



26th ANNUAL REPORT 2012 - 2013

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To Go



Up

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- ◆ CURRENCY FUTURES ◆ CORPORATE ADVISORY SERVICES ◆ DEPOSITORY SERVICES
- ◆ IPO ◆ MF ◆ INSURANCE



ISO 9001:2008 Certified Company

AJCON GLOBAL SERVICES LIMITED

CORPORATE INFORMATION

An ISO 9001:2008 Registered Company

BOARD OF DIRECTORS

- ❖ CA Ashok Ajmera-Chairman & Managing Director
- ❖ CA Samir Biswas-Independent Director
- ❖ CA Narayan Atal-Independent Director
- ❖ CA Rajendra Bakiwala-Independent Director
- ❖ Ankit Ajmera-Executive Director
- ❖ Anuj Ajmera-Executive director

AUDITORS

- ❖ Bhattar & Co.
Chartered Accountants
Mumbai

Chief Financial Officer (CFO)

CA Ashok Ajmera-Managing Director

COMPLIANCE & PRINCIPAL OFFICERS

Ankit Ajmera - Executive Director
Shailendra Pathak - Company Secretary

COMPANY SECRETARY

CS Shailendra Pathak

Demat ISIN No.

INE759C01019

Investor Grievance Email

investorgrievance@ajcon.net

Web Sites

www.ajcononline.com / www.pyarapaisa.com

BANKERS

- ❖ Bank of India
- ❖ Union Bank of India
- ❖ Corporation bank
- ❖ HDFC Bank
- ❖ ICICI Bank
- ❖ Axis Bank
- ❖ IDBI Bank

REGISTRAR & TRANSFER AGENT

Bigshare Services Pvt. Ltd
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka, Andheri (E),
Mumbai-400072.
Tel:022-28470652/ 40430200
Fax: 91-22-28475207
Email: info@bigshareonline.com

REGD. OFFICE :

101, Samarth, Off. Hinduja Hosp., 151 Lt. P.N. Kotnis Road, Mahim (West), Mumbai - 400016. India.
Tel : 022 - 2446 0335 / 36 / 40 Fax : 91 22 2446 0339

CORRESPONDENCE & CORPORATE OFFICE :

408, Express Zone, A Wing, Cello –Sonal Realty, Western Express Highway, Malad (East), Mumbai - 400063.
Tel : 022 - 67160400 / 28722061. Email : ajcon@ajcon.net

CITY OFFICE :

904, Raheja Centre, Plot No 214, Free Press Journal Marg, Nariman Point, Mumbai - 400021.
Tel : 022 - 66551960 Email : mbd@ajcon.net, cag@ajcon.net

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

NOTICE

Notice is hereby given that the **Twenty Sixth** Annual General Meeting of the Members of **Ajcon Global Services Limited** will be held at **408, A-Wing, Express Zone, Cello-Sonal Realty, Near Oberoi Mall on Western Express Highway, Malad (E), Mumbai-400063** on **Wednesday 14th August 2013 at 11 a.m.** to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013 and the statement of Profit & Loss for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Rajendra Bakiwala who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on such remuneration as may be decided by Board of Directors of the Company.

SPECIAL BUSINESS:

4. To consider and if thought 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 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 as amended and pursuant to Article 102 of Articles of Association of the Company and subject to the approval of the Central Government and/ or any statutory authority, if applicable, the consent of the Company be and is hereby accorded to the appointment of Mr. Anuj Ajmera as an Executive Director of the Company for a period of 5 (Five) years with effect from 1st April, 2013 on such remuneration and terms and conditions as set out in the Explanatory Statement annexed to the notice convening this meeting.”

“RESOLVED FURTHER THAT the Board or remuneration committee of the Board be and is hereby authorized to increase, vary or amend the remuneration and other terms of his appointment from time to time, as may be permitted or authorized in accordance with the provisions of the Companies Act, 1956 read with schedule XIII thereto and/ or rules and regulations framed there under or any statutory modification or re-enactment thereof or amendment thereto.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all necessary steps including filing of necessary applications, forms, letters with Registrar of Companies, Mumbai and/ or any other authority to give effect to the above resolution.”

5. To consider and if thought fit to pass with or without modifications the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of section 31 of the Companies Act, 1956, existing article 77 (1) of the Articles of Association of the Company be substituted by the following:

The fees payable to a Director for attending a meeting of the Board or Committee thereof shall be decided by the Board of Directors from time to time and should not exceed ₹ 20,000/- (Rupees Twenty thousand only) or such fees that may be prescribed by the Central Government under the proviso to section 310 of the Companies Act 1956. In addition, subject to the provision of section 309 of the Act, all the Directors may receive a commission up to three (3%) on the net profit of the Company as computed under the provisions of the Companies Act, 1956 and such commission shall be divided amongst them equally or as the Directors may determine. The Directors may waive or reduce their fee for any meeting or period.

6. To consider and if thought fit to pass with or without modifications the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 314 (1B) of the Companies Act 1956 read with Director's Relative (Office or Place of Profit) Rule, 2011 and other applicable provisions, if any, of the Companies Act, 1956 including any statutory modifications or re-enactments thereof for the time being in force, the consent of the members of the Company be and is hereby accorded for revision in the remuneration, perquisites and other allowances payable to Mrs. Pallavi Ajmera Sr. Vice-President (Merchant Banking Division) of the Company being a relative of directors of the Company w.e.f. 01st April 2013 as detailed below.

- a) Basic Salary not exceeding ₹ 100,000/- (Rupees One Lac Only) per month.
- b) Telephone: Mobile/Telephone facility as per the Company's rule.
- c) Leave encashment as per the rule of the Company.
- d) Provident Fund: Company's Contribution towards Provident Fund shall be as per the rules of the Company.
- e) She shall be entitled to receive ₹ 15,000/- P.A. as medical reimbursement subject to submission of Medical bills.
- f) House Rent Allowance: To the extent of actual rent payable by her or in case of owned house, a sum not exceeding 50% of the salary.
- g) She shall be entitled to maintain a car at the expense of the company to be used for official purposes.
- h) Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per the rules of the Company.
- i) Any other allowance as per the Company's rule.

"RESOLVED FURTHER THAT the Board of Directors or Committee of the Board of Directors of the Company has the liberty to alter and vary such remuneration up to maximum limit as may be prescribed from time to time, pursuant to the provision of Section 314(1B) of the Companies Act without requiring any fresh approval of the shareholders of the Company, to effect change in designation and responsibilities of Mrs. Pallavi Ajmera.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to seek the necessary approvals as may be required in the matter and to make, sign and execute on behalf of the Company the requisite documents as may be required and to do all such acts, deeds and things as may be required, considered necessary or incidental for giving effect to the resolution."

7. To consider and if thought fit to pass with or without modifications the following Resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of Section 314 (1B) of the Companies Act, 1956 read with Director's Relatives (Office or Place of Profit) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), including any statutory modification or re-enactment thereof for the time being in force, the Company hereby accords its consent to Mrs. Shikha Ajmera, who is a relative of Directors of the Company holding and continuing to hold an office or place of profit as Vice-President HR & Admin w.e.f. 1st May, 2013 as details below:-

- a) Basic Salary not exceeding ₹ 75,000/- (Rs. Seventy Five Thousand Only) per month.
- b) Telephone: Mobile/Telephone facility as per the Company's rule.
- c) Leave encashment as per the rule of the Company.

- d) Provident Fund: Company's Contribution towards Provident Fund shall be as per the rules of the Company.
- e) She shall be entitled to receive ₹ 15,000/- P.A. as medical reimbursement subject to submission of Medical bills.
- f) House Rent Allowance: To the extent of actual rent payable by her or in case of owned house, a sum not exceeding 50% of the salary.
- g) She shall be entitled to maintain a car at the expense of the company to be used for official purposes.
- h) Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per the rules of the Company.
- i) Any other allowance as per the Company's rule.

"RESOLVED FURTHER THAT the Board of Directors or Committee of the Board of Directors of the Company has the liberty to alter and vary such remuneration up to maximum limit as may be prescribed from time to time, pursuant to the provision of Section 314(1B) of the Companies Act without requiring any fresh approval of the shareholders of the Company, to effect change in designation and responsibilities of Mrs. Shikha Ajmera.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby be and are hereby severally authorized to seek the necessary approvals as may be required in the matter and to make, sign and execute on behalf of the Company the requisite documents as may be required and to do all such acts, deeds and things as may be required, considered necessary or incidental for giving effect to the resolution."

Mumbai
24.05.2013

By Order of the Board

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

(Ashok Ajmera)
Chairman & Managing Director

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. Corporate Members intending to send their authorised 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 so as to reach the Company on or before 14th August, 2013.
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 **12.08.2013 to 14.08.2013** (both days inclusive).
6. Members are requested to send all communications concerning shares, change of address etc. to the Company's Registrar, Bigshare Services Pvt. Ltd. quoting their folio and reference no. Members are also requested to send their email address to the company's Registrar.
7. As stipulated under Clause 49 of the Listing Agreement, a profile and brief resume of the directors seeking 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. Dividend for the financial year 31st March, 2008, which remains unclaimed or unpaid, will be due for transfer to the investor Education and protection fund of the Central Govt., pursuant to the provisions of section 205C of the Companies Act, 1956 on 26th February, 2015. Members, who have not yet encashed their dividend warrants, are requested to lodge their claims with the Company/ Big share Services Pvt. Ltd. without any delay. Members advised that no claims shall lie against the said fund or against the Company for the amounts of dividend so transferred to the said fund.
9. Shareholders who are still holding physical share certificate(s) are advised to dematerialized their shareholding to avail the benefits of dematerialization.
10. MCA GREEN INITIATIVE

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send e-mail at cs@ajcon.net to update their e-mail address and register the same with Bigshare Services Private Limited.

