

Regd. Off. : 101, Samarth, Lt. P.N. Kotnis Road,
Off. Hinduja Hospital, Mahim (West), Mumbai 400 016.
CIN: U65920MH1994PLC080780

NOTICE

Notice is hereby given that the 24th Annual General Meeting of the Members of Ajcon Finance Limited (Formerly Know as Ajcon Commodity Brokers Limited) will be held on Wednesday 26th September, 2018 at 9:30 am at 408, A –Wing, Express Zone, Cello – Sonal Realty, Western Express Highway, Goregaon (East), Mumbai – 400063 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements as at 31st March 2018 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ashok Ajmera (DIN: 00812092) who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 139 and Section 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, the appointment of Statutory Auditors of the Company M/s. Bhatler & Co., Chartered Accountants (Firm Registration No.131092W) approved in the 22nd Annual General Meeting until 27th Annual General Meeting is hereby ratified by the Members of the Company in this Annual General Meeting till conclusion of the next Annual General Meeting at such remuneration as may be determined by the Board of Directors of the Company."

Place: Mumbai
Date: 14.08.2018

By Order of the Board

Ashok Ajmera
Director
DIN:00812092

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. A person can act as proxy on behalf of Members not exceeding fifty in number and holding in aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. In case of a Member holding more than ten per cent of the total share capital of the Company carrying voting rights, such a Member may appoint a single person as proxy, who however shall not act as proxy for any other person or shareholder.
4. Members / Proxies should bring the Attendance Slip duly filled in and signed for attending the meeting. Corporate Members intending to send their authorized representatives are requested to send duly certified

copy of the Board Resolution authorizing their representatives to attend and vote at the ensuing Annual General Meeting

5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. 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.
7. Members are requested to send all communications concerning shares, change of address etc. to the Company's registered office and their folio and reference no. Members are also requested to send their email address to the company's Registrar.
8. Such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's email id :ajconfin@ajcon.net

DIRECTORS' REPORT

To

The Members,

Your Directors have great pleasure in presenting the 24th Annual Report and the Audited Accounts of your Company for the year ended 31st March 2018.

FINANCIAL RESULTS:

	Year ended 31.03.2018 (₹ in '000)	Year ended 31.03.2017 (₹ in '000)
Income from Operations and Other Income	14,824.15	14,936.29
Profit before Financial Overheads & Depreciation	11594.52	12576.22
Less: Financial overheads	9890.66	11,198.36
Less: Depreciation	0.00	192.27
Profit/(Loss) before Extra-ordinary items & Tax	1703.86	1185.59
Less: Provision (other than tax) and Contingencies	0.00	(236.69)
Profit/(Loss) before Tax	1703.86	1422.28
Less: Provision for Tax	324.15	240.94
Profit/(Loss) after Tax	1379.71	1,181.34
Add: Surplus/(Deficit) brought forward	(1,288.76)	(2233.83)
Less: * Transfer to Special Reserve u/s 45-IC of RBI Act, 1934	275.94	236.27
Profit/(Loss) carried to Balance Sheet	(184.99)	(1,288.76)

OPERATIONS:

The operations of the Company for the year under review have resulted in the gross profit of ₹ 11,594.52 thousands as against ₹ 12,576.22 thousands in the previous year. After providing for interest, depreciation and taxes, the Company has recorded a net profit of ₹ 1,703.86 thousands as against loss of ₹ 1,185.59 thousand in the previous year. The gross revenue stood at ₹ 14,824.15 thousand as against ₹ 14,936.29 thousand during the previous year.

Your Company being a RBI registered Non-Banking Finance Company is engaged in the investment and lending activities and expects reasonably good performance in the coming year. The Company is fully compliant of RBI Regulations.

DIVIDEND:

In order to conserve the resources for working capital needs, your Directors do not recommend any dividend.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The provisions of section 205 (c) of the Companies Act, 1956 do not apply as there was no dividend declared and paid in the past year/years.

SHARE CAPITAL:

The paid up Equity Share as on 31st March, 2018 was ₹ 2,23,75,000 divided into 22,37,500 shares of ₹ 10/- each. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

NUMBER OF BOARD MEETINGS:

The company has duly complied with section 173 of the Companies' Act 2013. During the year under review, Four board meetings were convened and held. The date on which meeting were held are as follow 30th May 2017, 11th August, 2017, 13th November 2017, 13th February, 2018. The maximum interval between any two meetings did not exceeded 120 days.

PUBLIC DEPOSITS:

During the financial year 2017-18, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014. The Board of Directors has duly passed a Resolution in their meeting giving effect to the aforesaid statement.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS:

The particulars of loan, guarantees or investment under section 186 of the Act are not furnished since provisions of section 186 of the Act are not applicable to the Company, being a Non Banking Financial Company registered with the Reserve Bank of India.

CORPORATE SOCIAL RESPONSIBILITY:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN 31st MARCH, 2018 AND 30th MAY, 2018 (date of Report):

There were no material changes and commitments affecting the financial position of the Company between the end of financial year (31st March, 2018) and the date of the Report (30th May, 2018).

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

There has been no change in constitution of Board during the year under review. In view of the applicable provisions of the Companies Act, 2013, the Company is not mandatorily required to appoint any whole time KMPs.

