rs.
<u>Schedule A</u>		
<u>SHARE CAPITAL</u>		
Authorised		
70,00,000 (63,50,000) Equity Shares of Rs.10/- each	70,000,000	63,500,000
NIL (65,000) Preference Shares of Rs. 100/- each	NIL	6,500,000
	<u>70,000,000</u>	<u>70,000,000</u>
issued, subscribed & paid up		
61,16,200 (58,01,200) Equity Shares of Rs.10/- each		
fully paid up (out of this 2,90,250 Equity Shares were allotted as fully paid up by way of Bonus shares by capitalisation of General Reserve)	61,162,000	58,012,000
	<u>61,162,000</u>	<u>58,012,000</u>
<u>Schedule B</u>		
<u>RESERVES & SURPLUS</u>		
General Reserve	5,000,000	NIL
Profit and Loss Account	8,553,449	9,206,931
Share Premium Account	20,475,000	NIL
	<u>34,028,449</u>	<u>9,206,931</u>
<u>Schedule C</u>		
<u>SECURED LOANS</u>		
Term Loans From Bank	5,831,388	5,133,836
Vehicle loans	1,216,406	264,703
Secured Overdraft from Bank	5,348,915	NIL
	<u>12,396,709</u>	<u>5,398,539</u>
<u>Schedule D</u>		
<u>UNSECURED LOANS</u>		
From Bank	NIL	200,000
Intercooperate	2,400,000	2,400,000
Security/Margin Deposits	7,750,000	6,050,000
	<u>10,150,000</u>	<u>8,650,000</u>

Schedule E

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1.4.2007	Additions in 2007-2008	Deduction	As at 31.3.2008	As at 1.4.2007	Deductions	for the year	As at 31.3.2008	As at 31.3.2008	As at 31.3.2007
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
OFFICE PREMISES	6159857	0	0	6159857	206589	0	100406	306994	5852863	5953268
FURNITURE	3325635	738193	0	4063828	580191	0	228847	809038	3254790	2745444
COMPUTERS	8084990	3044913	0	11129903	5410777	0	1528943	6939720	4190183	2674213
MOTOR VEHICLES	1059947	1237296	0	2297243	717506	0	218238	935744	1361499	342441
AIR CONDITIONER	600169	58290	0	658459	136793	0	38913	175706	482753	463376
ELECTRICAL INSTALLATIONS	1209045	386318	0	1595363	347516	0	93266	440782	1154581	861529
OFFICE EQUIPMENTS	757303	143168	0	900471	290979	0	49952	340931	559540	466324
REGISTRATION FEES	350000	0	0	350000	0	0	0	0	350000	350000
STOCK EXCHANGE CARD	1661000	0	0	1661000	0	0	0	0	1661000	1661000
TOTAL	23207946	5608178	0	28816124	7690351	0	2258565	9948916	18867208	15517595
PREVIOUS YEAR	19516618	3691328	0	23207946	6017515	0	1672836	7690351	15517595	13499103

Schedule F
INVESTMENTS (At Cost)

i) Unquoted Shares

17,75,000 (17,75,000) Equity Shares of Rs. 10/- each of

Ajcon Commodity Brokers Ltd.a subsidiary Company

 ii) 10,000(Nil) Equity shares of Rs. 10/-each of Ajcon IT.Com Ltd,
an associate Company.

2007-2008 Rs.	2006-2007 Rs.
17,75,000	17,75,000
1,600,000	NIL
19,35,000	17,75,000

Schedule G
INVENTORIES (At Cost)

Shares and Securities

16,848,525	14,982,589
16,848,525	14,982,589

Schedule H
SUNDRY DEBTORS

(Unsecured, Considered good)

Debts outstanding for a period exceeding Six months

Others

	2007-2008 Rs.	2006-2007 Rs.
Debts outstanding for a period exceeding Six months	3,554,590	2,664,592
Others	14,256,049	12,646,490
	<u>17,810,639</u>	<u>15,311,082</u>

Schedule I
CASH & BANK BALANCE

Cash in Hand

Balance with Scheduled Banks

-in Current Account

-in Fixed Deposit Account

in unclaimed dividend account

Cash in Hand	678,570	252,960
Balance with Scheduled Banks		
-in Current Account	3,815,804	316,180
-in Fixed Deposit Account	2,322,400	1,884,543
in unclaimed dividend account	200,165	NIL
	<u>7,016,939</u>	<u>2,453,683</u>

Schedule J
LOANS AND ADVANCES

Advances recoverable in cash or in kind or for value to be received

Advance to staff

Deposits

Advances recoverable in cash or in kind or for value to be received	36,698,315	11,675,454
Advance to staff	1,987,500	1,238,750
Deposits	19,008,651	14,608,651
	<u>57,694,466</u>	<u>27,522,855</u>

Schedule K
CURRENT LIABILITIES

Creditors for trade and others

Unclaimed Dividend

Advances from constituents

Creditors for trade and others	7,642,352	4,648,852
Unclaimed Dividend	200,165	NIL
Advances from constituents	NIL	2,500,000
	<u>7,842,517</u>	<u>7,148,852</u>

Schedule L
INCOME FROM OPERATIONS

Income from Stock Market Operations

Income from Consultancy and Advisory Services

Profit from Securities Trading Activities

Income from Stock Market Operations	14,434,595	11,147,049
Income from Consultancy and Advisory Services	16,384,630	7,005,875
Profit from Securities Trading Activities	2,567,800	659,020
	<u>33,387,025</u>	<u>18,811,944</u>

Schedule M
OTHER INCOME

Interest (TDS Rs.38827)

Miscellaneous Income

Dividend

Interest (TDS Rs.38827)	194,721	122,693
Miscellaneous Income	296,320	8,288
Dividend	286,410	241,824
	<u>777,451</u>	<u>372,805</u>

Schedule N
ADMINISTRATIVE AND OPERATIVE EXPENSES

	2007-2008	2006-2007
	Rs.	Rs.
Rent, Rates & Taxes	782,230	378,200
Insurance Premium	110,299	100,132
Salaries and Retainership Fees	6,671,296	4,640,040
Directors remuneration	993,000	936,000
Staff Welfare	789,614	502,135
Postage, Courier and Telephone	198,509	94,973
Telephone Expenses	698,648	494,050
Electricity Charges & expenses	613,675	410,183
Printing & Stationery	395,673	249,389
Advertising & Business Development	1,818,589	692,901
Repairs & Maintenances	442,322	92,349
Travelling & Conveyance	1,010,904	571,979
Membership & Subscription	450,174	469,939
Connectivity & Communication	625,190	225,000
Software and Amc charges	863,136	100,000
Depository charges	205,162	54,900
Legal & Professional Fees	1,507,102	237,813
Auditors' Remuneration	30,000	28,652
Commission, Discount and Rebate	155,000	32,042
Office & Sundry Expenses	663,376	454,532
Transaction Charges	244,800	70,000
	19,268,699	10,835,209

Schedule O
FINANCIAL EXPENSES

Interest and delayed Payment charges	1,394,567	1,022,510
Bank Charges and Commission	270,449	145,543
	1,665,016	1,168,053

Schedule P
Notes to Accounts for the year ended 31st March 2008
1. Significant Accounting Policies
a) Method of Accounting:

The Company follows mercantile method of accounting and recognizes income and expenditure on accrual basis. Financial Statements are prepared on historical cost basis and as a going concern.

b) Use of Estimates:

The presentation of financial statements in conformity with generally accepted accounting principles requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of financial statement and the reported amount of revenue and expenses during the year. Difference between actual results and estimates are recognized in the year in which the results are known / materialized.

c) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation and impairment loss except one time Membership fees and Stock Exchange Card. Registration fees and Stock Exchange Card have been stated at their cost of acquisition.

d) Depreciation:

No depreciation is provided on Membership fees and Stock Exchange Card. Depreciation on all other assets is provided on Straight Line Method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the date of such additions, or upto the date of sale/disposal, as the case may be.

e) Investments:

Investments are treated as strategic long term investments and the same are stated at the cost, without considering any increase or erosion in the value.

f) Inventories:

Inventories consisting of stocks and securities are stated at cost without considering any increase or erosion in value thereof, as per the practice followed by the Company right since the beginning.

g) Revenue Recognition:

- i. Revenue is recognized where there is reasonable certainty of its ultimate realization.
- ii. Consultancy and Advisory fees are accounted on accrual basis depended on the progress of assignment.
- iii. Brokerage on stock market operations is recognized on completion of settlement period.
- iv. Dividend income has been accounted on receipt basis.
- v. The Annual Maint charges in respect of depository account holders are accounted at the time of opening the account or on completion of the year irrespective of the period they pertain to.
- vi. Income other than above is accounted on accrual basis.

h) Segment Reporting:

The Company operates in single business segment i.e. financial services.

i) Earning per Share (E.P.S):

The Company reports Basic and Diluted Earning Per Share in accordance with Accounting Standard 20 issued by The Institute of Chartered Accountants of India.