ANNEXURE TO THE NOTICE

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

ITEM NO.4

At the Meeting of the Remuneration/Compensation Committee and Board of Directors of the Company both held on 15.02.2013, Mr. Anuj Ajmera was re-appointed as an Executive Director of the Company. The terms and conditions and remuneration relating to his re-appointment as an Executive Director of the Company are 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 re-appointment shall be effective from 01.04.2013 and shall extend to a period of five years.
2. Remuneration:
 - a) Salary: ₹ 1,00,000/- (Rupees One Lac Only) per month with such annual increments as may be decided by the Board, not exceeding a sum of ₹ 1,25,000/- (Rupees One Lac Twenty Five Thousand Only) per month during the tenure of his appointment.
 - 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 ₹ 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 half 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 services, 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:

- a) As long as Mr. Anuj Ajmera functions as an Executive Director of the Company, no sitting fees will be paid to him for attending meetings of the Board of Directors or Committee thereof.
- b) 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 travelling, 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.
- c) 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.
- d) As long as Mr. Anuj Ajmera functions as an Executive Director, he shall not be interested or otherwise concerned directly or through his spouse or minor child in any selling agency of the Company in future without the prior approval of the Central Government.
- e) 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.
- f) 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 reappointment and remuneration of Mr. Anuj Ajmera specified above are placed before the Shareholders in the general meeting for their approval.

As required under Section 302 of the Companies Act, 1956, an abstract of the terms & conditions of the re-appointment of Mr. Anuj Ajmera, as an Executive Director and Memorandum of Concern or interest of the directors has already being sent to all the shareholders.

The Directors recommend the Resolution set out at item No. 4 of the Notice for approval of the Shareholders.

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

ITEM NO.5

Existing article 77(1) provides for payment of sitting fees of ₹ 1,000/- to each director for attending every meeting of the Board of Directors, which needs to be enhanced to a suitable limit.

Under the provisions of Section 310 of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 1988 the Central Government is empowered to prescribe the maximum amount that can be paid as sitting fees to each Director for every meeting of Board of Directors or committee thereof attended by him.

In view of aforesaid it is necessary to substitute the existing Article 77(1) of the Article of Association of the Company of the Company to enable the Board of Directors to increase the sitting fees payable to the directors with in the prescribed limits, by passing a special resolution required under the provision of section 31 of the Companies Act, 1956.

The Directors recommend the special resolution set out at the item 5 of the notice for your approval. Copy of the Article of Association of the Company is available for inspection by the members of the Company at the Corporate Office during normal working hours.

All the Non Executive Independent Directors for the time being would be deemed to be interested in passing of the relevant Resolutions.

ITEM NO.6

Mrs. Pallavi Ajmera being a relative of Directors of the Company was appointed as Sr. Vice President (Merchant Banking Division) in the Board Meeting held on 30th May, 2012, an office of profit at a monthly remuneration of ₹ 47,500/- per month. Mrs. Pallavi Ajmera is Chartered Accountant and having good academic records. Mrs. Pallavi Ajmera was previously associated with DSP Merrill Lynch and ICICI Bank Limited and having 12 years of experience in the field of loan syndication and Investment Banking activities.

Since she has been actively involved in promoting the business of the company and contributed greatly in the growth of company and now with the expansion of business her responsibilities have increased many fold, it is only natural to pay her according to the responsibilities she is handling, hence the Board of Directors in its meeting held on 24th May, 2013 has decided to increase her remuneration as mentioned in the Resolution above, subject to the approval of members in the ensuing Annual General Meeting.

As per Section 314 of the Companies Act, 1956 read with Directors' Relatives (Office or Place of Profit) Rules, 2011, a relative of a director can be appointed at a place of profit's under the Company, with consent of Board and Shareholders of the Company by passing special resolution, if Monthly remuneration payable to her does not exceed ₹ 2,50,000/- per month.

Accordingly, the resolution mentioned in Item No. 6 of the notice is being proposed for approval.

Mr. Ashok Ajmera, Mr. Ankit Ajmera and Mr. Anuj Ajmera, being relatives of Mrs. Pallavi Ajmera are concerned or interested. Save as aforesaid, none of the other Directors, in any way, concerned or interested in the said resolution.

ITEM NO.7

At the Meeting of the Remuneration/Compensation Committee and Board of Directors of the Company both held on 24th day of May, 2013 was appointed Mrs. Shikha Ajmera as a Vice-President HR & Admin w.e.f. 1st day of May, 2013 subject to the approval of member at ensuing Annual General Meeting. Mrs. Shikha Ajmera is a MBA and possesses good experience in managing affairs of the Company. She shall be Vice-President HR & Admin of the Company and will be responsible for the all the affairs of HR& Admin Department.

As per Section 314 of the Companies Act, 1956 read with Directors' Relatives (Office or Place of Profit) Rules, 2011, a relative of a director can be appointed at a place of profit's under the Company, with consent of Board and Shareholders of the Company by passing special resolution, if Monthly remuneration payable to her does not exceed ₹ 2,50,000/- per month.

Accordingly, the resolution mentioned in Item No. 7 of the notice is being proposed for approval.

Mr. Ashok Ajmera, Mr. Ankit Ajmera and Mr. Anuj Ajmera, being relatives of Mrs. Shikha Ajmera are concerned or interested. Save as aforesaid, none of the other Directors, in any way, concerned or interested in the said resolution.

Mumbai
24.05.2013

By Order of the Board

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

(Ashok Ajmera)
Chairman & Managing Director

DIRECTORS' REPORT

To

The Members,

Your Directors have great pleasure in presenting the Twenty Sixth Annual Report and the Audited Accounts of your Company for the year ended 31st March 2013.

FINANCIAL RESULTS

	Year Ended 31.03.2013 (₹ '000)	Year Ended 31.03.2012 (₹ '000)
Income from Operations and Other Income	66,501.65	85,971.66
Profit before Interest & Depreciation	20,125.63	22,796.96
Less: Interest & Bank charges	5,649.28	6,643.23
Less: Depreciation	4,003.63	3,569.64
Profit before Tax	10,472.72	12,584.09
Less: Provision for Taxation	3,650.00	3,700.00
Profit after Tax	6,822.72	8,884.09
Less: Deferred Tax Expenses/(Savings)	(139.04)	(1,224.84)
Net Profit	6,961.76	10,108.93
Add: Surplus brought forward	33,878.30	23,769.44
Balance carried to Balance Sheet	40,840.06	33,878.30

OPERATIONS

The operations of the Company for the year under review have resulted in the gross profit of ₹ 20,125.63 thousand as against ₹ 22,796.96 thousand in the previous year. After providing for interest, depreciation and taxes, the Company has recorded a net profit of ₹ 6,961.76 thousand as against ₹ 10,108.93 thousand in the previous year. The gross revenue stood at ₹ 66,501.65 thousand as against ₹ 85,971.66 thousand during the previous year.

The year 2012-13, remained a challenging year both from domestic and global scenario. While the European financial crisis continued for this year, the domestic economy also suffered due to high inflation and uncontrolled fiscal deficit. The uncertain political scenario coupled with the scams & corruption cases in the Country also affected the sentiments in the markets. However, due to prudent management policies, changing the product mix and by focusing more on fee based services, your Company's performance remained reasonably good.

During the year, the Company has taken membership of MCX-SX, to enable the clients to trade in Equity-Cash & F&O Segments of this new Stock Exchange of the Country.

FUTURE OUTLOOK

Prospect of likely normal monsoon – This should help boost growth, rural incomes and help in moderating stubborn food inflation. As per the forecast of Indian Meteorological Department, monsoon is expected to be 98.0% of the long-term average during the June-Sept season of FY14. It may, however, be noted that the actual agricultural output depends not only on the total quantum of rainfall during the season but also on the spatio-temporal distribution.

Recent big crash in gold & crude oil prices- In average terms, crude oil prices have fallen by 11.4% & gold prices by 10.0% in y-o-y terms. As India is a large importer of both these commodities, a sharp fall in their prices means lower inflation, lower current account deficit and faster interest rate cuts.

General elections in 2014 – Elections are typically accompanied by fiscal expansion in the preceding year. The Budget for FY14 too suggests an expansionary policy (29.4% increase in Plan expenditure).

CCI is moving the needle: The Cabinet Committee on Investments is fast-tracking the projects. On April 22, 2013, it cleared investments in 25 oil & gas blocks (16 with conditional clearances but 9 without any conditions). This will put to use US\$ 13.4 bln in oil & gas exploration, which has already been incurred & will also bring in additional investment of US\$ 2.5 bln. It has approved 13 projects of the power sector amounting US\$ 6 bln. This includes 10 transmissions, 2 thermal and 1 hydro project. Collectively, the CCI has approved projects worth more than 1% of GDP in its 4 meetings.

Exports likely to Recover – On improving global outlook (esp. for the US) and government efforts. The new trade policy on April 18, 2013 has announced steps like greater market and product diversification, extension of Zero Duty Export Promotion Capital Goods (EPCG) Scheme to all sectors, to revive exports.

Slowdown in China's growth – This is good for India as it will have depressing effect on major commodity prices like oil, coal, iron ore, steel, copper, etc. which are the major raw material for the domestic industry.

According to the report by the Economic Advisor to India's Prime Minister, the nation's worst economic slowdown in a decade has bottomed out and growth is expected to pick up to 6.4% during FY2013-14. The report said the government needs to do more in the coming months to facilitate new investments. A speedy execution of projects coupled with normal summer rains should usher in a broad-based economic recovery for India. We therefore expect FY 2013-14 to be a better year.

SHARE CAPITAL

There was no change in the Authorized and Paid up share capital of the Company during the year.

SUBSIDIARY COMPANIES

- **Ajcon Commodity Brokers Ltd.**

The Company's commodity broking business remained under pressure. During the year, the Company continued adding clients doing commodity trading at trading facilities at Branches of its holding Company Ajcon Global Services Ltd. The Company's book size has grown substantially. During the year, the company issued 62,500 Equity Shares at ₹ 200 per share.