In accordance with the provisions of Companies Act, 2013 Mr. Ashok Ajmera (DIN:00812092), Director retires by rotation and being eligible has offered himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013;

- a) that, in the preparation of the annual financial statements for the year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that, such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit of the Company for the year ended on that date;
- c) that, proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that, the annual financial statements have been prepared on a going concern basis;
- e) that, proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) that, systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Company has limited scope for undertaking energy conservation exercises, but nevertheless continues to emphasize work practices that result in conservation of energy. At the offices of your Company, special emphasis is placed on installation of energy-efficient lighting devices, use of natural light as best as possible, and adoption of effective procedures for conservation of electricity, water, paper and other materials that consume natural resources.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure -A".

RISK MANAGEMENT SYSTEMS:

The Company has a comprehensive risk management policy for both the Clientele & Proprietary business. With research & risk management systems in place, the Company wants to utilize its comfortable fund position for proprietary trading in equity, currency and commodity markets within the fixed parameters. The Company has been active in securities trading with full risk management system in place.

DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint Venture, or an Associate Company.

EMPLOYEE INFORMATION:

None of the employees of the Company are in receipt of remuneration exceeding the limit prescribed under rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Consequently statement pursuant to Section 197(12) of the Companies Act 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required to be included.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable on your Company.

EXPLANATION OR COMMENTS ON QUALIFICATION, RESERVATION OR ADVERSE REMARKS OR DISCLAIMER MADE BY THE AUDITORS AND THE PRACTISING COMPANY SECRETARY IN THEIR REPORT:

There are no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, no case of sexual harassment was reported.

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. The relation between the management and staff remained very cordial during the year.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their thanks and gratitude to Banker, RBI 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

Place: Mumbai
Date: 30.05.2018

Ashok Ajmera
Director
DIN:00812092

Ankit Ajmera
Director
DIN:00200434

AJCON FINANCE LIMITED

(Formerly known as Ajcon Commodity Brokers Limited)

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	:	U65920MH1994PLC080780
Registration Date	:	02/09/1994
Name of the Company	:	Ajcon Finance Limited
Category / Sub-Category of the Company	:	Category Limited by share / Sub Category Indian Non-Government Company
Address of the Registered office and contact details	:	101 Samarth Off Hinduja Hospital 151 Lt P N Kotnis Rd Mahim (W), Mumbai 400016.
Whether listed company	:	No
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	Nil

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company are stated below:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Securities & Commodity trading	64300	13.78 %
2	Interest Income	64920	86.22 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sr. No.	Name and address of the Company	CIN / GLN	Holding / subsidiary / associate	% of shares held	Applicable section
1	Ajcon Global Services Limited Add: 101, Samarth L.T. PN Kotnis Road Mahim (W) Mumbai-400016.	L74140MH1986PLC041941	Holding Company	79.33 %	2(46)

[illegible]

a) Bodies Corp.	-	2,37,500	2,37,500	10.61	-	2,37,500	2,37,500	10.61	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(2):	-	2,37,500	2,37,500	10.61	-	2,37,500	2,37,500	10.61	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	2,37,500	2,37,500	10.61	-	2,37,500	2,37,500	10.61	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	22,37,500	22,37,500	100	-	22,37,500	22,37,500	100	-

ii. SHAREHOLDING OF PROMOTERS:

Sl. No	Shareholder's Name	Shareholding at the beginning of the year 01/04/2017			Share holding at the end of the Year 31/03/2018			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Ajcon Global Services Limited	17,75,000	79.33	-	17,75,000	79.33	-	-
2.	Ajcon Consultants Pvt. Ltd.	2,25,000	10.06	-	2,25,000	10.06	-	-
	Total	20,00,000	89.39	-	20,00,000	89.39	-	-

iii. CHANGE IN PROMOTERS' SHAREHOLDING :

Sr. No		As on date	Shareholding at the beginning of the year 01/04/2017		Cumulative Shareholding during the year 31/03/2018	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Ajcon Global Services Limited					
	At the beginning of the year	01/04/2017	17,75,000	79.30	17,75,000	79.30
	Change during the year	Nil	Nil	Nil	Nil	Nil
	At the End of the year	31/03/2018	17,75,000	79.30	17,75,000	79.30
2	Ajcon Consultants Pvt. Ltd.					
	At the beginning of the year	01/04/2017	2,25,000	10.06	2,25,000	10.06
	Change during the year	Nil	Nil	Nil	Nil	Nil
	At the End of the year	31/03/2018	2,25,000	10.06	2,25,000	10.06

iv. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sr. No	For Each of the Top 10 Shareholders	As on date	Shareholding at the beginning of the year 01/04/2017		Cumulative Shareholding during the year 31/03/2018	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	M/s. Manifold Infrastructure Pvt. Ltd.	01/04/2017	25,000	1.12	-	-
		31/03/2018	25,000	1.12	25,000	1.12
2.	M/s. Commit Marketing Pvt. Ltd.	01/04/2017	25,000	1.12	-	-
		31/03/2018	25,000	1.12	25,000	1.12
3.	M/s. Zigma Commotrade Pvt. Ltd.	01/04/2017	25,000	1.12	-	-
		31/03/2018	25,000	1.12	25,000	1.12
4.	M/s. Manmohak Infrastructure Pvt. Ltd.	01/04/2017	25,000	1.12	-	-
		31/03/2018	25,000	1.12	25,000	1.12
5.	M/s. Sunview Retail Pvt. Ltd.	01/04/2017	25,000	1.12	-	-
		31/03/2018	25,000	1.12	25,000	1.12
6.	M/s. Zodiac Vincom Pvt. Ltd.	01/04/2017	25,000	1.12	-	-
		31/03/2018	25,000	1.12	25,000	1.12
7.	M/s. Pewee Infrastructure Pvt. Ltd.	01/04/2017	25,000	1.12	-	-
		31/03/2018	25,000	1.12	25,000	1.12
8.	M/s. Ranbhum Nirman Pvt. Ltd.	01/04/2017	25,000	1.12	-	-
		31/03/2018	25,000	1.12	25,000	1.12
9.	M/s. Xylo Infrastructure Pvt. Ltd.	01/04/2017	25,000	1.12	-	-
		31/03/2018	25,000	1.12	25,000	1.12
10.	M/s. Shreedhan Investment Consultancy Pvt. Ltd.	01/04/2017	12,500	0.56	-	-
		31/03/2018	12,500	0.56	12,500	0.56

v. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr No.		Shareholding at the beginning of the year 01/04/2017		Cumulative Shareholding during the year 31/03/2018	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	For each of the Directors and KMP				
	Mr. Ashok Ajmera				
	01/04/2017	Nil	Nil	Nil	Nil
	31/03/2018	Nil	Nil	Nil	Nil
2.	Mr. Ankit Ajmera				
	01/04/2017	Nil	Nil	Nil	Nil
	31/03/2018	Nil	Nil	Nil	Nil
3.	Mr. Anuj Ajmera				
	01/04/2017	Nil	Nil	Nil	Nil
	31/03/2018	Nil	Nil	Nil	Nil
4.	Mr. Narayan Atal				
	01/04/2017	Nil	Nil	Nil	Nil
	31/03/2018	Nil	Nil	Nil	Nil

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,900.00	90,268.47	-	92,168.47
ii) Interest due but not paid	230.85	14,240.41	-	14,471.26
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,130.85	1,045,08.89	-	1,066,39.74
Change in Indebtedness during the financial year				
• Addition	569.45	243,194.35	-	243,763.80
• Reduction	(595.10)	(186,766.73)	-	(187,361.83)
Net Change	(25.65)	56,427.62	-	56,401.97
Indebtedness at the end of the financial year				
i) Principal Amount	1,900.00	155,156.64	-	157056.64
ii) Interest due but not paid	205.20	5779.87	-	5,987.07
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,105.20	160,936.51	-	163,041.71

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NIL

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
1	Gross salary	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- others, specify		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

B. REMUNERATION TO OTHER DIRECTORS:

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors	NIL	NIL
	Fee for attending board / committee meetings		
	Commission		
	Others, please specify		
	Total (1)		
2.	Other Non-Executive Directors	NIL	NIL
	Fee for attending board / committee meetings	N.A.	N.A.
	Commission		
	Others, please specify		
	Total (2)		
	Total (B)=(1+2)	NIL	NIL
	Total Managerial Remuneration	NIL	NIL
	Overall Ceiling as per the Act	N.A.	N.A.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	- others, specify				
5	Others, please specify				
	Total	NIL	NIL	NIL	NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

INDEPENDENT AUDITOR'S REPORT

To the Members of **AJCON FINANCE LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **AJCON FINANCE LIMITED ("the Company")** which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that : -

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us : -
 - i. The Company does not have any pending litigation which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The disclosure regarding details of specified bank notes held and transacted during 08th November, 2016 to 30th December, 2016 have not been made since the requirement not pertain to financial year ended 31st March 2018.

For Bhatte & Co.
Chartered Accountants
FRN: 131092W

Daulal H. Bhatte
Proprietor
Membership number: 16937
Place: Mumbai
Date: 30.05.2018

"Annexure A" to the Independent Auditor's Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended 31st March, 2018: -

1. In respect of Fixed Assets : -
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b. The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
2. In respect of Inventory
 - a. The management has conducted the physical verification of inventory at reasonable intervals.
 - b. No discrepancies noticed on physical verification of the inventory as compared to book records. The Company's inventory comprise only of shares and securities. The Management during the year has physically verified those stocks which were not in dematerialize form and the rest were verified through Demat Statements of Depositories. In our opinion, the procedure of such verification was reasonable and adequate, considering the size and nature of the business.
 - c. 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 records.
3. The Company has granted unsecured loans to companies covered in the Register maintained under section 189 of the Companies Act 2013. As per information and explanation given to us,
 - a) the terms and conditions of the grant of such loans are not prejudicial to the Company's interest;
 - b) the schedule of repayment of principal and payment of interest has not been stipulated and are payable on demand.
 - c) there are no amounts overdue for more than ninety days.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
5. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public within the meaning of Sections 73 to 76 of the Act or any other relevant provisions of Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014 to the extent notified. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other tribunal or any other court.
6. In our opinion and according to the information and explanations given to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
7. Information and explanation given to us in respect of statutory dues : -
 - a. According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess, GST and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March, 2018 for a period of more than six months from the date on when they become payable.

- b. According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, GST which have not been deposited on account of any dispute outstanding on account of any dispute except as set out in note number 21(ii) in Notes to Accounts annexed to financial statements as reproduced below:-

Particulars	As at 31.03.2018	As at 31.03.2017
Income tax demands	Nil	2001.08

8. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks.
9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management, the company has not paid or provided managerial remuneration and hence clause 3 (xi) of the Order is not applicable to the Company.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. The Company is registered under section 45-IA of the Reserve Bank of India Act 1934.

For Bhatte & Co.