The basic earning per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of Equity Shares outstanding during the reporting year. Diluted Earning Per Share is computed using the weighted average number of equity share and dilute potential equity share outstanding during the period.

j) Provision for Taxation:

- Current Tax

Provision for current year taxation is determined as the tax payable in respect of taxable income for the year and is computed in accordance with provision of relevant statute.

- Deferred Tax

The Company provides for deferred tax liability in accordance with Accounting Standard 22 – “Accounting for Taxes on Income” issued by The Institute of Chartered Accountants of India. In accordance with transition provision of AS-22, the Company has adjusted the opening deferred tax liability against opening revenue reserves.

Deferred tax resulting from timing difference between book profit and tax profit is accounted for at the current tax rate/substantively enacted tax rate, as applicable, to the extent that the timing differences are expected to crystallize.

- Security Transaction Tax (STT)

STT to the extent allowable U/S 88 E of the Income tax Act, 1961 has been included in the provision for Income tax.

2. Provisions, Contingent Liabilities and Contingent Assets.

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on best management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best management estimates.

Contingent Liabilities includes:

- (i) Counter Guarantees given for the Bank Guarantees for Rs. 45.00 Lacs (less margin deposit of Rs. 23.22 Lacs) issued by the bankers of the Company in favour of the Clearing Corporation Ltd./ Clearing Member.
 - (ii) No interest has been provided on Inter Corporate Deposit of Rs.24.00 Lacs under dispute, which the management is confident of settling on favorable terms, without any interest.
- In consideration with concept of prudence, no contingent assets are recognized.

3. Secured Loans

- (i) The term loans from the Andhra Bank (o/s Rs. 58.31 Lacs) is secured by mortgage of Office premises, hypothecation of movable fixed assets and personal guarantee of Managing Director.
- (ii) Vehicle loans (o/s Rs.12.16 Lacs) from banks are secured by way of the hypothecation of Motor cars.
- (iii) Secured overdraft from Union Bank of India is secured by pledge of equity shares standing in the name of the Company.

4. Deferred Tax Liability

The break-up of Deferred Tax Liability as on 31st March 2008 is as follows:

	(Rs. In Lacs)	
	31.03.2008	31.03.2007
Opening Liability	16.27	11.37
DTL on account of Depreciation	1.56	4.90
Closing Liability	17.83	16.27

5. Impairment of Assets.

Impairment of Assets, if any, is recognized in accordance with AS-28.

6. Securities received from clients as Collaterals for margins are held by the Company in its own name in fiduciary Capacity. A part of these securities are pledged with the clearing Member for F & O and also with the bank to secure cash margins on behalf of clients. Securities which are not registered in the name of the Company, are held by the Company with valid transfer documents.
7. Traveling expenses includes directors foreign travel expenses to the tune of Rs. 376120/- incurred during the year.
8. **Share Capital and Share warrants / Utilisation of funds.**
During the year the Company has issued 3,15,000 equity Shares of Rs.10/- each on Preferential basis at a premium of Rs. 65/- per share and has also allotted 6,75,000 Share warrants at a price of Rs. 85/- per warrant on Preferential basis as per the SEBI Guidelines on Preferential Issue. These Warrants are convertible at the option of the holder at any time before the expiry of 18 months from its allotment into 1 fully paid equity share of Rs. 10/- each at a premium of Rs. 75/- per share against which 10 % of the value has been received by the Company on allotment of such warrants. The funds raised through the Preferential Issue of Equity Shares & Share Warrants have been utilized for the purposes they are raised as per the object of the Issue set out in the relevant Notice.
9. In the opinion of the Board of Directors, the current assets, loans and advances are of the value as stated, if realised in the ordinary course of the business, except to the extent of the erosion in the value of stock which is undeterminable, due to non availability of market quotations in some cases. The Book Debts of Rs. 35.55 Lacs (Rs. 26.65 Lacs) are outstanding for the period exceeding six months but considered good by the management and hence not provided for.
10. Advances recoverable in cash or in kind or for value to be received include Rs. 72,95,541/- (Rs. 52,60,000/-) due from the subsidiary Company and Rs.15,00,000 /- (Rs. Nil) from an Associate Company. The outstanding amount at the end of the year was the maximum debit balance during the year.
11. Sundry Debtors, Creditors and Loans and Advances are subject to confirmation and reconciliation, if any.
12. Related Party Disclosures:
Disclosure in respect of applicability of AS 18 – Related Party Disclosure for the year ended 31/03/2008 are given below: -

RELATIONSHIP(DURING THE YEAR)		RELATED PARTY		
A. Related party where control exists:				
Subsidiary Company		M/s Ajcon Commodity Brokers Limited		
B. Related parties where significant influence exists:				
Associate Enterprise		M/s Ajcon IT.Com Ltd M/s Ajcon Communication Pvt. Ltd M/s A. Ajmera & Associates.		
C. Key Management Personnel:				
Chairman and Managing Director		Mr. Ashok Kumar Ajmera		
Executive Director		Mr. Ankit Ajmera		
Executive Director		Mr. Anuj Ajmera		
D Other Key Related Parties				
		Mr. Ajit Ajmera Mrs. Pragati Ajmera Mrs. Pallvi Ajmera Mrs. Shikha Ajmera		
E. Significant transactions with related parties				
(Rs. In Lacs)				
NATURE OF TRANSACTION	SUBSIDIARY COMPANY	ASSOCIATES	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES
Loans & Advance (Net)	20.36	15.00	-	-
Investment	-	16.00	-	-
Issue of Share warrents	-	17.00	17.00	14.88
Remuneration	-	-	9.93	-
Purchases	-	3.58	11.88	-
Income	0.78	-	0.99	-

F. Outstanding balances as on 31.03.2008				
				(Rs. In Lacs)
NATURE OF TRANSACTION	SUBSIDIARY COMPANY	ASSOCIATES	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES
Loans & Advance given	72.96	15.00	-	-

Transaction with related parties in the normal course of business which were not materially significant have not been reckoned for the above purpose.

13. Managerial remuneration under Section 198 of the Companies Act, 1956:

	2007-2008 Rs.	2006-2007 Rs.
a) Paid to Managerial persons as Salaries	9,93,000.00	9,36,000.00
	<u>9,93,000.00</u>	<u>9,36,000.00</u>

The Company is of the opinion that the computation of the net profit u/s.349 of the Companies Act, 1956 need not be made since no commission is paid/payable to the Directors for the period.

14. Earning per share (EPS)- AS20

	2007-2008 (Rs.)	2006-2007 (Rs.)
-Profit attributable to Equity Shareholders	77,40,076	36,07,779
- Equity Share Capital	6,11,62,000	5,80,12,000
- Weighted Average number of Equity shares		
Outstanding (Face Value Rs. 10/- per shares)(nos.)	58,24,501	58,01,200
Basic (nos) Diluted	58,57,820	Nil
-Earning Per share - Basic (Rs.)	1.33	0.62
Diluted (Rs.)	1.32	0.62

15. Statement pursuant to Section 212 of the Companies Act, 1956 is appended hereto.

16. Auditors' Remuneration:

	2007-2008 Rs	2006-2007 Rs.
a) Statutory Audit Fees	20,000	16,854
b) Tax Audit Fees	5,000	5,618
c) Other services	5,000	6,180
	<u>30,000</u>	<u>28,652</u>

17. Information pursuant to the provisions of paragraphs 3, 4C and 4D of part II of Schedule VI of the Companies Act, 1956. (to the extent applicable and as certified by the Management)

a) Quantitative Details: **Shares and Securities**

The Company trades in Equity shares, which involves continuous purchases and sales. Such trades are settled with actual delivery of the shares or without the delivery of the shares. Considering the volume of the transactions and variety of scripts, traded at various prices, it is not practical and meaningful to compile the quantitative details of the shares and securities. Hence, the quantitative details are not furnished.

b) CIF value of imports, Expenditure & Earning in foreign exchange :-

Foreign Exchange incurred for foreign travel – Rs.57,680/- (Pre. Year – Nil)

c) Break up of Imported & Indigenous materials and components concerned - N.A

d) Previous years figures are mentioned in bracket.

18. Previous year's figures are regrouped, reclassified or rearranged/recast wherever necessary in order to make them comparable with the current year's figures.