- **Ajcon Comtrade Pvt. Ltd.**

A wholly owned subsidiary namely Ajcon Comtrade Pvt. Ltd. is incorporated during the financial year 2012-13 with the authorized capital of ₹ 100.00 lac. This company will take over Commodity Broking Business from our subsidiary, Ajcon Commodity Brokers Ltd by way of slump sale.

- **Kanchanmanik Securities Pvt. Ltd.**

A wholly owned subsidiary of your company namely Kanchanmanik Securities Pvt. Ltd. was incorporated during the financial year 2011-12 for the purpose of transfer of ownership in the M.P. Stock Exchange membership card. However, the change of name is yet to be effected in the records of concerned Exchange.

Consequently, there are three subsidiaries as on 31st March, 2013 viz. Ajcon Commodity Brokers Limited, Kanchanmanik Securities Pvt. Ltd. and Ajcon Comtrade Pvt. Ltd.

As per the circular No. 5/12/2007-CL-III dated 8th February, 2011 issued by Government of India, Ministry of Corporate Affairs, the Board of Director of your Company in its meeting held on 24th May, 2013 has decided for not attaching the accounts of its subsidiaries for the financial year ended 31st March, 2013. However, the Company has presented a consolidated financial statement of holding Company and all its subsidiaries duly audited by Statutory Auditors. The annual accounts of the aforesaid subsidiaries and the related detailed information shall be made available to shareholders of the Company, seeking such information at any point of time. The annual accounts of the subsidiary Companies shall also kept open for inspection by any shareholder at the Correspondence and Corporate Office at 408, A-Wing, Express Zone, Cello-Sonal Realty, Near Oberoi Mall on Western Express Highway, Malad (E), Mumbai-400063 and shall also be posted on Company's website.

INVESTMENT IN GROUP COMPANIES

There was no change in the investment made in the group companies, other than the subsidiary companies.

DIVIDEND

In order to conserve the resources for expansion of business and working capital needs, your directors do not recommend any dividend.

DIRECTORS

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

The term of Mr. Anuj Ajmera, Executive Director expires on 31st March, 2013. Hence, the Board of Director has recommended his reappointment for further period of 5 years.

Brief resume of the Directors proposed to be reappointed, nature of his expertise in specific functional areas and name of companies in which he 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 & 58AA of the Companies Act, 1956 and the rules made there under.

CORPORATE GOVERNANCE

The Company is committed to maintain highest standards of Corporate Governance. To comply with conditions of Corporate Governance, pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, Management Discussion and Analysis Report, Corporate Governance Report and Auditor Certificate and shareholders information form a part of this 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 from 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, 2013 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 & currency brokers and depository participant.

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

Particulars as prescribed under Section 217(1) (e) of the Companies Act, 1956 read with 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 foreign exchange during the financial year 2012-13. The expenditure in foreign currency was ₹ 1,812.79 thousand.

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

M/s. Bhatte and Co., Chartered Accountants, Mumbai, Auditors of the Company having Firm Registration No. 131092W, retires 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 Audit Committee and the Board of directors therefore recommend M/s. Bhatte & Co., Chartered Accountants as Statutory Auditors of the Company for the year 2013-14 for the approval of shareholders.

AUDITORS' REPORT & CERTIFICATION

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 financial statements for the year ended 31st March, 2013 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, BSE, MCX-SX, CDSL 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 also expresses its deep sense of gratitude to Bank of India for its continued support for the Online Share Trading by its customers under the tie up with the Company.

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
24.05.2013**

**(Ashok Ajmera)
Chairman & Managing Director**

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, 2013 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, with the stock exchange.

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

During the year 4 Board Meetings were held on following dates:

SR.NO.	DATE
1 st	30.05.2012
2 nd	14.08.2012
3 rd	03.11.2012
4 th	15.02.2013

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 Ajmera	4	Yes	1	-	-
Exe. Director	Mr. Ankit Ajmera	4	Yes	2	-	-
Exe. Director	Mr. Anuj Ajmera	3	Yes	2	-	-
Non Executive-Independent Directors	Mr. Narayan Atal	4	Yes	5	2	1
	Mr. Rajendra Bakiwala	4	Yes	-	-	-
	Mr. Samir Biswas	4	Yes	1	1	-

*Excluding private, foreign and companies registered under Section 25 of the Companies Act, 1956.

- None of the Non-executive & Independent Directors hold any shares in the Company except Mr. Narayan Atal, Non Executive & Independent Director, who holds 2,000 equity shares in the Company.

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:

The 3 Members of the Audit Committee comprises of 2 Non-Executive and Independent Directors both of these are Chartered Accountants and Mr. Ankit Ajmera, Executive Director an MBA in Finance. 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. Narayan Atal	4
Mr. Rajendra Bakiwala	4
Mr. Ankit Ajmera	4

Company Secretary of the Company, acts as the Secretary of the Committee

All the committee members attended the last Annual General Meeting.

1.4 Remuneration/ Compensation Committee:

The Remuneration/ Compensation Committee comprise of three independent directors namely Mr. Rajendra Bakiwala, Mr. Narayan Atal and Mr. Samir Biswas. Two meetings of the Committee held during the year which was attended by all the Committee Members.

The details of the Remunerations paid to the Directors for the financial year 2012-2013 is given below:

DIRECTORS	REMUNERATION (INCLUDING PERQUISITES) (₹)	COMMISSION (₹)	COMMITTEE MEETING FEES (₹)	BOARD MEETING FEES (₹)	TOTAL (₹)
Mr. Ashok Ajmera	1,500,000	-	-	-	1,500,000
Mr. Ankit Ajmera	1,200,000	-	-	-	1,200,000
Mr. Anuj Ajmera	960,000	-	-	-	960,000
Mr. Narayan Atal	-	-	3,000	4,000	7,000
Mr. Rajendra Bakiwala	-	-	3,000	4,000	7,000
Mr. Samir Biswas	-	-	1,000	4,000	5,000
TOTAL (₹)	3,660,000	-	7,000	12,000	3,679,000

The Non Executive Independent Directors do not draw any remuneration from the Company except sitting fees.

Mr. Ashok Ajmera is the Chairman and Managing Director of the Company. His appointment is contractual and is for a period of 5(Five) years. Mr. Ashok Ajmera contract was renewed for a further period of 5 years up to 31/03/2017 at the 24th Annual General Meeting of the Company held on 12th August, 2011.

Mr. Ankit Ajmera was reappointed as the Executive Director for a period of 5 years ending on 30/06/2016 at the Annual General Meeting held on 12th August, 2011. Mr. Anuj Ajmera was appointed by the Board and Members in the 21st Annual General Meeting as an Executive Director and his tenure has commenced from 01/04/2008 for a period of 5 years which expired on 31/03/2013. The Board has recommended his reappointment for a further period of five years and the same is required to be approved by the members at the ensuing Annual General Meeting.

1.5 Shareholders’ / Investors’ Grievance Committee:

The Company has formed an Investor’/Shareholders’ Grievance Committee under the chairmanship of Mr. Narayan Atal, an Independent Director. Mr. Rajendra Bakiwala and Mr. Ankit Ajmera are the other members of the committee. The committee met as and when required during the year.

The Shareholders’ /Investors’ Grievances committee of the Company reviews matters related to grievances of shareholders and investors. The committee primarily focuses on review of investor complaints and its redressal, queries received from investors i.e. Transfer of shares, Issue of Share Certificates, Non Receipt of Annual Reports etc. and also reviews the reports presented by the Share Transfer Agents of the Company. During the year the Company did not receive any investor complaint.

1.6 Risk Management: The Company has a risk management framework in place.

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

- Mr. Ashok Ajmera - Managing Director
- Mr. Narayan Atal - Independent Director
- Mr. Rajendra Bakiwala - 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 for Company’s business. The committee met as and when required during the year.

1.7 CEO/ CFO and Compliance Officer

Name and designation of CEO& CFO: Mr. Ashok Ajmera, Managing Director is the Chief Executive Officer (CEO) of the Company.

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:

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

YEAR	LOCATION	DATE	TIME
2011-12	101, Samarth, Lt. P.N. Kotnis Road, Off. Hinduja Hospital, Mahim (W), Mumbai- 400016	14.08.2012	11.00 a.m.
2010-11	101, Samarth, Lt. P.N. Kotnis Road, Off. Hinduja Hospital, Mahim (W), Mumbai- 400016	12.08.2011	11.00 a.m.
2009-10	101, Samarth, Lt. P.N. Kotnis Road, Off. Hinduja Hospital, Mahim (W), Mumbai- 400016	12.08.2010	11.00 a.m.

b. Special Resolution passed in previous three Annual General Meeting

Date of Annual General Meeting	Particulars of Special Resolution
14 th August, 2012	No Special Resolution passed
12 th August, 2011	No Special Resolution passed
12 th August, 2010	No Special Resolution passed

c. Resolution passed by postal ballot during 2012-2013

No resolution was passed by postal ballot during the year 2012-2013. At present, the Company does not have any resolution to be decided by members by postal ballot.

1.9 Disclosures:

- a. None of the transactions with any of the related parties were in conflict with the interest of the Company. Details of the related party transactions are given in Note no. 26 of notes on Financial Statement.
- b. During the previous three years while no strictures were passed, financial penalties aggregating to ₹ 1,18,926/- was levied by some stock exchanges and CDSL for delayed/non compliance of certain provisions/regulations relating to Capital Market activities observed mainly during the regular inspections.
- c. 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. No personnel have been denied access to the Chairman or members of the audit Committee. The Mechanism of Whistle Blower Policy is not established, considering the size of the Company and direct supervision by the top level management on day to day basis.
- e. The Company has duly complied with all the mandatory requirements as per Clause 49 of the Listing Agreement.
- f. Compliance with Non-mandatory requirements is furnished separately under the heading “Non-mandatory Requirements”.