Chartered Accountants

FRN: 131092W

Daulal H. Bhatte

Proprietor

Mem No.: 16937

Place: Mumbai

Date: 30.05.2018

"Annexure B" to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the financial statements of the Company as of and for the year ended 31st March, 2018 we have audited the internal financial controls over financial reporting of AJCON FINANCE LIMITED ("the Company") which is a Company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: -

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Bhatler & Co.
Chartered Accountants
FRN: 131092W

Daulal H. Bhatler
Proprietor
Mem No.: 16937
Place: Mumbai
Date: 30.05.2018

BALANCE SHEET AS AT 31ST MARCH 2018

(₹ '000)

Particulars	Note No.	As at 31/03/2018	As at 31/03/2017
I EQUITY AND LIABILITIES			
1 Share Holders' Fund			
Share Capital	2	22,375.00	22,375.00
Reserve and Surplus	3	46,000.03	44,620.32
		68,375.03	66,995.32
2 Non Current Liabilities	4	4.13	4.17
		4.13	4.17
3 Current Liabilities			
Short-Term Borrowings	5	1,71,415.26	1,06,639.74
Trade Payables	6	5,492.27	4,835.38
Other Current Liabilities	7	725.48	703.80
Short Term Provisions	8	608.40	555.38
		1,78,241.41	1,12,734.30
TOTAL		2,46,620.57	1,79,733.79
II ASSETS			
1 Non Current Assets			
Fixed Assets			
Tangible Assets	9	17.77	17.77
Non Current Investments	10	9,495.00	9,495.00
		9,512.77	9,512.77
2 Current Assets			
Inventories	11	285.75	76,757.90
Trade Receivables	12	79.84	-
Cash & Cash Equivalants	13	252.53	369.66
Short Term Loans & Advances	14	2,36,489.69	93,093.46
		2,37,107.81	1,70,221.02
TOTAL		2,46,620.57	1,79,733.79

As per our report of even date attached

For and on behalf of the Board

FOR BHATTER & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.131092W

D. H. BHATTER
PROPRIETOR
M. No. 16937

Ashok Ajmera
Director

Ankit Ajmera
Director

Anuj Ajmera
Director

Place : Mumbai
Date : 30.05.2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

(₹ '000)

Particulars	Note No.	for the year ended 31/03/18	for the year ended 31/03/17
I. Revenue from Operations	15	14,697.12	14,884.79
II. Other Income	16	127.04	51.49
III. Total Revenue (I+II)		14,824.15	14,936.29
IV Expenses			
Employee Benefit Expenses	17	2,006.75	1,226.33
Financial Cost	18	9,890.66	11,198.36
Depreciation & Amortization Expenses		-	192.27
Other Expenses	19	1,222.89	1,133.74
Total Expenses		13,120.29	13,750.70
V Profit/(Loss) before Extra-ordinary items & Tax (III-IV)		1,703.86	1,185.59
VI Provision (other than tax) and Contingencies		-	(236.70)
VII Extra-ordinary items			
VIII Profit/(Loss) before Tax (V-VI-VII)		1,703.86	1,422.28
IX Tax Expenses			
i) Current Tax		324.18	271.16
ii) Deferred Tax Expenses/ (Savings)		(0.03)	(30.21)
iii) Short/(Excess) Provision of Taxation in Earlier Years		-	-
X Profit/(Loss) for the period		1,379.71	1,181.34
Balance carried to Balance Sheet		1,379.71	1,181.34
XI Basic & Diluted EPS (in Rs.)		0.62	0.53

As per our report of even date attached

For and on behalf of the Board

FOR BHATTER & CO.

CHARTERED ACCOUNTANTS

Firm Reg. No.131092W

Ashok Ajmera

Director

D. H. BHATTER

PROPRIETOR

M. No. 16937

Ankit Ajmera

Director

Place : Mumbai

Date :30.05.2018

Anuj Ajmera

Director

AJCON FINANCE LIMITED

(Formerly known as Ajcon Commodity Brokers Limited)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	Particulars	Year Ended 31/03/2018 (₹ '000)	Year Ended 31/03/2017 (₹ '000)
A	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
	Net Profit before Tax and Provisions & exceptional item	1,703.86	1,185.59
	Adjustment for:		
	Depreciation and Amortisation	-	192.27
	Dividend received	(73.38)	-
	Interest Received	-	(51.49)
	Loss on sale of fixed assets	-	51.60
	Operating Profit Before Working Capital Changes	1,630.48	1,377.97
	Adjustment for:		
	Inventories	76,472.15	18,680.25
	Trade & Other Receivables	(79.84)	(11,020.47)
	Trade Payables & Other Current Liabilities	678.56	4,577.71
	Cash Generated from Operations	78,701.35	13,615.46
	Direct Taxes Paid (Net of Refund)	(271.16)	0.00
	Cash Flow before prior period Adjustments & Exceptional item	78,430.19	13,615.46
	Prior Period Adjustments	-	-
	Net Cash From / (Used In) Operating Activities (A)	78,430.19	13,615.46
B	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
	Sale of fixed assets	-	700.00
	Purchase of Investments	-	(420.00)
	Interest on Fixed Deposits Received	-	51.49
	Dividend received	73.38	-
	Proceeds from short term loans and advances	(1,43,396.23)	-
	Net Cash From / (Used In) Investing Activities (B)	(1,43,322.85)	331.49
C	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
	Proceeds from Secured Borrowings (Net)	(25.65)	(5,020.24)
	Proceeds from Unsecured Borrowings (Net)	64,801.18	(9,234.15)
	Net Proceeds from Issue of Shares including Share Premium	-	-
	Share Application Money Received	-	-
	Net Cash From / (Used In) Financing Activities (C)	64,775.53	(14,254.39)
	Net Increase / (Decrease) in Cash and Cash equivalents (A)+(B)+(C)	(117.13)	(307.44)
	Cash and Cash equivalents at the begining of the year	369.66	677.10
	Cash and Cash equivalents at the end of the year	252.53	369.66

NOTES:

- Above statement has been prepared by the indirect method as set out in the Accounting Standard 3 on Cash Flow Statement as specified in the Companies (Accounting Standards) Rules, 2006.
- Figures for the previous year are re-classified / re-arranged / re-grouped, wherever necessary.