As per our report of even date attached
For G. N. SHANBHAG & CO.
 CHARTERED ACCOUNTANTS
 G.N.SHANBHAG

Ashok Kumar Ajmera
 MANAGING DIRECTOR

S.B. Limaye
 DIRECTOR

Anuj Ajmera
 EXECUTIVE DIRECTOR

Proprietor, M No 32057
 Mumbai, 30.06.2008

Narayan Atal
 DIRECTOR

Ankit Ajmera
 EXECUTIVE DIRECTOR

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2008

		2007-2008	2006-2007
	Rs.	Rs.	Rs.
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Net Profit before Tax		10,972,196	5,508,651
Adjustments for:			
Interest from Fixed Deposits received	(194,721)		(122,693)
Dividend received	(286,410)		(241,824)
Depreciation	2,258,565		1,672,836
Interest and finance charges (net)	1,665,016		1,268,680
		3,442,450	2,576,999
Operating profit (loss) before working capital changes		14,414,646	8,085,650
Adjustments for:			
Trade and other receivables	(2,499,557)		(44,260)
Inventories	(1,865,936)		(1,131,450)
Loans & Advances	(30,171,611)		
Current Liabilities	693,665		(567,628)
		(33,843,439)	(1,743,338)
Cash generation from Operations		(19,428,793)	6,342,312
Interest and Finance charges paid (net)		(16,65,016)	(1,268,680)
Taxes		(2,083,000)	(345,000)
Net Cash Flow from Operating Activities		(23,176,809)	4,728,632
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets	(5,608,178)		(3,691,328)
Sale/(Purchase) of Investments	(1,600,000)		NIL
Dividend received	286,410		241,824
Interest from Fixed Deposits	194,721		122,693
Net Cash From Investing Activities		(6,727,047)	(3,326,811)
Total Cash Inflow		(29,903,856)	1,401,821
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Share Capital (Net)	3,150,000		NIL
Share premium	20,475,000		NIL
Share Warrant	5,737,500		NIL
Secured Loans	6,998,170		(308,268)
Unsecured Loans	1,500,000		(2,375,000)
Dividend paid	(2,900,600)		NIL
Dividend Distribution Tax paid	(492,958)		NIL
Net Cash From Financing Activities		34,467,112	(2,683,268)
Net increase (decrease) in Cash equivalents		456,325	(1,281,447)
Cash and Cash equivalents as at 01.04.2007		2,453,683	3,735,130
CASH AND CASH EQUIVALENTS AS AT 31.03.2008		7,016,939	2,453,683

As per our report of even date attached
FOR G.N. SHANBHAG & CO.
 CHARTERED ACCOUNTANTS

Ashok Kumar Ajmera
 MANAGING DIRECTOR

S.B. Limaye
 DIRECTOR

Ankit Ajmera
 EXECUTIVE DIRECTOR

G.N. SHANBHAG
 PROPRIETOR, M. No. 32057

Narayan Atal
 DIRECTOR

Anuj Ajmera
 EXECUTIVE DIRECTOR

AUDITORS' CERTIFICATE ON CASH FLOW STATEMENT

We have examined the attached Cash Flow Statement of Ajcon Global Services Limited for the year ended 31.03.2008. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of the Listing Agreement with the Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of 30.06.2008 to the members of the Company.

For G.N. SHANBHAG & CO.
 Chartered Accountants

Mumbai
 30.06.2008

G.N. Shanbhag
 (Proprietor)
 Membership No. 32057

**STATEMENT IN ACCORDANCE WITH PROVISIONS OF
SECTION 212 OF THE COMPANIES ACT, 1956**

NAME OF SUBSIDIARY		AJCON COMMODITY BROKERS LTD. (Formerly known as Ajcon Finance Limited)	
1.	Financial year of the Subsidiary ended on	31.03.2008	
2.	Date from which it became subsidiary	18.01.1995	
3.	Extent of the interest of the Company in the Subsidiary at the end of the financial year of each		
	a) Face value	Rs.	10.00
	b) Number of shares held by : Ajcon Global Services Ltd. (Holding Co.) with its nominees at the end of 31.03.2008	No.	17,75,000 equity shares of Rs. 10/- each fully paid up
	c) Shareholding percent : Ajcon Global Services Ltd. (Holding Co.) At the end of 31.03.2008	%	88.75
4.	a) Net aggregate amount of profits less losses so far as they concern members of the Company and not dealt with, in the Company's account		
	i) For the financial year ended 31.03.2008	Rs.	3,13,229
	ii) For the previous years since it became a subsidiary	Rs.	(7,77,030)
	b) Net aggregate amount of profits less losses so far as they concern members of the Company and dealt with, in the Company's account		
	i) For the financial year ended 31.03.2007	Rs.	Nil
	ii) For the previous years since it became a subsidiary	Rs.	Nil

As per our report of even date attached

For G.N. SHANBAG & CO.
CHARTERED ACCOUNTANTS

Ashok Kumar Ajmera
MANAGING DIRECTOR

S.B.Limaye
DIRECTOR

G.N.SHANBHAG
PROPRIETOR
MEM. NO. 32057

Narayan Atal
DIRECTOR

Ankit Ajmera
EXECUTIVE DIRECTOR

Anuj Ajmera
EXECUTIVE DIRECTOR

Mumbai
30.06.2008

AJCON GLOBAL SERVICES LIMITED
(Information pursuant to Part IV of Schedule VI)
Balance Sheet abstract and a company profile

A. Registration Details

Registration No. : 41941
Balance Sheet Date : 31.03.2008

B. Capital raised during the year (Amount in Rs.Thousand)

Public Issue : Nil Right Issue : Nil
Bonus Issue : Nil Private Placement : 3,150

C. Position of Mobilisation and Deployment of funds

Total Liabilities : 125,258 Total Assets : 125,258

Sources of funds

Paid up capital : 61,162
Reserves and Surplus : 34,028
Secured Loans : 12,397
Unsecured Loans : 10,150
Deferred Tax Liability : 1,784

Application of funds

Net Fixed Assets : 18,867
Investments : 19,350
Net Current Assets : 87,041
Misc. Expenditure : NIL

D. Performance of Company

Turnover : 34,164 Total Expenditure : 23,192
Profit before tax : 10,972 Profit after tax : 7,740
Earning per share (Rs.) : 1.33 Dividend rate : 4.70

E. Generic names of three principal products/ services of the company

Product Description : N.A. Item code No. : N.A.
(ITC Code)

As per our report of even date attached

FOR G.N. SHANBHAG & CO.
CHARTERED ACCOUNTANTS

Ashok Kumar Ajmera
MANAGING DIRECTOR

S.B. Limaye
DIRECTOR

G.N. SHANBHAG
PROPRIETOR
M. No. 32057
Mumbai
30.06.2008

Narayan Atal
DIRECTOR

Rajendra Bakhiwala
DIRECTOR

Anuj Ajmera
EXECUTIVE DIRECTOR

Ankit Ajmera
EXECUTIVE DIRECTOR

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To
THE MEMBERS OF AJCON GLOBAL SERVICES LIMITED,

We have audited the attached Consolidated Balance Sheet of AJCON GLOBAL SERVICES LIMITED, it's Subsidiary as at 31st March 2008 and also the Consolidated Profit and Loss Account and Consolidated Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides the reasonable basis for our opinion.

We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 on "Consolidated Financial Statements", issued by The Institute of Chartered Accountants of India and on the basis of separate audited financial statements of AJCON GLOBAL SERVICES LIMITED and it's Subsidiary included in Consolidated Financial Statements.

In our opinion and to the best of our information and explanation given to us, and on the consideration of the separate audit reports on individual audited financial statements of AJCON GLOBAL SERVICES LIMITED, it's subsidiary read together with significant accounting policies :

- (i) The Consolidated Balance Sheet gives a true and fair view of the consolidated state of affairs of the Company, it's subsidiary as at 31st March 2008,
- (ii) The Consolidated Profit & Loss Account gives a true and fair view of the consolidated results of operations of AJCON GLOBAL SERVICES LIMITED, it's subsidiary for the year ended on that date, and
- (iii) The Consolidated Cash Flow Statement gives a true and fair view of the cash flows of AJCON GLOBAL SERVICES LIMITED, it's subsidiary for the year ended on that date.

For G.N. SHANBHAG & CO.
CHARTERED ACCOUNTANTS

Mumbai
30.06.2008

G.N. SHANBHAG
(PROPRIETOR)
Membership No. 32057

AJCON GLOBAL SERVICES LIMITED
(CONSOLIDATED)



CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2008

	Schedule	2007-2008 Rs.	2006-2007 Rs.
<u>SOURCES OF FUNDS</u>			
SHAREHOLDERS' FUNDS			
Share Capital	A	61,162,000	58,012,000
Share Warrants		5,737,500	NIL
RESERVE & SURPLUS	B	33,616,825	8,517,317
BORROWED FUNDS			
Secured Loans	C	12,396,709	5,398,539
Unsecured Loans	D	10,150,000	8,650,000
Deferred Tax Liability		1,846,801	1,690,681
Minority Interest	E	2,197,822	2,162,584
		127,107,657	84,431,120
<u>APPLICATION OF FUNDS</u>			
FIXED ASSETS			
Gross Block	F	29,437,472	23,823,769
Less: Depreciation		(10,389,350)	(8,035,773)
Net Block		19,048,122	15,787,996
INVESTMENTS	G	2,700,000	NIL
CURRENT ASSETS & LOANS AND ADVANCES			
Inventories	H	29,194,325	26,277,490
Sundry Debtors	I	18,919,139	15,809,622
Cash & Bank Balances	J	7,636,291	2,880,159
Loans & Advances	K	63,030,064	35,048,098
		118,779,819	80,015,369
LESS: CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	L	8,842,317	7,839,942
Provision for Taxation		4,577,967	3,535,044
		13,420,284	11,374,986
NET CURRENT ASSETS		105,359,535	68,640,383
MISCELLANEOUS EXPENDITURE	M	NIL	2,741
(to the extent not written off or adjusted)			
		127,107,657	84,431,120
Notes forming the part of accounts	R		

As per our report of even date attached

FOR G.N. SHANBHAG & CO.