1.10 Means Of Communication:

- a. The quarterly results and annual audited results are published in Business Standard & Apla Mahanagar dailies published in English and Marathi (the regional language) respectively.
- b. These results are also displayed on the Company’s Website viz. www.ajcononline.com
- c. These results are also displayed on BSE’ s website www.bseindia.com
- d. The Management Discussion and Analysis report forms part of this Annual Report.

1.11 General Shareholders Information:

(a) ANNUAL GENERAL MEETING

Day and Date	Wednesday, 14 th August, 2013
Time	11 a.m.
Venue	408, A-Wing, Express Zone, Cello-Sonal Realty, Near Oberoi Mall on Western Express Highway, Malad (East), Mumbai-400063.

(b) **PROFILE OF DIRECTORS SEEKING APPOINTMENT AND RE-APPOINTMENT AT THE TWENTY SIXTH ANNUAL GENERAL MEETING (PURSUANT TO CLAUSE 49IV(G) OF THE LISTING AGREEMENT)**

Name of Director	Mr. Rajendra Bakiwala	Mr. Anuj Ajmera
Date of Birth	21/06/1954	14/11/1981
Nationality	Indian	Indian
Date of Appointment on Board	18/01/2005	22/11/2007
Qualification	B.Com, FCA	B.Com
Brief Resume and expertise in specific functional area	Mr. Rajendra Bakiwala, is a Fellow Member of the ICAI and Independent Director at Ajcon Global. He has over thirty years of experience in Auditing and Taxation matters.	Mr. Anuj Ajmera is an Executive Director of Ajcon. He has over 10 years of experience in Business Development, Marketing & PR initiatives. Owing to his extensive knowledge of IT he is entirely responsible for IT frame work of Ajcon Global. He has played a pivotal and instrumental role in designing the online trading web portal of Ajcon Global Services Ltd. www.pyarapaisa.com . He also overseas the business development on online broking initiatives of the Company.
Directorship held in other public Companies excluding private companies.	NIL	1. M/s. Ajcon Commodity Brokers Ltd. 2. M/s. Ajcon IT. Com Ltd.
Membership/chairmanship of Committees of other public Companies	NIL	NIL
Number of shares held in the Company	NIL	3,25,000 Equity Shares

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

First quarter results ending 30.06.2013	: 14 th August, 2013
Second quarter results ending 30.09.2013	: 14 th November, 2013
Third quarter results ending 31.12.2013	: 14 th February, 2014
Last quarter/ audited annual results ending 31.03.2014	: 30 th May, 2014
Annual General Meeting for the Year ended 31.03.2014	: 30 th September, 2014
Venue of AGM	: Mumbai

(d) **BOOK CLOSURE** : Monday, 12th August, 2013 to Wednesday, 14th August, 2013
(Both days inclusive)

(e) **LISTING ON STOCK EXCHANGES**

BSE Ltd, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.

Annual Listing Fees, as prescribed has been paid to the Stock Exchange for the year 2013-14.

(f) **Stock Exchange Code:** 511692 (BSE)

(g) **Corporate Identification Number:** L74140MH1986PLC041941

(h) **Demat ISIN No:** INE759C01019

(i) **SHARE TRANSFERS AND OTHER COMMUNICATIONS SHOULD BE ADDRESSED TO:**

Bigshare Services Pvt. Ltd.

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

Tel: 022 40430200 Fax : 022-28475207 Email : ansar@bigshareonline.com

(j) **INVESTORS' COMPLAINTS MAY BE ADDRESSED TO:**

Compliance Officer

Ajcon Global Services Limited

Correspondence and Corporate Office: 408, A-Wing, Express Zone, Cello-Sonal Realty,
Near Oberoi Mall on Western Express Highway,
Malad(E), Mumbai-400063

Tel: 022- 67160400/450 Fax : 022-28722062/ 67160450

Email : investorgrievance@ajcon.net/cs@ajcon.net.

(k) **STOCK MARKET PRICE DATA**

High / Low closing price of shares of the Company during each month in last financial year on BSE:

MONTH/ YEAR	HIGH (₹)	LOW (₹)	No. of Shares Traded	No. of Trades	MONTH/ YEAR	HIGH (₹)	LOW (₹)	No. of Shares Traded	No. of Trades
April 2012	19.65	13.80	3,24,120	1,067	October 2012	18.80	14.70	3,50,884	985
May 2012	19.80	13.75	3,73,191	1,113	November 2012	19.00	13.35	3,94,639	1,068
June 2012	18.00	13.10	3,42,971	763	December 2012	20.00	15.40	3,40,574	762
July 2012	22.85	13.25	3,44,091	863	January 2013	19.80	15.50	3,41,345	957
August 2012	18.80	15.50	3,17,694	763	February 2013	19.80	13.10	2,85,094	986
September 2012	19.00	14.95	3,17,637	845	March 2013	18.85	13.51	3,18,696	890

(l) **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.

(m) DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2013

SR. NO.	RANGE (IN ₹)	NO. OF HOLDERS	% TO TOTAL SHAREHOLDERS	VALUE IN (₹)	% TO TOTAL EQUITY
1	1 - 5000	3484	88.58	45,40,980	7.42
2	5001- 10000	238	6.05	20,97,470	3.43
3	10001- 20000	86	2.19	13,72,630	2.24
4	20001- 30000	35	0.89	9,14,950	1.50
5	30001- 40000	11	0.28	3,84,310	0.63
6	40001- 50000	13	0.33	6,11,620	1.00
7	50001- 100000	25	0.64	18,76,180	3.07
8	100001 and above	41	1.04	4,93,63,860	80.71
TOTAL		3,933	100.00	6,11,62,000	100.00

(n) SHAREHOLDING PATTERN AS ON 31.03.2013

	CATEGORY	NO. OF SHARES HELD	PERCENTAGE OF SHAREHOLDING %
A.	<u>PROMOTERS HOLDING</u>		
1.	Promoters		
a.	Indian promoters *	35,53,100	58.09
b.	Foreign promoters	0	0.00
2.	Persons acting in concert	0	0.00
	Total	35,53,100	58.09
B.	<u>NON PROMOTERS HOLDING</u>		
1.	INSTITUTIONAL INVESTORS		
a.	Mutual funds	52,100	0.85
b.	Banks, financial institutions Insurance companies (central / state govt. Institution / non government institutions)	0	0.00
c.	FII's	0	0.00
	Sub total	52,100	0.85
2.	OTHERS		
a.	Bodies Corporate	8,23,523	13.46
b.	Indian public	16,75,056	27.39
c.	NRI / OCB	6,295	0.10
d.	Any other - share in transit	6,126	0.10
	Sub total	25,11,000	41.05
	Total	25,63,100	41.91
	GRAND TOTAL	61,16,200	100.00

* Includes Body Corporates also.

(o) DEMATERIALISATION OF SHARES

The shares of the Company are traded in compulsorily dematerialised form. 53,64,473 Equity shares (87.71%) have been dematerialized as on 31.03.2013.

(p) Outstanding GDR/Warrants/Convertible Instruments.

The Company has no outstanding GDR/Warrants/Convertible Instruments.

(q) ADDRESS FOR CORRESPONDENCE

Ajcon Global Services Limited
408, A-Wing, Express, Cello Sonal Realty, Nr. Western Express Highway, Malad (E), Mumbai- 400063
Tel: 022 67160400-450 Fax: 022 28722062 Email: ajcon@ajcon.net

1.12 Reconciliation of Share Capital Audit Report

M/s G.N. Shanbhag & Co. Chartered Accountants, carried out a secretarial audit to, reconcile the total admitted capital with National Securities Depository Limited (NSDL), 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

Mr. Ashok Ajmera, Chairman & Managing Director acting in the capacity of CEO & CFO of the Company, have issued a Certificate to the Board as prescribed under sub - clause V of Clause 49 of the Listing Agreement. The said Certificate was placed before the Board Meeting held on 24th May, 2013 in which the Accounts for the Financial Year ended 31st March, 2013 were considered and approved by the Board of Directors.

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 matter where ever applicable.

MANAGEMENT DISCUSSION ON AN ANALYSIS REPORT

Macro-Economic Environment

Global Economic environment

Global economic activity remains subdued amidst signs of diverging growth paths across major economies. In the US, a slow recovery is taking hold, driven by improvements in the housing sector and employment conditions. However, the pace of recovery remains vulnerable to the adverse impact of the budget sequestration which will gradually gain pace in the months ahead. The U.S. economic growth seems to have accelerated from Jan'13 through Mar'13 from a near-stall at the end of 2012, propelled by a revival in housing, steady consumer spending and increased stockpiling by businesses. But the faster growth is not expected to last. Broad government spending cuts and higher taxes have begun to weigh on the economy, making some consumers and businesses cautious amid slowing growth.

In the euro area, recessionary conditions characterized by deterioration in industrial production, weak exports and low domestic demand, continued into Q1 of 2013. High unemployment, fiscal drag and hesitant progress on financial sector repair have eroded consumer confidence. The unemployment rates of some of the worst-hit Euro zone economies are going from bad to worse. Spain's unemployment rate has pushed past 27.0%. Even the more economically robust Euro zone economies like France are reporting rising unemployment. On a more positive note, figures on April 26th show that the UK has avoided a triple-dip recession, recording 0.3% economic growth for the first quarter.

Japan's economy stopped contracting in Q4 of 2012. There has been some improvement in consumer confidence on account of monetary and fiscal stimulus along with a pick-up in external demand on the back of a weakening yen. The Bank of Japan (BOJ) has kept monetary policy steady on 26th April, 2013 after it unveiled aggressive stimulus measures, according to reports. Reports stated that BOJ maintained its pledge to increase base money, at the central bank, at an annual pace of 60 trillion yen to 70 trillion yen.

Some countries in Asia stand to benefit from the current weakness in commodity prices, as inflation "continues to be surprisingly mild" and interest rates might remain low in developed markets for a long time. Further, a fading commodity super-cycle may not signal a collapse in demand. It's likely extra supply that's pushing in. As a result, the fading of commodity super-cycle need not signal a collapse in prices but simply that they are consolidating at a relatively elevated level.