As per our report of even date attached

FOR BHATTER & CO.

CHARTERED ACCOUNTANTS

Firm Reg. No.131092W

D. H. BHATTER

PROPRIETOR

M. No. 16937

For and on behalf of the Board

Ashok Ajmera

Director

Ankit Ajmera

Director

Anuj Ajmera

Director

Place : Mumbai

Date : 30.05.2018

Notes forming integral part of final accounts of the company for the year ended 31st March 2018

CORPORATE INFORMATION

Ajcon Finance Limited ("the Company") is a RBI registered Non -Deposit taking Non Banking Financial Company, carrying on NBFI activities. It is mainly engaged in the business of financing, providing loans and advances, inter-corporate deposits and investment & trading in shares and securities.

As at March 31, 2018, The Promoters Group owned 89.39 % of the Company's equity share capital and has the ability to control its operating and financial policies. The Company's registered office is in Mumbai.

Note 1: Significant Accounting Policies & Notes to Accounts

a) Basis of Preparation of Financial Statements:

1. These financial statements have been prepared to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.
2. The Company follows the directives prescribed by the Reserve Bank of India for Non Banking Financial Companies.
3. The financial statements have been prepared under the historical cost convention and on accrual basis, unless otherwise expressly mentioned in the notes. However, income is not recognised and also provision is reversed in respect of non-performing assets as per the guidelines for prudential norms prescribed by the Reserve Bank of India.

b) Use of Estimates :

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. The estimates and assumptions used in the accompanying financial statements are based on management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognised in the period in which the results are known / materialised.

c) Fixed Assets :

Fixed Assets are stated at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Fixed assets exclude assets/ spares individually costing ₹ 5,000 or less which are not capitalised except when they are part of a larger capital investment programme.

d) Depreciation & Amortization:

Depreciation has been provided on straight line method based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013.

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

e) Non-Current Investments:

Non-Current 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 are consisting of stocks and securities and the same are accounted at cost or NRV whichever is lower.

g) Revenue Recognition:

- a). Revenue is recognized where there is reasonable certainty of its ultimate realization.
- b). Revenue from trading in securities is accounted on settlement date basis.

- c). Interest income other than interest on sub-standard assets or doubtful assets is accounted on accrual basis. Interest on sub-standard assets or doubtful assets is accounted on ultimate realization as per the guidance notes issued by ICAI on Accounting standard on Revenue Recognition and guidelines of RBI.
- Dividend is recorded when the right to receive payment is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- d). Income other than above is accounted on accrual basis.

h) Equity Index/Stock Futures Derivative Instruments:

In accordance with the ICAI announcements, derivative contracts (other than foreign currency forward contracts covered under AS 11) is done based on the 'marked to market' principle, on a portfolio basis, and the net loss, if any, after considering the offsetting effect of underlying hedged items, is charged to the statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored as a matter of prudence. As on the Balance Sheet date, profit/loss on open positions in Equity index/Stock Futures are accounted for as follows:

- Credit balance in the "Mark-to Market Margin- Equity index/Stock Futures Account, being the anticipated profit, is ignored and no credit for the same is taken in the statement of Profit and Loss Account.
- Debit balance in the "Mark-to-Market Margin- Equity index/Stock Futures", being anticipated loss, is adjusted in the statement of Profit and Loss Account.

i) Employee Benefits:

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered. The contributions remitted to government administered Provident and Pension Fund on behalf of its employees in accordance with the relevant statute are charged to the Statement of Profit and Loss as and when due. The Company has no further obligations for future Provident/ Pension fund benefits other than its monthly contributions. Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expenses are recognised at the present value of the amount payable.

j) Borrowing Cost:

Borrowing cost that are attributable to the acquisition of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit & Loss in the period in which they are incurred.

k) Segment Reporting:

The Company operates in single business segment i.e. financial services and therefore segment information as per Accounting Standard 17 is not required to be disclosed.

l) Earnings Per Share (E.P.S.):

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

The basic earnings per share are 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 earnings per share is computed using the weighted average number of equity share and dilute potential equity share outstanding during the period.

m) Provision for Taxation:

Provision for taxation is made for both current and deferred taxes. Current tax is provided on the basis of estimated taxable income in accordance with the Income Tax Act, 1961 using the applicable tax rates and tax laws. Advance taxes and provisions for current income taxes are presented in the balance sheet without off-setting advance tax paid and income tax provision. The same are netted off only after completion of the assessment of the relevant year. Short or excess provision of earlier years (if any) are charged/ transferred to Statement of Profit & Loss after completion of the assessment. Deferred tax assets and liabilities arising on account of timing difference and which are capable of reversal in subsequent periods, are recognized using the tax rates and tax laws that have been enacted or substantively enacted as on the Balance Sheet date. Deferred Tax Assets are recognized and carried forward only if there is a virtual certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

n) Provisions, Contingent Liabilities and Contingent Assets.