CHARTERED ACCOUNTANTS

Ashok Kumar Ajmera
MANAGING DIRECTOR

S.B.Limaye
DIRECTOR

G.N. SHANBHAG

PROPRIETOR

M. No. 32057

Narayan Atal
DIRECTOR

Ankit Ajmera
EXECUTIVE DIRECTOR

Mumbai
30.06.2008

Anuj Ajmera
EXECUTIVE DIRECTOR

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH 2008

PARTICULARS	Schedule	2007-2008	2006-2007
		Rs	Rs
INCOME			
Income from Operations	N	34,592,203	19,933,993
Other Income	O	989,149	385,052
		35,581,352	20,319,045
EXPENDITURE			
Administrative and Operative Expenses	P	20,214,677	11,630,945
Financial Expenses	Q	1,675,210	1,180,840
Depreciation	F	2,353,577	1,763,321
Preliminary and Pre-Operative Expenses w/o.		2,741	6,162
		24,246,205	14,581,268
PROFIT BEFORE TAX		11,335,147	5,737,777
Provision for Taxation:			
Current Tax		2,987,384	(1,360,500)
Deferred Tax		156,120	(496,749)
Fringe Benefit Tax		138,339	(81,500)
PROFIT AFTER TAX		8,053,304	3,799,028
Balance brought forward		8,517,317	4,739,804
Minority Interest Apportioned		(35,238)	(21,515)
Balance available for Appropriation		16,535,383	8,517,317
Less Dividend/Interim Dividend on Equity Shares		(2,900,600)	NIL
Dividend Tax on Equity Shares		(492,958)	NIL
Transfer to General Reserve		(5,000,000)	NIL
BALANCE CARRIED FORWARD TO BALANCE SHEET		8,141,825	8,517,317
EARNING PER SHARE - BASIC		1.38	0.65
- DILUTED		1.37	0.65
Notes forming the part of accounts	R		

As per our report of even date attached

FOR G.N. SHANBHAG & CO.
CHARTERED ACCOUNTANTS

Ashok Kumar Ajmera
MANAGING DIRECTOR

S.B.Limaye
DIRECTOR

G.N. SHANBHAG
PROPRIETOR

Narayan Atal
DIRECTOR

Rajendra Bakiwala
DIRECTOR

M. No. 32057

Mumbai
30.06.2008

Anuj Ajmera
EXECUTIVE DIRECTOR

Ankit Ajmera
EXECUTIVE DIRECTOR

SCHEDULES 'A' to 'R' ANNEXED TO AND FORMING PART OF CONSOLIDATED ACCOUNTS

FOR THE PERIOD ENDED ON 31st MARCH 2008.

PARTICULARS	2007-2008	2006-2007
	Rs.	Rs.
<u>Schedule A</u>		
<u>SHARE CAPITAL</u>		
Authorised		
70,00,000 (63,50,000) Equity Shares of Rs.10/- each	70,000,000	63,500,000
NIL (65,000) Preference Shares of Rs. 100/- each	NIL	6,500,000
	<u>70,000,000</u>	<u>70,000,000</u>
Issued, Subscribed & Paid up		
61,16,200 (58,012,00) Equity Shares of Rs.10/- each		
fully paid up (out of this 2,90,250 Equity Shares were allotted as fully paid up by way of bonus shares by capitalisation of General Reserve)	61,162,000	58,012,000
	<u>61,162,000</u>	<u>58,012,000</u>
<u>Schedule B</u>		
<u>RESERVE & SURPLUS</u>		
Profit and Loss Account	8,141,825	8,517,317
General Reserve	5,000,000	NIL
Share Premium	20,475,000	NIL
	<u>33,616,825</u>	<u>8,517,317</u>
<u>Schedule C</u>		
<u>SECURED LOANS</u>		
Term Loan from Bank	5,831,388	5,133,836
Vehicle Loans	1,216,406	264,703
Secured Overdraft from Bank	5,348,915	NIL
	<u>12,396,709</u>	<u>5,398,539</u>
<u>Schedule D</u>		
<u>UNSECURED LOANS</u>		
From Bank	NIL	200,000
Interoperate	2,400,000	2,400,000
Security/Margin Deposits	7,750,000	6,050,000
	<u>10,150,000</u>	<u>8,650,000</u>
<u>Schedule E</u>		
<u>MINORITY INTEREST</u>		
Face Value of shares held by minority	2,250,000	2,250,000
Less: Appropriation of Losses	(52,178)	(87,416)
	<u>2,197,822</u>	<u>2,162,584</u>

Schedule F
FIXED ASSETS

	GORSS BLOCK				DEPRITIATION				NET BLOCK	
	As at	Addition in	Deduction	As at	As at	Deductions	for the	As at	As at	
	1.4.2007	2007-08		31.3.2008	1.4.2007		year	31.3.2008	31.3.2008	31.3.2007
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
OFFICE PREMISES	6,159,857	0	0	6,159,857	206,589	0	100,406	306,995	5,852,862	5,953,268
FURNITURE	3,344,935	738,193	0	4,083,128	593,534	0	230,069	823,603	3,259,525	2,751,401
COMPUTERS	8,652,505	3,044,913	0	11,697,418	5,721,007	0	1,620,937	7,341,944	4,355,474	2,931,498
MOTOR VEHICLES	1,059,947	1,237,296	0	2,297,243	717,506	0	218,238	935,744	1,361,499	342,441
AIR CONDITIONER	600,169	58,290	0	658,459	136,793	0	38,913	175,706	482,753	463,376
ELECTRICAL INSTALLATIONS	1,212,903	386,318	0	1,599,221	351,374	0	93,266	444,640	1,154,581	861,529
OFFICE EQUIPMENTS	782,453	148,693	0	931,146	308,970	0	51,748	360,718	570,428	473,483
REGISTRATION FEES	350,000	0	0	350,000	0	0	0	0	350,000	350,000
STOCK EXCHANGE CARD	1,661,000	0	0	1,661,000	0	0	0	0	1,661,000	1,661,000
TOTAL	23,823,769	5,613,703	0	29,437,472	8,035,773	0	2,353,577	10,389,350	19,048,122	15,787,996
PREVIOUS YEAR	19,972,441	3,851,328	0	23,823,769	6,272,451	0	1,763,321	8,035,772	15,787,997	13,699,990

Schedule G

INVESTMENTS (At Cost)

Unquoted Shares

16,875 Equity Shares of Rs. 10/- each of M/s Ajcon IT.Com Ltd,an Associate Co.

	2007-2008 Rs.	2006-2007 Rs.
	2,700,000	NIL
	2,700,000	NIL

Schedule H

INVENTORIES (At Cost)

Shares and Securities

	29,194,325	26,277,490
	29,194,325	26,277,490

Schedule I

SUNDRY DEBTORS

(Unsecured, Considered good)

Debts outstanding for a period exceeding Six months

Others

	3,554,590	3,056,298
	15,364,549	12,753,324
	18,919,139	15,809,622

AJCON GLOBAL SERVICES LIMITED
(CONSOLIDATED)



<u>Schedule J</u>	<u>2007-2008</u> <u>Rs.</u>	<u>2006-2007</u> <u>Rs.</u>
<u>CASH & BANK BALANCE</u>		
Cash In Hand	833,200	309,665
Balance with Scheduled Banks		
-in Current Account	3,905,526	385,951
-in Fixed Deposit Account	2,697,400	2,184,543
-in Unclaimed Dividend A/C	200,165	NIL
	<u>7,636,291</u>	<u>2,880,159</u>
<u>Schedule K</u>		
<u>LOANS AND ADVANCES</u>		
Advances recoverable in cash or in kind or for value to be received	41,908,913	18,950,697
Deferred Revenue Expenditure	125,000	250,000
Advance to staff	1,987,500	1,238,750
Deposits	<u>19,008,651</u>	<u>14,608,651</u>
	<u>63,030,064</u>	<u>35,048,098</u>
<u>Schedule L</u>		
<u>CURRENT LIABILITIES</u>		
Creditors for trade and others	8,392,152	5,089,942
Unclaimed Dividend	200,165	NIL
Advances from constituents	NIL	2,500,000
Securities Deposit/Margin	<u>250,000</u>	<u>250,000</u>
	<u>8,842,317</u>	<u>7,839,942</u>
<u>Schedule M</u>		
<u>MISCELLANEOUS EXPENDITURE</u>		
(To the extend not written off or adjusted)		
Preliminary Expenses	2,741	8,903
Less : Written off during the year	<u>2,741</u>	<u>6,162</u>
	<u>NIL</u>	<u>2,741</u>
<u>Schedule N</u>		
<u>INCOME FROM OPERATIONS</u>		
Income from Consultancy & Advisory Services	16,384,630	7,005,875
Income from Stock Market Operations	14,710,795	11,454,211
Profit from Securities and Commodity Trading Activities	2,892,360	979,534
Finance and Service Charges	<u>604,418</u>	<u>494,373</u>
	<u>34,592,203</u>	<u>19,933,993</u>
<u>Schedule O</u>		
<u>OTHER INCOME</u>		
Interest	211,184	58,787
Dividend	296,606	57,865
Miscellaneous Income	<u>481,359</u>	<u>268,400</u>
	<u>989,149</u>	<u>385,052</u>