Domestic Economic environment

India's economic growth reached the decade's low of 5.0% in FY13 on the back of stalled mining and manufacturing sectors, weaker agricultural performance due to deficient rains and moderation in business related services.

Headline (WPI) inflation declined from the average of 8.9% in FY12 to 7.3% in FY13, which allowed RBI to reduce the key policy rates by 100 bps and CRR by 75 bps during FY13. However, continued weaknesses in economic activity kept both the deposit & credit growth rates muted though the differential between deposit and credit growth hovered around 250 to 300 bps throughout the year with deposit growth outpacing the credit growth. This created persistent liquidity tightness in the system.

Historically high level of current account deficit (estimated at 5.0% of GDP in FY13) and double-digit retail (CPI-based) inflation did not allow RBI to ease the monetary policy aggressively despite accentuated growth risks.

Exports kept on contracting throughout the year and contracted by 1.8% in FY13 as a whole, imports increased by 0.44% and trade deficit expanded to US\$ 191 billion. Yet Rupee/USD rate depreciated by 6.7% on y-o-y basis thanks to the strong FII inflows.

India's Government managed to contain fiscal deficit at 5.3% of GDP in FY13 & focusing on alleviating supply-side constraints by stepping up efforts to lift investments & remove bureaucratic impediments that have stalled a large number of projects in coal, power, steel and road sectors.

Our Business

i. Stock Broking

The retail broking business is facing a slow down due to economic conditions which have effected the sentiments. However, the institutional broking business remained the main bread earner for the company. The Company took up the membership of 3rd National level newly launched Exchange MCX-SX for equity-cash & derivatives. However, the equity research division of the Company is spreading its wings across the Globe.

ii. Currency broking

There was not much change in the currency broking business. However, the company has now enrolled a few more corporate clients & expects good business in the current year.

iii. Depository Services

The Company remained active in its business as Depository participant of CDSL increasing the number of depository accounts to about 2500 consisting mainly of its Broking clients. The Company's plans to open up the said services for non-broking clients was remain on hold due to sluggish market conditions.

iv. Corporate Advisory Services

During the year under review, the Company executed a few large assignments generating handsome revenue. The Company also made some fresh recruitment to expand the scope of advisory services; presently the Company has more than six assignments in hand.

v. Investment Banking/Merchant Banking

During the year Merchant Banking Division has executed the assignment as a Lead Manager and Market Maker for one Initial Public offering on BSE SME Exchange. In future the Company's main focus shall be smaller IPO's for listing on SME Exchanges of BSE and NSE. The Company has a few mandates on hand for the same.

vi. Proprietary Trading

During the year due to very erratic movements in both Equity and Currency markets, your Company posted a small profit to the tune of ₹ 436.47 thousand only from the proprietary trading activity.

Analysis of financial trends

In spite of difficult economic condition and bad markets, your Company's top line during the year under review was ₹ 66,501.65 thousand and the net profits were ₹ 6,961.76 thousand . The comparison of last 3 years revenue and net profit after tax is appended below for your ready reference.

FINANCIAL YEAR	GROSS REVENUE (₹ '000)	PROFITS AFTER TAX (₹ '000)
F.Y. 2012-2013	66,501.65	6,961.76
F.Y.2011-2012	85,971.66	10,108.93
F.Y.2010-2011	77,227.25	7,637.28

Outlook & Opportunities

Recently the Company successfully executed one IPO transaction as a Lead Manager for a SME Company to help it list and raise funds at SME Exchanges. The Company is also in talks with several other SME'S for their proposed IPO issue on SME Exchanges. In addition the Company is active in raising funds for SME clients through Private Equity/VC/Angel funding and see a large scope for corporate advisory services. Company's investment banking division has also become very active and is engaged in a couple of private equity deals.

Threats:

1. Low capital base as the business requires large funds (Internal)
2. Fewer branches & franchisee outlets (Internal)
3. Slow down in the capital markets due to Global effects and deteriorating domestic economic conditions (External)
4. Competition in the Market place (External)

Adequacy of Internal Controls & Internal Audits

The Company has a strong internal control system in place. The Company's activities are subjected to Internal Audit, Concurrent Audit, System Audit and Inspections by the exchanges and regulatory authorities. The Company is fully compliant of all the rules, regulation and provisions of all the stock exchanges, SEBI, CDSL and other regulatory authorities.

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. During the year, the Company had added many more high level executives. The HR department is cordial with the employee and take due care of their growth and professional credentials & abilities of the employees.

Code for Prevention of Insider Trading Practices

As a part of code of conduct, the Company has a well defined and laid down policy approved by the Board for the prevention of insider Trading in line with SEBI Insider Trading Prohibition Regulations which is applicable to all Directors, senior management/ Employees categorized as "Designated Employees".

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
24.05.2013

By Order of the Board

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

(Ashok Ajmera)
Chairman & Managing Director

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

I, Ashok Ajmera, do hereby declare that all the Directors and Senior Management personnel have, respectively, affirmed compliance with Code of Conduct as approved and adopted by the Board of Directors.

For Ajcon Global Services Limited

**Ashok Ajmera
Chairman & Managing Director**

**Place : Mumbai
Date : 24.05.2013**

CERTIFICATION BY CEO/CFO UNDER CLAUSE 49 V OF THE LISTING AGREEMENT

I, Ashok Ajmera, Chairman & Managing Director acting in the capacity of CEO & CFO of the Company do hereby certify to the Board of Directors of the Company that:

- a) I 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) To the best of my 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) I 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) I 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.

For Ajcon Global Services Limited

**Place : Mumbai
Date : 24.05.2013**

**Ashok Ajmera
Chairman & Managing Director**

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, 2013 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 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 above-mentioned Listing Agreement.

We state that no investor grievance(s) are pending for a period exceeding one month against the Company as per the records maintained by the shareholders' Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Address:

307, Tulsiani Chambers,
Nariman Point,
Mumbai, 400021
Tel: 022- 22853039 Tele-fax: 022 - 66301318

For BHATTER & CO.

Chartered Accountants
Firm Reg. No.131092W

D. H. Bhatte
Proprietor
M. No.:16937

Mumbai
24.05.2013

INDEPENDENT AUDITOR'S REPORT

To
The Members of Ajcon Global Services Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of Ajcon Global Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates

made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 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 appears from our examination of those books.
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with

by this Report are in agreement with the books of account ;

- d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of

clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Address:

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

For BHATTER & CO.

Chartered Accountants
Firm Reg. No.131092W

D.H. Bhattar
Proprietor
M. No.:16937

Mumbai
24.05.2013

ANNEXURE TO AUDITORS' REPORT

The Annexure referred to in our report to the members of Ajcon Global Services Limited for the year ended 31st March, 2013.

We report that:

- i. a) The Company has been 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, 2013 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) Based on the information and explanation given by the management and on the basis of audit procedures performed by us, we are of the opinion that the Company has not disposed off substantial part of its fixed assets which could affect the going concern status of the Company.
- ii. In respect of inventories,
 - a) Company's inventory comprises of only shares and securities. The Management during the year has physically verified those stocks which were not in dematerialized form and the rest were verified through Demat statements of depositories. 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.
- iii. 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 given interest free unsecured advance to Subsidiary Companies and Associate Companies. At the year end the outstanding balance of such advances granted to Subsidiary Companies were ₹ 3,526.89 thousand and to that of Associate Companies was NIL. The maximum amount outstanding of Subsidiary Companies during the year were ₹ 3,526.89 thousand and that of the Associates Companies were ₹ 449.87 thousand.
 - b) In our opinion the terms & conditions of such loans are prima facie not prejudicial to the interest of the Company.
 - c) The loans given were not due for repayment at the year end; therefore the question of overdue principal amount does not arise.
 - d) The Company has not taken any loan, secured or unsecured from Companies, Firms and other parties covered in the register maintained under section 301 of the Companies Act 1956 hence requirement of clauses 4(iii) (f) and (g) of the Companies (Auditors' Report) order 2003 are not applicable.
- iv. 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 nature of its business, with regard to purchases of equipments and other assets and with regards to the sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
- v. 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 ₹ 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.
- vi. The Company has not accepted any deposits from public.

- vii. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- viii. 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.
- ix. According to the information and explanation given to us, the undisputed amounts payable in respect of taxes, wealth tax, service tax, and any other statutory dues have generally been deposited regularly with the concerned authorities. Based on information furnished to us, there are no undisputed statutory dues as on 31st March, 2013 which are outstanding for a period exceeding six months from the date they became payable.
- x. 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.
- xi. According to the information and explanation given to us, the Company has not defaulted in scheduled repayment of dues to banks and financial institutions.
- xii. 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.
- xiii. The Company is not a chit fund or a nidhi / mutual benefit fund or society.
- xiv. 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.
- xv. 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.
- xvi. To the best of our knowledge and belief and according to the information and explanations given to us, no term loans were raised by the Company during the year; therefore question of utilization for stated purpose does not arise.
- xvii. 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.
- xviii. During the year, the Company has not made preferential allotment to the parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- xix. The Company has not issued any Debentures during the year.
- xx. The Company has not raised any money through public Issue during the year.
- xxi. 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 BHATTER & Co
Chartered Accountants
Firm Reg. No.131092W

Mumbai
24.05.2013

D. H. Bhatler
(Proprietor)
Membership No. 16937

AJCON GLOBAL SERVICES LIMITED			
BALANCE SHEET AS AT 31 ST MARCH 2013			
Particulars	Note No.	As at 31.03.2013 (₹ '000)	As at 31.03.2012 (₹ '000)
I EQUITY AND LIABILITIES			
1 <u>Share Holders' Fund</u>			
Share Capital	2	61,162.00	61,162.00
Reserve and Surplus	3	72,052.56	65,090.80
		133,214.56	126,252.80
2 <u>Non-Current Liabilities</u>			
Long Term Borrowings	4	1,919.15	1,443.97
Deferred Tax Liability (Net)	5	2,296.58	2,435.62
		4,215.73	3,879.59
3 <u>Current Liabilities</u>			
Short-Term Borrowings	6	74,554.25	54,570.57
Trade Payables	7	14,946.51	9,163.69
Other Current Liabilities	8	2,031.28	2,215.80
Short Term Provisions	9	7,337.44	6,700.00
		98,869.48	72,650.06
TOTAL		236,299.77	202,782.45
II ASSETS			
1 <u>Non Current Assets</u>			
Fixed Assets			
<i>Tangible Assets</i>			
<i>Gross Block</i>	10	39,607.45	35,118.71
<i>Depreciation</i>		19,244.94	15,557.19
<i>Net Block</i>		20,362.51	19,561.52
Non Current Investments	11	23,527.00	23,427.00
		43,889.51	42,988.52
2 <u>Current Assets</u>			
Inventories	12	82,794.38	68,291.26
Trade Receivables	13	36,413.49	35,870.57
Cash & Cash Equivalents	14	14,115.71	4,761.12
Short Term Loans & Advances	15	59,086.68	50,870.98
		192,410.26	159,793.93
TOTAL		236,299.77	202,782.45

As per our report of even date attached

For and on behalf of the Board of Directors

FOR BHATTER & CO.