A provision is recognized in the accounts when there is a present obligation as a result of past event(s) 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 as on the date of balance sheet. These are reviewed at each balance sheet date and adjusted to reflect the current best management estimates. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

Notes forming Integral Part of Balance Sheet as at 31st March 2018

	(₹ '000)	
	As at 31.03.2018	As at 31.03.2017

Note: 2 Share Capital

<u>Authorised Share Capital</u> 25,00,000 (25,00,000) Equity Shares of ₹ 10 each	25,000.00	25,000.00
<u>Issued, Subscribed & Paid Up</u> 22,37,500 (22,37,500) Equity Shares of ₹ 10 each fully paid up.	22,375.00	22,375.00
Total	22,375.00	22,375.00

2.1 Details of Shareholders' holding more than 5% Shares :

Name of Shareholders	As at 31.03.2018		As at 31.03.2017	
	No. of Shares	% held	No. of Shares	% held
Ajcon Global Services Ltd.(Holding Company)	17,75,000	79.33	17,75,000	79.33
Ajcon Consultants Pvt. Ltd.	2,25,000	10.06	2,25,000	10.06

2.2 Reconciliation of the number of Shares outstanding is set out below :

Particulars	As at 31.03.2018	As at 31.03.2017
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	22,37,500	22,37,500
Add: Shares issued during the year	-	-
Less: Shares cancelled/ buy back during the year	-	-
Equity Shares at the end of the year	22,37,500	22,37,500

2.3 Face Value of Shares

All the equity shares are of same class with a face value of ₹ 10 per share.

2.4 Rights, Preferences and Restrictions attached to Shares :

Equity Shares: The company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held.

Note: 3 Reserve and Surplus

<u>Securities Premium</u>		
Balance at the beginning of the year	45,125.00	45,125.00
Additions during the year	-	-
Utilization during the year	-	-
Balance at the end of the year c/f to Balance Sheet	45,125.00	45,125.00
<u>Special Reserve u/s 45-IC of RBI Act, 1934</u>		
Balance at the beginning of the year	784.08	547.81
Additions during the year	275.94	236.27
Balance at the end of the year c/f to Balance Sheet	1,060.02	784.08
<u>Profit and Loss Account</u>		
Balance at the beginning of the year	(1,288.76)	(2,233.83)
Profit/(Loss) during the year	1,379.71	1,181.34
Profit available for appropriation	90.95	(1,052.49)
Less : Trf to Special Reserve u/s 45-IC of RBI Act, 1934	275.94	236.27
Balance at the end of the year c/f to Balance Sheet	(184.99)	(1,288.76)
Total	46,000.03	44,620.32

Note: 4 Deferred Tax Liabilities (Net)

Deferred Tax Liability : (Opening)	4.17	34.38
Add: Deferred Tax Liability/ (Asset) for timing difference on depreciation	(0.04)	(30.22)
Net Deferred Tax Liability : (Closing)	4.13	4.17

Note: 5 Short Term Borrowings

<u>Secured</u>		
Inter Corporate Loans/ Advances (Secured against shares, repayable on demand)	2,105.20	2,130.85
<u>Unsecured</u>		
Temporary Bank Overdraft	8,373.56	-
Inter Corporate Deposits	1,48,502.17	1,04,508.89
Advances received against Strategic Investment	12,434.34	-
TOTAL	1,71,415.26	1,06,639.74

Note: 6 Trade Payables

Creditors for Trade	[Refer note (a) below]	4,578.37	4,699.75
Creditors for Expenses	[Refer note (a) below]	913.90	135.63
TOTAL		5,492.27	4,835.38

(a) The disclosure under Section 22 of Micro, Small and Medium Enterprises Development Act, 2006 is not applicable to our company as we are neither a trading nor a manufacturing company. Also, due to absence of information from the creditors regarding their registration under Micro, Small and Medium Enterprises Development Act, 2006 no specific disclosure is possible.

Note: 7 Other Current Liabilities

Professional tax & TDS Payable	725.48	703.80
TOTAL	725.48	703.80

Note: 8 Short Term Provisions

Provision for Taxation	608.40	555.38
Provision for Contingent Liability against Sub-Standard Assets	-	-
Provision for Contingent Liability against Standard Assets	-	-
TOTAL	608.40	555.38

Note : 9 Tangible Assets

(₹ '000)

Particulars	Gross block				Depreciation			Net Block	
	As at 01.04.2017	Addition during the period	Deduction during the period	As at 31.03.2018	As at 01.04.2017	Addition during the period	Deduction during the period	As at 31.03.2018	As at 31.03.2017
Computers	1,645.19	-	-	1,645.19	1,627.43	-	-	1,627.43	17.77
Furniture	19.30	-	-	19.30	19.30	-	-	19.30	-
Electrical Installation	3.86	-	-	3.86	3.86	-	-	3.86	-
Motor Car- Innova	-	-	-	-	-	-	-	-	-
Office Equipments	30.68	-	-	30.68	30.68	-	-	30.68	-
Total	1,699.03	-	-	1,699.03	1,681.26	-	-	1,681.26	17.77
Previous Full Year	3,303.99	-	-	3,303.99	2,139.63	202.72	-	2,342.35	1,164.36

Notes forming Integral Part of Balance Sheet as at 31st March 2018

	(₹ '000)	
	As at 31.03.2018	As at 31.03.2017

Note: 10 Non Current Investments

Other Investments		
Investment in Equity Instruments		
Unquoted Equity Shares		
6,875 (6,875) Equity shares of ₹ 10 each of M/s Ajcon IT.Com Ltd.	1,100.00	1,100.00
98,000 (98000) Equity shares of ₹ 10 each of M/s BD Ecordial Private Limited	3,220.00	3,220.00
23,000 (23000) Equity shares of ₹ 10 each of M/s Reach Ajcon Technologies Pvt Ltd.	5,175.00	5,175.00
TOTAL	9,495.00	9,495.00