<u>Schedule P</u>	2007-2008	2006-2007
<u>ADMINISTRATIVE AND OPERATIVE EXPENSES</u>	<u>Rs.</u>	<u>Rs</u>
Rent, Rates & Taxes	890,230	486,200
Insurance Premium	116,019	105,642
Salaries and Retainership Fees	7,045,296	4,958,524
Directors Remuneration	993,000	936,000
Staff Welfare	809,458	512,994
Postage, Courier and Telephone	205,539	101,953
Telephone Expense	746,648	541,016
Electricity Charges & Expenses	613,675	410,183
Printing & Stationery	404,213	256,437
Advertising & Business Promotion	1,818,589	692,901
Repairs & Maintainance	456,352	103,699
Travelling & Conveyance	1,063,384	620,519
Membership & Subscription	585,174	544,939
Connectivity & Communication	625,190	225,000
Software and Amc Charges	863,136	100,000
Depository Charges	205,162	54,900
Legal & Professional Fees	1,527,102	248,643
Auditors' Remuneration	40,000	34,264
Commisssion, Discount and Rebate	155,000	32,042
Office & Sundry Expenses	681,710	470,089
Transaction Charges	244,800	70,000
MCX Admission Fees W/O	125,000	125,000
	20,214,677	11,630,945

Schedule Q
FINANCIAL EXPENSES

Interest and Delayed Payment Charges	1,394,567	1,022,510
Bank Charges and Commission	280,643	158,330
	1,675,210	1,180,840

Schedule R
Notes to Consolidated Accounts for the year ended 31st March 2008

1. **Basis of Presentation of Consolidated Financial Statements**
 - (i) The Financial Statements of the Subsidiary used in the consolidation is drawn upto same reporting date as that of parent Company, i.e. year ended 31st March, 2008.
 - (ii) The Company follows mercantile method of accounting and recognizes income and expenditure on accrual basis. Financial Statements are prepared on historical cost basis and as a going concern.
2. **Principles of Consolidation**
 - (i) The financial statements of the parent Company and it's subsidiary have been consolidated on a line by line basis by adding together the book

values of like items of assets, liabilities, incomes and expenses after eliminating intra-group balances, intra group transactions and unrealized profits resulting therefrom.

- (ii) The financial statements of the parent Company and its subsidiary have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances.
 - (iii) The AJCON COMMODITY BROKERS LIMITED (Formerly known as Ajcon Finance Ltd.) was incorporated as 100% subsidiary of the AJCON GLOBAL SERVICES LIMITED. The entire Share Capital of the subsidiary was acquired at its face value. The holding Company has disposed off 11.25% of the Share Capital of its subsidiary Company - Ajcon Commodity Brokers Limited during the F.Y 2004-2005. The balance shareholding is reflected as investment at cost in the separate financial statement of the holding Company AJCON GLOBAL SERVICES LIMITED.
3. The Company has disclosed only such Policies and Notes from the individual financial statements, which fairly presents needed disclosures. Lack of homogeneity and other similar considerations makes it desirable to exclude some of them, which in the opinion of the Management could be better viewed, when referred from the individual financial statements.
 4. In terms of AS 21 financial statement present the consolidated accounts of AJCON GLOBAL SERVICES LIMITED with its following subsidiary.

SUBSIDIARY	COUNTRY OF INCORPORATION	2007-2008 PROPORTION OF OWNERSHIP INTEREST %	2006-2007 PROPORTION OF OWNERSHIP INTEREST %
Ajcon Commodity Brokers Limited (Formerly known as Ajcon Finance Ltd)	India	88.75%	88.75%

5. Prior year figures have been reclassified/regrouped/recast wherever necessary to confirm with the current year's presentation.
6. Figures pertaining to the subsidiary Company have been reclassified/regrouped/recast wherever necessary to bring them in line with the parent Company's financial statements.

As per our report of even date attached

FOR G.N. SHANBHAG & CO.
CHARTERED ACCOUNTANTS

Ashok Kumar Ajmera
MANAGING DIRECTOR

S.B.Limaye
DIRECTOR

G.N. SHANBHAG
PROPRIETOR
M. No. 32057
Mumbai
30.06.2008

Narayan Atal
DIRECTOR

Ankit Ajmera
EXECUTIVE DIRECTOR

Anuj Ajmera
EXECUTIVE DIRECTOR

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2008

	Rs.	2007-2008 Rs.	Rs.	2006-2007 Rs.
A. CASH FLOWS FROM OPERATING ACTIVITIES				
Net Profit before Tax		11,335,147		5,737,777
Adjustments for:				
Depreciation	2,353,577		1,763,321	
Preliminary Expenses w/off	2,741		6,162	
MCX Admission charges Written off	125,000		125,000	
Interest and finance charges (net)	1,394,567	3,875,885		1,894,483
Operating profit (loss) before working capital changes		15,211,032		7,632,260
Adjustments for:				
Trade and other Receivables	(3,109,517)		776,936	
Loans & Advances	(28,106,966)		(1,285,367)	
Inventories	(2,916,835)		(965,716)	
Current Liabilities	1,052,298		(576,393)	
		(33,081,020)		(2,050,540)
Cash Generation From Operations		(17,869,988)		5,581,720
Interest and Finance charges paid (net)		(1,394,567)		NIL
Tax paid		(2,132,723)		(345,000)
Net Cash Flow from Operating Activities		(21,397,278)		5,236,720
B. CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of Investment	(2,700,000)		NIL	
Purchase of Fixed Assets	(5,613,703)		(3,851,328)	
Net Cash Flow From Investing Activities		(8,313,703)		(3,851,328)
C. CASH FLOWS FROM FINANCING ACTIVITIES				
Share Capital	3,150,000		NIL	
Share Premium	20,475,000		NIL	
Share Warrants	5,737,500		NIL	
Secured Loans	6,998,170		(308,268)	
Unsecured Loans	1,500,000		(2,375,000)	
Dividend paid	(2,900,600)		NIL	
Dividend Distribution Tax Paid	(492,958)		NIL	
Net Cash Flow From Financing Activities		34,467,112		(2,683,268)
Net increase in Cash and Cash equivalents		4,756,131		(1,297,876)
Cash and Cash equivalents as at 01.04.2007		2,880,159		4,178,035
Cash and Cash equivalents as at 31.03.2008		7,636,290		2,880,159

As per our report of even date attached

FOR G.N. SHANBHAG & CO.
CHARTERED ACCOUNTANTS
G.N. SHANBHAG
PROPRIETOR
M. No. 32057
Mumbai
30.06.2008

Ashok Kumar Ajmera
MANAGING DIRECTOR

S.B. Limaye
DIRECTOR

Narayan Atal
DIRECTOR

Ankit Ajmera
EXECUTIVE DIRECTOR

Anuj Ajmera
EXECUTIVE DIRECTOR

AUDITORS' CERTIFICATE ON CASH FLOW STATEMENT

We have examined the attached Consolidated Cash Flow Statement of Ajcon Global Services Limited for the year ended 31.03.2008. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of the Listing Agreement with the Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of 30.06.2008 to the members of the Company.

For G.N. SHANBHAG & CO.
Chartered Accountants

G.N. Shanbhag
(Proprietor)
Membership No. 32057

Mumbai
30.06.2008

DIRECTORS' REPORT

To
The Members,

You Directors have great pleasure in presenting the Fourteenth Annual Report and the Audited Accounts of your Company for the year ended 31st March 2008.

FINANCIAL RESULTS:

	Year ended 31.03.08 (Rs.)	Year ended 31.03.07 (Rs.)
Income from Operations and Other Income	14,16,876	11,34,296
Profit before Financial Overheads & Depreciation	4,68,158	3,32,398
Less: Financial overheads	10,194	12,787
Less: Depreciation	95,012	90,485
Profit before Tax	3,62,952	2,29,126
Less: Provision for Tax	49,723	37,877
Profit after Tax	3,13,229	1,91,249
Add: Surplus/(Deficit) brought forward	(7,77,030)	(9,68,279)
Profit/(Loss) carried to Balance Sheet	(4,63,801)	(7,77,030)

OPERATIONS:

The operations of the Company for the year under review have resulted in the gross profit of Rs.4,68,158 /- against Rs. 3,32,398/- in the previous year. After providing for interest, depreciation and taxes, the Company has earned a net profit of Rs.3,13,229 /- as against the profit of Rs. 1,91,249 /- in the previous year.