CHARTERED ACCOUNTANTS

Firm Reg. No.131092W

D. H. BHATTER

PROPRIETOR

M. No. 16937

Ashok Ajmera

Narayan Atal

Ankit Ajmera

Anuj Ajmera

Samir Biswas

Rajendra Bakiwala

Managing Director

Director

Executive Director

Executive Director

Director

Director

Mumbai

24.05.2013

Shailendra Pathak

Company Secretary

AJCON GLOBAL SERVICES LIMITED			
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013			
Particulars	Note No.	For the Year 31.03.2013 (₹ '000)	For the Year 31.03.2012 (₹ '000)
I. Revenue from Operations	16	65,542.34	85,531.47
II. Other Income	17	959.31	440.19
III. Total Revenue (I+II)		66,501.65	85,971.66
IV Expenses			
Employee Benefit Expenses	18	15,313.05	20,904.31
Financial Cost	19	5,649.28	6,643.23
Depreciation & Amortization Expenses		4,003.63	3,569.64
Other Expenses	20	31,062.96	42,270.47
Total Expenses		56,028.93	73,387.65
V Profit/(Loss) before Extra-Ordinary items & Tax (III-IV)		10,472.72	12,584.01
VI Extra-Ordinary items		-	-
VI Profit/(Loss) before Tax (V-VI)		10,472.72	12,584.01
VII Tax Expenses			
i) Current Tax		3,650.00	3,700.00
ii) Deferred Tax Expenses/ (Savings)		(139.04)	(1,224.84)
VII Profit/(Loss) for the Period		6,961.76	10,108.86
Balance carried to Balance Sheet		6,961.76	10,108.86
XII Basic & Diluted EPS (in ₹)		1.14	1.65
Face Value ₹ 10/- per Share			

As per our report of even date attached

For and on behalf of the Board of Directors

FOR BHATTER & CO.
 CHARTERED ACCOUNTANTS
 Firm Reg. No.131092W
 D. H. BHATTER
 PROPRIETOR
 M. No. 16937

Ashok Ajmera
Narayan Atal
Ankit Ajmera
Anuj Ajmera
Samir Biswas
Rajendra Bakiwala

Managing Director
Director
Executive Director
Executive Director
Director
Director

Mumbai
 24.05.2013

Shailendra Pathak

Company Secretary

AJCON GLOBAL SERVICES LIMITED		
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013		
Particulars	Year Ended 31.03.2013	Year Ended 31.03.2012
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Prior period Adjustment & exceptional item	10,472.72	12,584.01
Adjustment for:		
Depreciation and Amortisation	4,003.63	3,569.64
(Profit)/Loss on Sale of Fixed Asset	164.83	(45.10)
Interest on Fixed Deposits Received	(491.38)	(299.79)
Finance Cost	5,649.28	6,643.23
Operating Profit Before Working Capital Changes	19,799.08	22,451.99
Adjustment for:		
Inventories	(14,503.12)	(17,668.92)
Trade & Other Receivables	(8,758.62)	7,030.02
Trade Payables & Other Current Liabilities	5,598.30	(6,564.50)
Cash Generated from Operations	2,135.64	5,248.59
Direct Taxes Paid (Net of Refund)	(3,012.56)	
Cash Flow before prior period Adjustments & Exceptional item	(876.92)	5,248.59
Prior Period Adjustments		
Net Cash From / (Used In) Operating Activities (A)	(876.92)	5,248.59
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets / Capital work-in-progress	(5,569.45)	(2,445.50)
Investment in Subsidiary Company	(100.00)	(1,000.00)
Sale of Fixed Assets	600.00	1,887.50
Interest on Fixed Deposits Received	491.38	299.79
Net Cash From / (Used In) Investing Activities (B)	(4,578.07)	(1,258.21)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Secured Borrowings (Net)	(2,804.18)	(8,301.61)
Proceeds from Unsecured Borrowings (Net)	23,263.04	2,039.00
Interest and Finance Charges Paid	(5,649.28)	(6,643.23)
Net Cash From / (Used In) Financing Activities (C)	14,809.58	(12,905.84)
Net Increase / (Decrease) in Cash and Cash equivalents (A)+(B)+(C)	9,354.59	(8,915.46)
Cash and Cash equivalents at the begining of the year	4,761.12	13,676.58
Cash and Cash equivalents at the end of the year	14,115.71	4,761.12
NOTES:		
1. 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.		
2. Cash and Cash equivalent at the end of the year includes earmarked balance with Bank towards unpaid dividend.		
3. 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

Mumbai
 24.05.2013

For and on behalf of the Board of Directors

Ashok Ajmera
 Narayan Atal
 Ankit Ajmera
 Anuj Ajmera
 Samir Biswas
 Rajendra Bakiwala

Managing Director
 Director
 Executive Director
 Executive Director
 Director
 Director

Shailendra Pathak

Company Secretary

Note 1 : SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

a) Basis of Accounting:

The financial statements are prepared as a going concern under historical cost convention on an accrual basis and in accordance with the Companies Act, 1956. Accounting policies not stated explicitly otherwise are consistent with generally accepted accounting principles.

b) Use of Estimates :

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any differences of actual results to such estimates are recognized in the period in which the results are known materialized.

c) Fixed Assets :

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

d) Depreciation:

Depreciation on all fixed 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 on pro-rata from the date of such additions, or upto the date of sale/disposal, as the case may be.

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/Current Investments:

Inventories/Current Investments are consisting of stocks and securities and the same are accounted at cost and any decline in the carrying value other than temporary in nature is provided for.

g) Equity Index/Stock Futures/Currency Futures:

- i. "Initial Margin- Equity Derivative Instrument", representing the initial margin paid for entering into contracts for Equity Index/Stock Futures/Currency Futures which are released on final settlement/squaring-up of underlying contracts, are disclosed under Loans and Advances.
- ii. Equity index/Stock Futures/Currency Futures for arbitrage purposes are Marked-to-Market on a daily basis. Debit or credit balance disclosed under Loans and Advances or Current Liabilities, respectively, in the "Mark-to-Market Margin- Equity Index/Stock Futures/Currency Futures Account", represents the net amount paid or received on the basis of movement in the prices of Index/Stock Futures/Currency Futures till the Balance Sheet date.
- iii. As on the Balance Sheet date, profit/loss on open positions in Equity index/Stock Futures/Currency Futures are accounted for as follows:
 - Credit balance in the "Mark-to Market Margin- Equity index/Stock Futures/Currency 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/Currency Futures", being anticipated loss, is adjusted in the statement of Profit and Loss Account.
- iv. On final settlement or squaring-up of contracts for Equity index/Stock Futures/Currency Futures, the profit or loss is calculated as the difference between the settlement/squaring-up price and the contract price. Accordingly, debit or credit balance pertaining to the

settled/squared-up contract in "Mark-to-Market Margin- Equity index/Stock Futures/Currency Futures Account" after adjustment of provision for anticipated losses is recognized in the statement of Profit and Loss Account.

- v. When more than one contract in respect of the relevant series of Equity index/Stock Futures/Currency Futures contract to which the squared-up contract pertains is outstanding at the time of the squaring-up of the contract, the contract price of the contract so squared-up is determined using the weighted average cost method for calculating the profit/loss on squaring-up.

h) 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 depending on the progress of the assignment.
- iii. Brokerage on stock market operations is recognized on completion of settlement period of respective segments & Stock Exchanges.
- iv. Dividend income has been treated as stipulated in AS-13 issued by ICAI. The same has not been treated as exempted income for the purpose of calculating taxable income.
- v. The Annual Maintenance 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. Interest income is recognized on time proportionate basis taking into account the amount outstanding and the rate applicable.
- vii. Income other than above is accounted on accrual basis.

i) Retirement Benefits:

The Company's contribution towards Provident Fund is charged against revenue on actual basis. The Provisions for liability on account of other benefits including Gratuity & Leave encashment are made on accrual basis.

j) 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.

k) 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 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.

l) 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 provisions of Income Tax Act, 1961.

❖ **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 and Companies (Accounting Standard) Rules, 2006. 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.

m) Impairment of Assets.

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

n) 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 as on the date of balance sheet. These are reviewed at each balance sheet date and adjusted to reflect the current best management estimates.