Note: 11 Inventories

Stock of Shares and Securities (At Cost)	285.75	76,757.90
TOTAL	285.75	76,757.90

Note: 12 Trade Receivables

Sundry Debtors (Unsecured, considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Others	79.84	-
TOTAL	79.84	-

Note: 13 Cash & Cash Equivalants

Cash on Hand	224.52	176.97
Balances with Bank		
- In current accounts	28.01	192.69
TOTAL	252.53	369.66

Note: 14 Short Term Loans & Advances

Unsecured, considered good		
Advances to related parties		
- Balances with related parties	17,103.12	16,635.62
Tax payment- Advance tax, self assessment tax & TDS	4,149.42	3,626.76
Advances to staff	8.00	9.00
Other advances recoverable in cash or in kind or for value, to be considered	2,15,176.15	72,779.08
Deposits		
-Deposits with Stock Exchanges & Other Miscellaneous Deposits	53.00	43.00
TOTAL	2,36,489.69	93,093.46

Notes forming Integral Part of Statement of Profit & Loss for the year ended 31st March 2018

		(₹ '000)
	for the year ended 31/03/2018	for the year ended 31/03/2017

Note: 15 Revenue from Operations

Professional Fees Received	-	-
Profit from Securities and Commodity Trading	2,025.19	8,409.65
Interest income	12,671.92	6,475.15
TOTAL	14,697.12	14,884.79

Note: 16 Other Income

Interest on Bank Fixed Deposit	-	51.49
Misc. income	127.04	-
TOTAL	127.04	51.49

Note: 17 Employee Benefit Expenses

Salaries to Staff	2,006.75	1,212.85
Staff Welfare Expenses	-	13.48
TOTAL	2,006.75	1,226.33

Note: 18 Financial Cost

Interest Expenses	9,886.39	11,172.43
Bank Charges	4.26	25.93
TOTAL	9,890.66	11,198.36

Note: 19 Other Expenses

Auditors' Remuneration	10.00	10.00
Bad Debts W/off	355.73	500.00
Insurance Premium	-	29.04
Loss on sale of car	-	51.60
Professional Fees	21.10	87.67
Postage, Courier and Telegram	1.58	1.25
Printing & Stationery	-	6.34
Rent, Rates & Taxes	170.25	108.00
Repairs & Maintenance	-	0.78
Subscription and Membership Fees	-	15.00
Sundry Expenses	41.85	206.24
Security Transaction Tax	97.16	77.52
Telephone Expenses	-	12.60
Travelling & Conveyance	525.22	27.70
TOTAL	1,222.886	1,133.739

Note: 20 Contingent Liabilities and Commitments

- i) 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.

- ii) Claims against the Company not acknowledged as debt :

('000)

Particulars	As at 31.03.2018	As at 31.03.2017
Income tax demands	Nil	2001.08

The above demands are challenged by the Company before Commissioner of Income Tax (Appeals) which are pending for adjudication as on 31st march of the relevant years. The Company is contesting the demands and the management, including its tax advisors, believes that its position will likely be upheld in the appellant process. No tax expense has been accrued in the financial statement for the tax demand raised. The management believes that ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

- iii) In consideration with concept of prudence, no contingent assets are recognized.

Note: 21 The Company has been enjoying an overdraft facility from NBFCs/Companies against the security of shares. A sum of ₹2,105.20 thousand (PY ₹2,130.85 thousand) was outstanding as on the date of the Balance sheet against the security of shares under the said facility. The same has been shown under the head Short term borrowings (Secured) in the Balance sheet.

Note: 22 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 and being the strategic long term investments.

Note: 23 Some of the balances of Sundry Debtors, Creditors and Loans and Advances are subject to confirmation and reconciliation, if any.

Note: 24 Related Party Disclosure: Disclosure in accordance with Accounting Standard-18 – Related Party transactions during the year

Relationship (during the year)		Name of the Related Party
A. Related Parties where direct control exist: Holding Company		M/s Ajcon Global Services Limited
B. Subsidiaries of Holding Company		M/s Ajcon Comtrade Pvt. Ltd. M/s Kanchan manik Securities Pvt. Ltd.
B. Related parties where significant influence exists: Group Companies & Firms		M/s Ajcon Communication Pvt. Ltd M/s Ajcon Consultants Pvt. Ltd. M/s Ajcon Infra Projects Pvt. Ltd. M/s Ajcon IT.Com Ltd. M/s A. Ajmera & Associates M/s Reach Ajcon Technologies Pvt Ltd. M/s Reach Ajcon Financial Advisors Pvt. Ltd. M/s E3 Zone Edutrain Pvt. Ltd. M/s Hearthbeat Insurance Brokers Pvt. Ltd.
C. Key Management Personnel:	Director	Mr. Ashok Ajmera
	Director	Mr. Ankit Ajmera
	Director	Mr. Anuj Ajmera
D. Other Related Parties Relative of Directors		Mrs. Pragati Ajmera Mrs. Pallavi Ajmera Mrs. Shikha Ajmera Mr. Ajit Ajmera Mr. Ajay Ajmera

E. Significant Transactions with related parties during the year

Nature of Transaction	Holding Company	Subsidiaries of Holding Company	Other Related Enterprises	(₹000)
				Key Management Personnel
Advance Given (Net) –during the year	-950.00 (10,495.00)	11942.88 (875.00)	361.72 (10,331.73)	-
Income	-	-	1247.36 (1,485.44)	-

Note: The figures in bracket represent amount of corresponding previous year.