IMPORTANT DEVELOPMENTS:

Your Company has commenced the business of Commodity broking in full scale. During the year ,the Company has added 500 clients doing Commodity trading and has started trading facility at other branches through its holding Company, Ajcon Global Services Ltd.

FUTURE OUTLOOK:

All the risk management systems and the required software's are all in place now and your directors are hopeful of expanding the business rapidly this year. The Company is mainly concentrating on Global Commodities rather than Agricultural produce , where there is a lot of uncertainty and volatility.

DIVIDEND:

In order to conserve resources for development and working capital, your directors do not recommend any dividend.

FIXED DEPOSITS:

The Company has not accepted any fixed deposits from public within the meaning of section 58A of the Companies Act, 1956 and the rules made there under.

INSURANCE:

All the properties of the Company are adequately insured. The Company is also adequately insured for its activities as Commodity Brokers.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Future Outlook

The future outlook of the Company continues to be very bright as the Commodity Markets in India are growing leaps and bounds. The Company expects to be a market leader in the next few years as it has plans to commence Commodity Broking activities from about 50 branches being opened by M/s Ajcon Global Services Limited, the holding Company during the current year. The Company remains well placed in terms of

good share capital and a networth as against most of its competitors and also has benefit of the use of the brand name of "Ajcon Global" for its services.

Internal Control System

The Company has adequate internal control systems commensurate with the nature and size of its business. Internal Audit is conducted at regular intervals, by independent firm of Chartered Accountants.

Human Resources

The Company has been following standard procedure for recruitment of best personnel for all the departments and is making constant and continuous efforts to retain and groom them to meet its present and future requirements. The relation between the management and staff remained very cordial during the year.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms:

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
- ii. that the selected accounting policies were applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2008 and of the profit of the Company for the year ended on that date;
- 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.

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

Particulars required to be given under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable, as the Company is not engaged in manufacturing activities. The Company has not earned or spent any foreign exchange during the year.

EMPLOYEE INFORMATION:

No information pursuant to Section 217 (2A) of the Companies Act, 1956 is attached, as there was no employee drawing remuneration in excess of limits prescribed.

AUDITORS AND AUDITORS' REPORT AND CERTIFICATE:

M/s. G.N. Shanbhag and Co., Chartered Accountants, Mumbai, Auditors of the Company, retires at the ensuing Annual General Meeting and are eligible for reappointment. Their appointment is recommended to hold office until the conclusion of the forthcoming Annual General Meeting. The Company has received certificate from the Auditors to the effect that their reappointment, if made, will be in accordance with sub-section (1B) of section 224 of the Companies Act, 1956. The Auditors' Report forms the part of this Annual Report.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their thanks and gratitude to Bankers, MCX, FMC and clients for their support, co-operation, guidance and assistance. The Board is also grateful to the shareholders for their continued confidence.

The Board of Directors takes this opportunity to express their appreciation of the sincere efforts put in by the staff and executives at all the levels and hopes that they would continue their dedicated efforts in the future also.

For and on behalf of the Board

Mumbai
30.06.2008

(Ashok Kumar Ajmera)
Chairman

AUDITORS' REPORT

To
The Members,

We have audited the attached Balance Sheet of AJCON COMMODITY BROKERS LTD. as at 31st March 2008 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides the reasonable basis for our opinion.
2. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in Paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in Paragraph 2 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Profit & Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit & Loss account and Cash Flow Statement comply with the accounting standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable to the Company;
 - e) On the basis of written representations received from the Directors as on 31st March, 2008 and taken on records by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2008 from being appointed as a Director in terms of clause (g) of the sub section (1) of the Section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the Significant Accounting Policies and other notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) In the case of Balance sheet, of the state of affairs of the Company as at 31st March 2008,
 - (ii) In the case of the Profit & Loss Account, of the profit for the year ended on that date, and
 - (iii) In the case of the Cash Flow Statement of the cash flows for the year ended on that date.

For G.N. SHANBHAG & CO.
Chartered Accountants

Mumbai
30th June, 2008

G.N. Shanbhag
(Proprietor)
Membership No. 32057

ANNEXURE TO AUDITORS' REPORT

(Referred to in Paragraph (2) of our report of even date)

- 1) a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
b) As explained to us, physical verification of fixed assets as at 31st. March, 2008 was conducted by the Management during the year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the nature of its assets. No material discrepancies were noticed on such physical verification.
c) During the year, the Company has not disposed off any Fixed Assets and therefore the going concern status of the Company is not affected.
4. In respect of inventories,
 - a. Company's inventory is comprising of only the shares and securities. The Management during the year has physically verified these stocks which were not in dematerialised form and the rest were verified through demat statements of depositaries. In our opinion the frequency of such verification was reasonable.
 - b. The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book record.
3. In respect of loans, secured or unsecured, granted or taken by the Company to and from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
The Company has taken interest free loan of 72.96 Lacs (Rs.52.60 Lacs) from it's holding Company. There are no stipulations as regards repayment of the said loan amount and hence the question of overdue amount does not arise. A sum of Rs. 2.03 lacs has been advanced to an Associate Company. The terms and conditions of the same are not prima facie prejudiced to the interest of the Company. The said loan is repayable on demand, hence there are no overdues.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchases of equipments and other assets and with regards to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
5. To the best of our knowledge and belief and according to the information and explanations given to us by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
6. The Company has not accepted any deposits from public.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
8. The Central Government has not prescribed, maintenance of cost records under section 209(1) (d) of the Companies Act 1956.
9. According to the records the Company was not required to pay any provided fund amount. No undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty, and cess were outstanding as at 31st March, 2008 for a period of more than six months from the date they become payable.
10. The Company has accumulated losses but the same are less than 50% of the net worth and the Company has not incurred any cash losses during the financial year covered by our audit and also not incurred cash loss in the immediately preceding financial year.
11. According to the information and explanation given to us by the Management, the Company does not have any loan from Banks and Financial Institutions.
12. Based on our examination of the records and the information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion the Company is not a chit fund or a nidhi / mutual benefit fund or a society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. The Company is dealing and trading in shares, securities, debentures and other investments and has maintained proper records of the transactions and contracts and timely entries are made therein. All the shares, securities, debentures and other securities have been held by the Company in its own name except to the extent of exemption granted under Section 49 of the Act.
15. According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from Bank or Financial Institutions.
16. According to the information and explanations given to us, the Company has not obtained any term loans during the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment, and vice versa.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued any Debentures.
20. The Company has not raised any money through public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For G.N. SHANBHAG & CO.

Chartered Accountants

G.N. Shanbhag

(Proprietor)

Membership No. 32057

Mumbai

30th June, 2008

BALANCE SHEET AS ON 31ST MARCH 2008

	Schedule	2007-2008 Rs.	2006-2007 Rs.
<u>SOURCES OF FUNDS</u>			
SHAREHOLDERS FUNDS			
Share Capital	A	20,000,000	20,000,000
BORROWED FUNDS			
Unsecured Loans	B	7,295,541	5,260,000
Deffered Tax Liability		63,199	63,199
		27,358,740	25,323,199
<u>APPLICATION OF FUNDS</u>			
FIXED ASSETS			
Gross Block	C	621,348	615,823
Less: Depreciation		440,433	345,421
Net Block		180,915	270,402
INVESTMENT	D	1,100,000	NIL
CURRENT ASSETS & LOANS AND ADVANCES			
Inventories	E	12,345,800	11,294,901
Sundry Debtors	F	1,108,500	498,540
Cash & Bank	G	619,352	426,476
Loans & Advances	H	12,631,139	12,785,243
		26,704,791	25,005,160
LESS: CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	I	999,800	691,090
Provision for taxation		90,967	41,044
		1,090,767	732,134
NET CURRENT ASSETS		25,614,024	24,273,026
MISCELLANEOUS EXPENDITURE	J	NIL	2,741
(to the extent not written off or adjusted)			
PROFIT AND LOSS ACCOUNT (DR.)		463,801	777,030
		27,358,740	25,323,199
Notes forming the part of accounts	O		

As per our report of even date attached

FOR G.N. SHANBHAG & CO.
CHARTERED ACCOUNTANTS

(Ashok Ajmera)
DIRECTOR

G.N. SHANBHAG
PROPRIETOR
M. No. 32057

(Ankit Ajmera)
DIRECTOR

Mumbai
30.06.2008

(Anuj Ajmera)
DIRECTOR

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2008

PARTICULARS	Schedule	As at 2007-2008	As at 2006-2007
		Rs.	Rs.
INCOME			
Income from Operations	K	1,400,127	1,122,049
Other Income	L	16,749	12,247
		<u>1,416,876</u>	<u>1,134,296</u>
EXPENDITURE			
Administrative and Operative Expenses	M	945,977	795,736
Financial Expenses	N	10,194	12,787
Depreciation	C	95,012	90,485
Preliminary Expenses Written off		<u>2,741</u>	<u>6,162</u>
		<u>1,053,924</u>	<u>905,170</u>
PROFIT BEFORE TAX		362,952	229,126
Provision for Tax			
Current Tax		(37,384)	(25,500)
Deferred Tax		NIL	(6,877)
Fringe Benefit Tax		(12,339)	(5,500)
		<u>313,229</u>	<u>191,249</u>
PROFIT AFTER TAX			
		<u>313,229</u>	<u>191,249</u>
Add: Balance brought forward		(777,030)	(968,279)
		<u>(463,801)</u>	<u>(777,030)</u>
BALANCE CARRIED FORWARD TO BALANCE SHEET			
		<u>(463,801)</u>	<u>(777,030)</u>
EARNING PER SHARE-BASIC & DILUTED		0.16	0.10