(₹ '000 except Share data)

Notes forming Integral Part of Balance Sheet as at 31st March 2013		
	As at 31.03.2013	As at 31.03.2012
	(₹ '000)	(₹ '000)
Note: 2 Share Capital		
<u>Authorised Share Capital</u> 10,000,000 (10,000,000) Equity Shares of ₹ 10 each	100,000.00	100,000.00
<u>Issued, Subscribed & Paid Up</u> 6,116,200 (6,116,200) Equity Shares of ₹ 10 each fully paid up.	61,162.00	61,162.00
Total	61,162.00	61,162.00

2.1 Details of Shareholders' holding more than 5% Shares :				
Name of Shareholders	As at 31.03.2013		As at 31.03.2012	
	No. of Shares	% held	No. of Shares	% held
Ashok Ajmera	750,000	12.26%	750,000	12.26%
Ajcon Consultants Pvt. Ltd.	719,900	11.77%	719,900	11.77%
Pragati Ajmera	500,000	8.18%	500,000	8.18%
Ankit Ajmera	325,000	5.31%	325,000	5.31%
Anuj Ajmera	325,000	5.31%	325,000	5.31%

2.2 Reconciliation of the number of Shares outstanding is set out below :		
Particulars	As at 31.03.2013	As at 31.03.2012
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	6,116,200	6,116,200
Add: Shares issued during the year	-	-
Less: Shares cancelled/ buy back during the year	-	-
Equity Shares at the end of the year	6,116,200	6,116,200

2.3 Face Value of Shares

All the equity shares are of same class with a face value of ₹ 10 per share. Company has not issued any shares during the year under consideration.

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.

	As at 31.03.2013 (₹ '000)	As at 31.03.2012 (₹ '000)
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Note: 3 Reserve and Surplus

Securities Premium		
Balance at the beginning of the year	20,475.00	20,475.00
Additions during the year	-	-
Utilization during the year	-	-
Balance at the end of the year	A	20,475.00

General Reserve		
Balance at the beginning of the year	10,737.50	10,737.50
Additions during the year	-	-
Utilization during the year	-	-
Balance at the end of the year	B	10,737.50

Profit and Loss Account		
Balance at the beginning of the year	33,878.30	23,769.44
Profit/(Loss) during the year	6,961.76	10,108.86
Balance at the end of the year	C	40,840.06
Total	A + B + C	72,052.56
		65,090.80

Note: 4 Long Term Borrowings

Secured Loans		
Vehicle Loan From Bank (Secured against vehicles. Payment of principal and interest thereon is in line with the stipulated terms of the loan)	1,919.15	1,443.97
TOTAL	1,919.15	1,443.97

Note: 5 Deferred Tax Liability

Deferred Tax Liability : (Opening)	2,435.62	3,660.46
Add: Deferred Tax Liability/ (Asset) for timing difference on depreciation	(139.04)	(1,224.84)
Net Deferred Tax Liability : (Closing)	2,296.58	2,435.62

Note: 6 Short Term Borrowings

Secured Loans		
Secured Overdraft from Banks (OD-EQM)	37,510.57	34,291.80
Secured Loans from Bank Repayable on Demand (OD-Shares)	1,043.68	7,541.81
Unsecured		
Temporary Bank Overdraft	-	338.52
Others		
Security/Margin Deposit	36,000.00	7,665.00
Inter Corporate Deposits	-	2,500.00
Advances from Constituents	-	2,233.44
TOTAL	74,554.25	54,570.57

- Secured overdraft (OD-EQM) from Bank of India is secured by equitable mortgage of office premises owned by the company and equitable mortgage of a plot of land owned by Ajcon Infra Projects Pvt. Ltd., an associate company and personal guarantee of the Managing Director of the Company
- Secured Loans (OD-Shares) from Bank of India is payable on demand is secured by pledge of shares with 50% margin.
- Payment of principal and interest thereon is in line with the stipulated terms of the loan.
- The rate of Interest is 3.75% & above the base rate of the Bank. The present base rate is 10.25% p.a.

Note: 7 Trade Payables

Creditors for Trade	[Refer note (a) below]	11,983.07	7,803.45
Creditors for Expenses	[Refer note (a) below]	2,963.44	1,360.24
TOTAL		14,946.51	9,163.69

(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: 8 Other Current Liabilities

Creditors for Others	1,895.95	2,080.37
Unclaimed Dividend (Refer Note No. 8 in the Notice of AGM)	135.33	135.43
TOTAL	2,031.28	2,215.80

Note: 9 Short Term Provisions

Provision for Taxation	7,337.44	6,700.00
TOTAL	7,337.44	6,700.00

(₹ '000)

Note : 10 Fixed Assets : Tangible Assets										
Name of the Assets	Gross block				Depreciation				Net Block	
	01.04.2012			31.03.2013	01.04.2012			31.03.2013	31.03.2013	31.03.2012
	Opening	Addition	sale	balance	opening	for the year	Deduction	balance		
Tangible Assets										
Office Premises	6,159.86	-	-	6,159.86	708.62	100.41	-	809.03	5,350.83	5,451.24
Furniture Fixtures	4,524.29	1,275.96	-	5,800.25	1,917.96	321.61	-	2,239.57	3,560.68	2,606.33
Computers	16,406.60	1,149.12	-	17,555.72	9,184.74	2,727.82	-	11,912.56	5,643.16	7,221.86
Motor Vehicle	3,641.73	2,415.83	1,080.71	4,976.85	1,756.97	536.60	315.88	1,977.69	2,999.16	1,884.76
Air - Conditioner	971.05	553.39	-	1,524.43	392.47	85.06	-	477.53	1,046.90	578.58
Electrical Installation	1,812.13	175.16	-	1,987.29	946.23	130.66	-	1,076.89	910.40	865.90
Office Equipments	1,603.05	-	-	1,603.05	650.20	101.47	-	751.67	851.37	952.85
Total	35,118.71	5,569.45	1,080.71	39,607.45	15,557.19	4,003.63	315.88	19,244.94	20,362.51	19,561.52
Previous Year	36,301.24	2,445.50	3,628.03	35,118.71	15,434.18	3,569.64	3,446.63	15,557.19	19,561.52	20,867.06

	As at 31.03.2013	As at 31.03.2012
	(₹ '000)	(₹ '000)
Note: 11 Non Current Investments		
<u>Other Investments</u>		
<u>Investment in Equity Instruments- Strategic</u>		
<u>Unquoted Equity Shares at Cost</u>		
<u>a) In Subsidiary Companies</u>		
◆ 1,775,000 (1,775,000) Equity shares of ₹ 10 each at par of M/s Ajcon Commodity Brokers Ltd.	17,750.00	17,750.00
◆ 100,000 (100,000) Equity Shares of ₹ 10 each at par of M/s Kanchanmanik Securities Pvt. Ltd.	1,000.00	1,000.00
◆ 10,000 (NIL) Equity Shares of ₹ 10 each at par of M/s Ajcon Comtrade Pvt. Ltd.	100.00	-
<u>b) In Associate Companies</u>		
◆ 25,000 (25,000) Equity shares of ₹ 10 each of M/s Ajcon IT.Com Ltd.	4,000.00	4,000.00
◆ 3,335 (3,335) Equity shares of ₹ 10 each of M/s Ajcon Infra Projects Pvt. Ltd.	667.00	667.00
<u>c) Others</u>		
◆ 10,000 (10,000) Equity shares of ₹ 1 each at par of Madhya Pradesh Stock Exchange Ltd.	10.00	10.00
TOTAL	23,527.00	23,427.00

Note: 12 Inventories

<u>Stock of Shares and Securities (At Cost)</u>	82,794.38	68,291.26
TOTAL	82,794.38	68,291.26

Note: 13 Trade Receivables

<u>Sundry Debtors (Unsecured, considered good)</u>		
Outstanding for a period exceeding six months from the date they are due for payment	2,260.25	2,517.87
Others	34,153.24	33,352.70
TOTAL	36,413.49	35,870.57

Note: 14 Cash & Cash Equivalents

Cash on Hand	2,046.31	349.72
Balances with Bank		
- In current accounts	4,777.50	422.41
- Earmarked balances - Unpaid dividend account	135.33	135.43
Bank Fixed Term Deposits	7,156.57	3,853.56
TOTAL	14,115.71	4,761.12

♦ Fixed Deposits are margin given against Bank Guarantees for ₹ 13,875 Thousand (P.Y. ₹ 7,375 Thousand) issued by the bankers of the Company in favour of the Clearing Corporation / Clearing Member / Stock Exchanges.

Note: 15 Short Term Loans & Advances

	As at 31.03.2013	As at 31.03.2012
	(₹ '000)	(₹ '000)
<u>Unsecured, considered good</u>		
Advances to staff	2,428.50	3,277.64
Other advances recoverable in cash or in kind or for value, to be considered good	29,054.06	22,575.51
<u>Deposits</u>		
Deposits with Stock Exchanges & Other Miscellaneous Deposits	27,604.12	25,017.83
TOTAL	59,086.68	50,870.98

Notes forming Integral Part of Statement of Profit & Loss for the year ended 31st March 2013

Note: 16 Revenue from Operations

	For the Year 31.03.2013	For the Year 31.03.2012
	(₹ '000)	(₹ '000)
Income from Stock Market Operations	12,452.46	13,538.40
Income from Consultancy and Advisory Services	52,653.41	75,268.69
Profit/ (Loss) from Prop. Trading	436.47	(3,275.62)
TOTAL	65,542.34	85,531.47

Note: 17 Other Income

Interest on Bank Fixed Deposit	491.38	299.79
Profit/ (Loss) on sale of Assets	(164.83)	45.10
Miscellaneous Income	632.76	95.30
TOTAL	959.31	440.19

Note: 18 Employee Benefit Expenses

Salaries and Retainership Fees	11,076.57	16,692.54
Directors' Remuneration	3,660.00	2,960.40
Staff Welfare Expenses	576.48	1,251.37
TOTAL	15,313.05	20,904.31

Note: 19 Financial Cost

	For the Year 31.03.2013	For the Year 31.03.2012
	(₹ '000)	(₹ '000)
Interest Expenses	5,168.87	6,232.78
Bank Charges & Commission	480.41	410.45
TOTAL	5,649.28	6,643.23

Note: 20 Other Expenses

Auditors' Remuneration		
a) Statutory Audit Fees	60.00	60.00
b) Tax Audit Fees	10.00	10.00
c) Other Services	0.00	22.50
Advertisement & Business Development Expenses	1,211.81	8,836.98
Bad Debts Written off	-	2,500.00
Connectivity & Communication	668.98	512.82
Depository Charges	91.37	76.78
Electricity Charges & Expenses	1,142.67	908.47
Insurance Premium	240.12	96.77
Legal & Professional Fees	15,768.34	17,582.83
Postage, Courier and Telegram	177.68	507.94
Printing & Stationery	247.20	513.64
Rent, Rates & Taxes	2,663.13	1,994.36
Repairs & Maintenance	760.59	730.51
Software and AMC charges	517.64	643.91
Subscription and Membership Fees	2,258.86	2,451.13
Telephone Expenses	841.09	764.30
Transaction Charges	187.35	161.88
Travelling & Conveyance Expenses	2,843.13	2,276.77
Misc. Expenses	1,373.00	1,618.88
TOTAL	31,062.96	42,270.47

Note : 21 Contingent Liabilities and Commitments

- i) Counter Guarantees given for the Bank Guarantees for ₹ 13,875 thousand (margin by way of Bank fixed deposits of ₹ 7,156.57 thousand given) issued by the bankers of the Company in favour of the Clearing Corporation/Clearing Member/Stock Exchanges.
- ii) In consideration with concept of prudence, no contingent assets are recognized.