F. Outstanding balances as on 31.03.2018

Nature of Transaction	Holding Company	Subsidiaries of Holding Company	Other Related Enterprises	(₹000)
				Key Management Personnel
Advance Given	Nil (Nil)	791.46 (Nil)	16359.47(15,997.75)	-
Advance Taken	950.00 (Nil)	12434.34 (11642.88)	Nil (1423.47)	-
Investment	-	-	1,100.00 (1,100.00)	-

Note: The figures in bracket represent amount of corresponding previous year.

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

Note: 25 Information about foreign currency earnings and outgo:-

CIF value of Imports, Expenditure & Earning in foreign exchange: - Nil (P.Y. NIL)

Note: 26 previous year's figures have been re-grouped/re-classified/re-arranged to correspond with the current year's classification/disclosure.

As per our report of even date attached
FOR BHATTER & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.131092W

D. H. BHATTER
PROPRIETOR
M. No. 16937

Place: Mumbai
Date: 30.05.2018

For and on behalf of the Board

Ashok Ajmera
(Director)

Ankit Ajmera
(Director)

Anuj Ajmera
(Director)

Auditor's Report
Pursuant to Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008

To,
The Board of Directors
Ajcon Finance Limited
Mumbai.

We hereby certify

1. that the Company is engaged in the business of Non-Banking Financial Institution and has obtained a Certificate of Registration from the Bank;
2. that the Company is entitled to continue to hold the Certificate of Registration in terms of its asset/income pattern as on 31st March 2018;
3. that the Board of Directors has passed a resolution for non- acceptance of any public deposits;
4. that the Company has not accepted any public deposits during the relevant period/year;
5. that the company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007;
6. that the prudential norms in respect of Systemically Important Non-deposit taking NBFCs as defined in paragraph 2(1)(xix) of the Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 are not applicable to the Company
7. that the Submission of the annual statement of capital funds, risk assets/exposures and risk asset ratio (NBS-7) to the Reserve Bank of India is not applicable to the Company.

Address:

307, Tulsiani Chambers
Nariman Point
Mumbai, 400021
Tel: 22853039
Tele-fax: 66301318

For BHATTER & CO.

Chartered Accountants
Firm Reg. No.131092W

Place: Mumbai
Date : 30.05.2018

(D.H. Bhattar)
Proprietor
M. No.:016937

Annex

Schedule to the Balance Sheet of AJCON FINANCE LIMITED

(a non-deposit taking non-banking financial company)

(as required in terms of paragraph 13 of Non-Systemically Important Non-Banking Financial
(Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015)

(₹ in '000)

Particulars			
Liabilities side :			
(1)	Loans and advances availed by the nonbanking financial company inclusive of interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured	0.00	0.00
	: Unsecured	0.00	0.00
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	4.13	0.00
	(c) Term Loans	0.00	0.00
	(d) Inter-corporate loans and borrowing	0.00	-
	(e) Commercial Paper	171,415.26	0.00
	(f) Other Loans – Bank Overdraft	0.00	0.00
	- Vehicle Loan From Bank	0.00	0.00
		0.00	0.00
Assets side :			
		Amount outstanding	
(2)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
	(a) Secured	0.00	
	(b) Unsecured	232,287.27	
(3)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease	-	
	(b) Operating lease	-	
	(ii) Stock on hire including hire charges under sundry debtors		
	(a) Assets on hire	-	
	(b) Repossessed Assets	-	
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	
	(b) Loans other than (a) above	-	
(4)	Break-up of Investments :		
	Current Investments :		
	1. Quoted :		
	(i) Shares :	(a) Equity	-
		(b) Preference	-
	(ii) Debentures and Bonds	-	
	(iii) Units of mutual funds	-	
	(iv) Government Securities	-	
	(v) Others (please specify)	-	
	2. Unquoted :		
	(i) Shares :	(a) Equity	-
		(b) Preference	-
	(ii) Debentures and Bonds	-	
	(iii) Units of mutual funds	-	
	(iv) Government Securities	-	
	(v) Others (please specify)	-	

	Long Term investments :			
	1. Quoted :			
	(i) Shares :	(a) Equity	-	
		(b) Preference	-	
	(ii) Debentures and Bonds		-	
	(iii) Units of mutual funds		-	
	(iv) Government Securities		-	
	(v) Others (please specify)		-	
	2. Unquoted :			
	(i) Shares :	(a) Equity	9495.00	
		(b) Preference	-	
	(ii) Debentures and Bonds		-	
	(iii) Units of mutual funds		-	
	(iv) Government Securities		-	
	(v) Others (please specify)		-	
(5)	Borrower group-wise classification of assets financed as in (2) and (3) above :			
	Please see Note 2 below			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	0.00	0.00	0.00
	(b) Companies in the same group	0.00	6275.00	6275.00
	(c) Other related parties	0.00	0.00	0.00
	2. Other than related parties	0.00	3220.00	3220.00
	Total	0.00	9495.00	9495.00
(6)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
	Please see note 3 below			
	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	
	1. Related Parties			
	(a) Subsidiaries	-	-	
	(b) Companies in the same Group	6275.00	6275.00	
	(c) Other related parties	0.00	0.00	
	2. Other than related parties	3220.00	3220.00	
	Total	9495.00	9495.00	

(7) Other information

Particulars			Amount
(i)	Gross Non-Performing Assets		
	(a)	Related parties	0.00
	(b)	Other than related parties	0.00
(ii)	Net Non-Performing Assets		
	(a)	Related parties	0.00
	(b)	Other than related parties	0.00
(iii)	Assets acquired in satisfaction of debt		0.00