Notes forming the part of accounts

O

As per our report of even date attached

FOR G.N. SHANBHAG & CO.
CHARTERED ACCOUNTANTS

(Ashok Ajmera)
DIRECTOR

G.N. SHANBHAG
PROPRIETOR
M. No. 32057
Mumbai
30.06.2008

(Ankit Ajmera)
DIRECTOR

(Anuj Ajmera)
DIRECTOR

SCHEDULES 'A' TO 'O' ANNEXED TO AND FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2008

PARTICULARS

	2007-2008	2006-2007
	Rs.	Rs.
<u>Schedule A</u>		
<u>SHARE CAPITAL</u>		
Authorised		
20,00,000 (20,00,000) Equity Shares of Rs.10 each	20,000,000	20,000,000
	<u>20,000,000</u>	<u>20,000,000</u>
Issued, Subscribed & Paid up		
20,00,000 (20,00,000) Equity Shares of Rs.10 each fully paid.	20,000,000	20,000,000
	<u>20,000,000</u>	<u>20,000,000</u>
<u>Schedule B</u>		
<u>UNSECURED LOANS</u>		
From Holding Company	7,295,541	5,260,000
	<u>7,295,541</u>	<u>5,260,000</u>

Schedule C - FIXED ASSETS

<u>PARTICULARS</u>	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at	Addition in	Deduction in	As at	As at	Deductions	for the	As at	As at	As at
	1.4.2007	2007-2008	2007-2008	31.3.2008	1.4.2007		year	31.3.2008	31.3.2008	31.03.2007
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
COMPUTERS	567,515	0	0	567,515	310,230	0	91,994	402,224	165,291	257,285
FURNITURE	19,300	0	0	19,300	13,342	0	1,222	14,564	4,736	5,958
OFFICE EQUIPMENTS	25,150	5,525	0	30,675	17,991	0	1,796	19,787	10,888	7,159
ELECTRICAL INSTALLATIONS	3,858	0	0	3,858	3,858	0	0	3,858	0	0
TOTAL	615,823	5,525	0	621,348	345,421	0	95,012	440,433	180,915	270,402
PREVIOUS YEAR	455,823	160,000	0	615,823	254,936	0	90,485	345,421	270,402	200,887

<u>Schedule D</u>	2007-2008	2006-2007
<u>INVESTMENT (Unquoted shares)</u>	Rs.	Rs.
6875 Equity Shares of Rs.10/-each of M/s. Ajcon IT.Com Ltd.,	11,00,000	NIL
	11,00,000	NIL
<u>Schedule E</u>		
<u>INVENTORIES (At Cost)</u>	NIL	NIL
Shares and Securities	12,345,800	11,294,901
	12,345,800	11,294,901
<u>Schedule F</u>		
<u>SUNDRY DEBTORS</u>		
(Unsecured, Considered good)		
Debts outstanding for a period exceeding Six months	NIL	NIL
Others	1,108,500	498,540
	1,108,500	498,540
<u>Schedule G</u>		
<u>CASH & BANK BALANCE</u>		
Cash In Hand	154,630	56,705
Balance with Scheduled Banks		
(i) in Current Account	89,722	69,771
(ii) Fixed Deposit (Pledged against Bank Guarantee)	375,000	300,000
	619,352	426,476
<u>Schedule H</u>		
<u>LOANS AND ADVANCES</u>		
Advances recoverable in cash or in kind or for value to be received	12,506,139	12,535,243
Deferred Revenue Expenditure	125,000	250,000
	12,631,139	12,785,243
<u>Schedule I</u>		
<u>CURRENT LIABILITIES</u>		
Creditors for trade and others	749,800	441,090
Security Deposit/Margin	250,000	250,000
	999,800	691,090
<u>Schedule J</u>		
<u>MISCELLANEOUS EXPENDITURE</u>		
(To the extend not written off or adjusted)		
Priliminary Expenses	2,741	8,903
Less : Written off during the year	2,741	6,162
	NIL	2,741

Schedule K
INCOME FROM OPERATIONS

	2007-2008 Rs.	2006-2007 Rs.
Brokerage Income	276,200	NIL
Profit from securities trading	324,560	NIL
Interest and Service Charges	604,418	494,373
Income from Lease	NIL	307,162
Dividend Income	194,949	320,514
	<u>1,400,127</u>	<u>1,122,049</u>

Schedule L
OTHER INCOME

Bank Interest (T.D.S. Rs.3391/-)	16,463	12,247
Miscellaneous Expenses	286	NIL
	<u>16,749</u>	<u>12,247</u>

Schedule M
ADMINISTRATIVE AND OPERATIVE EXPENSES

Rent ,rate & taxes	108,000	108,000
Salaries	374,000	318,484
Staff Welfare	19,844	10,859
Postage, Courier and Telegram	7,030	6,980
Insurance Premium	5,720	5,510
Printing & Stationery	8,540	7,048
Travelling & Conveyance	52,480	48,540
Repairs & Maintainance	14,030	11,350
Auditors' Remuneration	10,000	5,612
Legal & Professional Fees	20,000	10,830
Sundry Expenses	18,333	15,557
Telephone Expenses	48,000	46,966
Subscription and Membership Fees	135,000	75,000
MCX Admission Fees Written Off	125,000	125,000
	<u>945,977</u>	<u>795,736</u>

Schedule N
FINANCIAL EXPENSES

Bank Charges and Commission	10,194	12,787
	<u>10,194</u>	<u>12,787</u>

Schedule O

Notes to Accounts for the year ended 31st March 2008

1. Significant Accounting Policies

a) Method of Accounting:

The Company follows mercantile method of accounting and recognises income and expenditure on accrual basis. Financial Statements are prepared on historical cost basis and as a going concern.

b) Use of Estimates:

The presentation of financial statements in conformity with generally accepted accounting principles requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of financial statement and the reported amount of revenue and expenses during the year. Difference between actual results and estimates are recognized in the year in which the results are known / materialised.

c) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation and impairment loss.

d) Depreciation:

Depreciation on assets is provided on Straight Line Method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the date of such additions, or upto the date of sale/disposal, as the case may be.

e) Investment:

Investments are treated strategic long term investments and the same are stated at cost ,without considering any increase or erosion in the value.

f) Inventories:

Inventories of stocks and securities are stated at cost without considering increase or erosion in value thereof.

g) Revenue Recognition:

- i. Revenue is recognized where there is reasonable certainty of its ultimate realization.
- ii. Dividend income has been accounted on receipt basis.
- iii. Brokerage on Commodity markets operations is recognized on the day of the trade.
- iv. Income other than above is accounted on accrual basis.

h) Amortization of preliminary expenses:

Preliminary expenses are amortized over a period of ten years against Profit and Loss account.

i) Provision for taxation:

- Current Tax

Provision for current year taxation is determined as the tax payable in respect of taxable income for the year and is completed in accordance with provision of relevant statute .

- Deferred Tax

The Company has provided for deferred tax liability in accordance with Accounting Standard 22 – “Accounting for Taxes on Income” issued by The Institute of Chartered Accountants of India. In accordance with transition provision of AS-22, the Company has adjusted the opening deferred tax liability against opening revenue reserves.

Deferred tax resulting from timing difference between book profit and tax profit is accounted for at the current tax rate/substantively enacted tax rate, as applicable, to the extent that the timing differences are expected to crystallize.

The break-up of Deferred Tax Liability as on 31st March 2008 is as follows:

	31.03.2008	31.03.2007
Opening Liability	63199	56322
DTL/(DTA)on account of		
<input type="checkbox"/> Depreciation	NIL	6877
<input type="checkbox"/> Others		
Closing Liability	63199	63199

In accordance with the guidelines of The Institute of Chartered Accountants of India on measurement and recognition of the Deferred Tax Assets in respect of unabsorbed depreciation and brought forward business loss, the Company has not provided for DTA in the absence of virtually certainty of future profit, against which the deferred tax assets can be set off.

j) Segment Reporting

The Company operates in a single business segment i.e. financial services.

k) Earning per Share:

The basic earning per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of Equity Shares outstanding during the reporting year.

2. Provisions, Contingent Liabilities and Contingent Assets.

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on best

management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best management estimates.

Contingent Liability on account of counter guarantee given to the bank for the bank guarantee of Rs. 7.50 Lacs (Less Margin deposit of Rs. 3.75 Lacs) issued by the bankers.

3. The company has amortized the admission fees of Multi Commodity Exchange of India of Rs. 5 Lacs over the period of 4 years, of which Rs. 1.25 Lacs has been written off to Profit and Loss Account during the current period
4. In the opinion of the Board of Directors, the current assets, loans and advances are of the value as stated, if realized in the ordinary course of the business, except to the extent of the erosion in the value of stock which is undeterminable, due to non-availability of market quotations in most of the cases.
5. Unsecured Loans include Rs. 72.96 Lacs /- (Rs. 52.60 Lacs) due to Holding Company.
6. Advances recoverable in cash or in kind for the value to be received, include Rs.2.03 lacs (Rs. NIL) due from an Associate Company. Maximum debit balance outstanding at any time during the year was Rs.2.03 lacs.
7. Related Party Disclosures:

Nature of Relationship	Related Party
A. Related party where control exists:	
Holding Company	M/s Ajcon Global Services Limited
B. Related parties where significant influence exists:	
Associate Enterprise	M/s Ajcon Consultants Pvt. Ltd

D. Significant transactions with related parties

(Rs. In Lacs)

Nature of Transaction	Holding Company	Associate	Key Management Personnel	Other Related Parties
Loans & Advance taken	20.36	-	-	-
Expenses	0.78	-	-	-
Loans given	-	2.03	-	-

E. Outstanding balance as on 31.03.2008

(Rs. In Lacs)

Nature of Transaction	Holding Company	Associate	Key Management Personnel	Other Related Parties
Loans & Advance (Taken)	72.96	-	-	-
Loans & Advances (Given)	-	2.03	-	-

There are some transactions in current account with related parties which were not materially significant and hence not reckoned for the above purpose.

8. Information pursuant to the provisions of paragraphs 3, 4C and 4D of part II of schedule VI of the Companies Act, 1956. (to the extent applicable and as certified by the Management)
 - a) Quantitative Details: *Shares and Securities*
The Company trades in Equity shares and commodity futures which involves purchase and sale on continuous basis and such trades are settled with or without delivery. Considering the volume of the transactions and variety of scrip's, traded at different prices, it is not practical and meaningful to compile the quantitative details of the shares and securities. Hence, the quantitative details are not given.
 - b) CIF value of imports, Expenditure & Earning in foreign exchange. NIL
 - c) Break up of Imported & Indigenous materials and components concerned. NIL
 - d) Previous years figures are mentioned in bracket.
9. Previous year's figures are regrouped, reclassified or rearranged/recast, wherever necessary in order to bring them in conformity with the current year's figures.

As per our report of even date attached

FOR G.N. SHANBHAG & CO.
CHARTERED ACCOUNTANTS

Ashok Kumar Ajmera
MANAGING DIRECTOR

Anuj Ajmera
DIRECTOR

G.N. SHANBHAG
PROPRIETOR
Mumbai ,30-06-2008

Ankit Ajmera
DIRECTOR

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2008

		2007-2008		2006-2007	
	CASH FLOWS FROM OPERATING ACTIVITIES	Rs.	Rs.	Rs.	Rs.
A.	Net Profit before Tax and extra ordinary items				
	Adjustments for:		362,952		229,126
	Depreciation				
	MCX written off				
	Preliminary Expenses w/off	95,012		90,485	
	Operating profit (loss) before working capital changes	125,000		125,000	
		2,741		6,162	
			<u>222,753</u>		<u>221,647</u>
	Adjustments for:		585,705		450,773
	Trade and other receivables				
	Inventories	(609,960)		(230,171)	
	Loans & Advances	(1,050,899)		165,734	
	Current Liabilities	29,104		506,000	
		358,633		(8,765)	
	Cash generation from operations		<u>(1,273,122)</u>		<u>432,798</u>
	Tax paid		(687,417)		883,571
	Net Cash Flow From Operating Activities		<u>(49,723)</u>		<u>NIL</u>
	CASH FLOWS FROM INVESTING ACTIVITIES		(737,140)		883,571
B.	Purchase of Fixed Assets				
	Purchase of Investments				
		(5,525)		(160,000)	
	Net Cash From Investing Activities	<u>(1,100,000)</u>		<u>NIL</u>	
	CASH FLOWS FROM FINANCING ACTIVITIES		(1,105,525)		(160,000)
C.	Unsecured Loans				
	Net Cash From Financing Activities	<u>2,035,541</u>		<u>(740,000)</u>	
	Net increase in Cash and Cash equivalents		<u>2,035,541</u>		<u>(740,000)</u>
	Cash and Cash equivalents as at 01.04.2007		192,876		(16,429)
	Cash and Cash equivalents as at 31.03.2008		426,476		442,905
	As per our report of even date attached		619,352		426,476
	FOR G.N. SHANBHAG & CO.				
	CHARTERED ACCOUNTANTS		(Ashok Ajmera)		
			DIRECTOR		
	G.N. SHANBHAG				
	PROPRIETOR				
	M. No. 32057		(Ankit Ajmera)		
	Mumbai		DIRECTOR		
	30.06.2008		(Anuj Ajmera)		
			DIRECTOR		

Balance Sheet abstract and a company profile

A. Registration Details

Registration No. : 80780
Balance Sheet Date : 31.03.2008

B. Capital raised during the year (Amount in Rs. Thousand)

Public Issue : NIL Right Issue : NIL
Bonus Issue : NIL Private Placement : NIL

C. Position of Mobilisation and Deployment of funds (Amount in Thousand)

Total Liabilities : 27,359 Total Assets : 27,359

Sources of funds

Paid up capital : 20,000
Reserves and Surplus : NIL
Secured Loans : NIL
Unsecured Loans : 7,296
Deferred Tax liability : 63

Application of funds

Net Fixed Assets : 181
Investments : 1,100
Net Current Assets : 25,614
Misc. Expenditure : NIL
P & L A/c (Dr.) : 464

D. Performance of Company (Amount in Rs. Thousand)

Turnover : 1,417 Total Expenditure : 1,054
Profit before tax : 363 Profit after tax : 313
Earning per share (Rs.) : 0.16 Dividend : NIL

E. Generic names of three principal products/ Services of the Company

Product Description : N.A. Item code No. : N.A.
(ITC Code)

As per our report of even date attached

FOR G.N. SHANBHAG & CO.
CHARTERED ACCOUNTANTS

(Ashok Kumar Ajmera)
DIRECTOR

G.N. SHANBHAG
PROPRIETOR
M. No. 32057
Mumbai
30.06.2008

(Ankit Ajmera)
DIRECTOR

(Anuj Ajmera)
DIRECTOR

AJCON GLOBAL SERVICES LTD.

Regd. Off. : 101, Samarth, Lt. P.N. Kotnis Road, Off. Laxmi Clinic Mahim
(West), Mumbai 400 016



PROXY FORM

Reg. Folio No. _____
I/We _____ of _____ in the district of _____
being a member(s) of the above named Company
hereby appoint _____ of _____ in the district of _____
as my/our proxy to vote for me/us on my/our behalf at the Twentyfirst Annual
General Meeting of the Company to be held on Tuesday, 12th August 2008 and if any adjournment thereof.

Signed this _____ Day of _____ 2008

Affix
Revenue
Stamp

Signature

Note : This form in order to be effective should be duly stamped, competed and signed and must be deposited
at the Registered Office of the Company, not less than 48 hours before the meeting.

AJCON GLOBAL SERVICES LTD.

Regd. Off. : 101, Samarth, Lt. P.N. Kotnis Road, Off. Laxmi Clinic Mahim (West), Mumbai 400 016

ATTENDANCE SLIP

Reg. Folio No. _____

I certify that I am a registered Share holder / Proxy for the registered Share holder of the Company, I hereby
record my presence at the Twentyfirst Annual General Meeting of the Company held at Off. : 101, Samarth,
Lt. P.N. Kotnis Road, Off. Laxmi Clinic Mahim (West), Mumbai 400 016, on Tuesday, 12th August 2008 at
10.00 am.

I Member's/Proxy's name in Block Letters

(Member's/Proxy's Signature)

AJCON GLOBAL SERVICES
Capital Market Services (Member N.S.E.)

❖
Commodity Broking (MCX)

❖
Depository Services (CDSL)

Corporate Advisory Services

❖
Corporate Finance Services

❖
Corporate Debt Restructuring

❖
Private Equity Placement

❖
Mergers and Amalgamations

❖
Acquisitions and Disinvestments

❖
ECB Financing

❖
Strategic Partnerships / Alliance

❖
Joint Ventures and B.P.O.

❖
Business Process Re-engineering

❖
Corporate Image Building

❖
Training and HRD Services

A financial power house with a motto
“Either find a way OR make a new one. ”
(Mr. Ashok Kumar Ajmera - Chairman)



Ajcon Global Services Limited

(Investment Banking & Corporate Advisory Services)

Regd. Office : 101, Samarth, Off. Hinduja Hospital, 151 Lt. P.N. Kotnis Road, Mahim (West),
Mumbai - 400 016. Tel : 022 - 40280400 / 450, 022 - 2446 0335 Fax : 022 - 2446 0339

Email : ajcon@ajcon.net Website : www.ajcon.net, www.ajcononline.com, www.pyarapaisa.com