Note : 22 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 Futures & Options segments. Securities which are not registered in the name of the Company are held by the Company with valid transfer documents.

Note : 23 Bank fixed deposit of ₹ 50.00 thousand and shares worth ₹ 68.22 thousand are given to M.P. Stock Exchange towards Base Minimum Capital. Shares are also pledged against the secured Loans from Bank of India (OD against Shares).

Note : 24 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. The aggregate market value of inventory though considered at cost as per the practice followed since inception, was higher than the value stated as at the date of balance sheet. The Book Debts of ₹2,260.25 thousand (₹2,517.87 thousand) are outstanding for the period exceeding six months but, considered good by the Management and hence not provided for.

Note : 25 Some of the balances of Sundry Debtors, Creditors and Loans and Advances are subject to confirmation and reconciliation, if any.

Note : 26 Related Party Disclosures:

Disclosure in accordance with Accounting Standard-18 - Related Party transactions during the year

RELATIONSHIP(DURING THE YEAR)	NAME OF RELATED PARTY
A. Related party where control exists: Subsidiary Companies	M/s Ajcon Commodity Brokers Limited M/s Kanchanmanik Securities Pvt. Ltd. M/s Ajcon Comtrade Pvt. Ltd.
B. Related parties where significant influence exists: Associate Enterprises	M/s Ajcon Communication Pvt. Ltd M/s Ajcon Consultants Pvt. Ltd. M/s Ajcon Infra Projects Pvt. Ltd. M/s A. Ajmera & Associates
C. Key Management Personnel:	
Chairman and Managing Director	Mr. Ashok Ajmera
Executive Director	Mr. Ankit Ajmera
Executive Director	Mr. Anuj Ajmera
D. Other Related Parties	Mrs. Pragati Ajmera Mrs. Pallavi Ajmera Mrs. Shikha Ajmera Mrs. Sunita Ajmera Mr. Ajit Ajmera Mr. Ajay Ajmera

(₹ in 000)

E. Significant transactions with related parties during the year				
NATURE OF TRANSACTION	SUBSIDIARY COMPANIES	ASSOCIATE ENTERPRISES	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES
Advance Given (Net) - during the year	2,776.38, (1,500.00)	Nil, (449.87)	-	-
Investment	100.00, (18,750.00)	Nil, (4,667.00)		
Remuneration	-	-	3,660.00, (2,960.00)	-
Asset Purchase	-	407.34, (Nil)		
Income	316.12, (52.68)	8.26, (9.18)	4.11, (74.45)	10.32, (1.58)
Expenses	-	1,317.02, (426.65)	-	190.00, (566.00)

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

(₹ in 000)

F. Outstanding balances as on 31.03.2013				
NATURE OF TRANSACTION	SUBSIDIARY COMPANIES	ASSOCIATES COMPANY	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES
Advance given	3,526.89, (750.00)	Nil, (449.87)	-	-
Investments	18,850.00, (18,750.00)	4,667.00, (4,677.00)	-	-
Creditors	Nil, (1,462.92)	Nil, (10.74)	64.00, (Nil)	Nil, (192.00)
Debtors	-	-	560.277, (1,774.02)	Nil, (281.79)

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 : 27 Earnings per share (EPS) - AS20

(₹ '000 except share data)

Particulars	2012-2013	2011-2012
Profit attributable to Equity Shareholders	6,961.76	10,108.93
Outstanding Number of Shares as on Balance Sheet Date	6,116,200	6,116,200
Face Value per Equity Share (₹)	10	10
Earnings Per share - Basic & Diluted (₹)	1.14	1.65

Note : 28 Information pursuant to the provisions of part II of Revised Schedule VI of the Companies Act, 1956. (To the extent applicable and as certified by the Management)

- a) CIF value of imports, Expenditure & Earning in foreign exchange: -
 Foreign Travel Expenses : ₹ 343.47 (P.Y ₹ 17.32) thousand
 Connectivity and Communication Expenses : ₹ 1469.32, (P.Y. Nil) thousand
- b) Break up of Imported & Indigenous materials and components concerned -
 Foreign Travel Expenses : Nil (P.Y. Nil)
 Connectivity and Communication Expenses : Nil (P.Y. Nil)

Note :29 Previous year's figures have been regrouped/reclassified to correspond with the current year's classification/disclosure.

As per our report of even date attached FOR BHATTER & CO. CHARTERED ACCOUNTANTS	For and on behalf of the Board of Directors	
Firm Reg. No.131092W D. H. BHATTER PROPRIETOR M. No. 16937	Ashok Ajmera	<i>Managing Director</i>
	Narayan Atal	<i>Director</i>
	Ankit Ajmera	<i>Executive Director</i>
	Anuj Ajmera	<i>Executive Director</i>
	Samir Biswas	<i>Director</i>
	Rajendra Bakiwala	<i>Director</i>
Mumbai 24.05.2013	Shailendra Pathak	<i>Company Secretary</i>

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

Note : (All amounts in ₹ '000 except share data)

1	NAME OF SUBSIDIARY	AJCON COMMODITY BROKERS LTD		KANCHANMANIK SECURITIES PVT. LTD.		* AJCON COMTRAD E PVT. LTD.
2	Date from which it became subsidiary	18.01.1995		20.12.2011		11.01.2013
3	Financial year of the Subsidiary ended on	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013
4	Extent of the interest of the Company in the Subsidiary at the end of the financial year of each					
	A. Face Value (₹) per share	10	10	10	10	10
	B. No. of Equity Shares held	1,775,000	1,775,000	1,00,000	1,00,000	10,000
	C. Extent of holding (%)	79.33	81.61	100.00	100.00	100.00
5	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	₹153.88	₹529.70	₹(5.82)	₹(1.15)	₹(1.28)
	ii) For the previous years since it became a subsidiary	₹912.92	₹409.46	₹(1.15)	N.A.	N.A.
	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	NIL	NIL	NIL	NIL	NIL
	ii) For the previous years since it became a subsidiary	NIL	NIL	NIL	NIL	NIL

* Since Ajcon Comtrade Pvt. Ltd has been newly incorporated subsidiary company, figures for the F.Y. 2011 - 2012 are not applicable.

Statement regarding Subsidiary Companies:

(₹ 000)

Sr. No.	Particulars	Ajcon Commodity Brokers Ltd.		Kanchanmanik Securities Pvt. Ltd.		Ajcon Comtrade Pvt. Ltd.
		Amounts 31.03.2013	Amounts 31.03.2012	Amounts 31.03.2013	Amounts 31.03.2012	Amounts 31.03.2013
1)	Issued, Subscribed & Paid up Share Capital	22,375	21,750	1,000	1,000	100
2)	Reserves	46,470	34,400	(7)	(1)	(1)
3)	Total Assets	2,53,817	2,02,233	1,756	1,835	278
4)	Total Liabilities	2,53,817	2,02,233	1,756	1,835	278
5)	Investments	1,100	1,100	NIL	NIL	NIL
6)	Turnover	25,044	12,514	NIL	NIL	NIL
7)	Profit/(loss) Before Tax	193	1,028	(6)	(1)	(1)
8)	Provision for Taxation	84	329	NIL	NIL	NIL
9)	Profit/(loss) After Tax	109	699	(6)	(1)	(1)
10)	Proposed Dividend	NIL	NIL	NIL	NIL	NIL

As per our report of even date attached

For and on behalf of the Board of Directors

FOR BHATTER & CO.
CHARTERED ACCOUNTANTS

Firm Reg. No.131092W
D. H. BHATTER
PROPRIETOR
M. No. 16937

Ashok Ajmera

Managing Director

Narayan Atal
Ankit Ajmera
Anuj Ajmera
Samir Biswas
Rajendra Bakiwala

Director
Executive Director
Executive Director
Director
Director

Mumbai
24.05.2013

Shailendra Pathak

Company Secretary

**INDEPENDENT AUDITOR'S REPORT
ON CONSOLIDATED FINANCIAL STATEMENT**

To
The Members of Ajcon Global Services Ltd.

Report on the Consolidated Financial Statements

We have audited the accompanying financial statements of Ajcon Global Services Limited (the parent Co.), and its Subsidiaries (together group) which comprise of Consolidated the Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments,

the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated 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:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the group as at March 31, 2013;
- (b) in the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Address:

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

For BHATTER & CO.

Chartered Accountants
Firm Reg. No.131092W

D.H. Bhatler
Proprietor
M. No.:16937

Mumbai
24.05.2013

AJCON GLOBAL SERVICES LIMITED			
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2013			
Particulars	Note No.	As at 31.03.2013 (₹ '000)	As at 31.03.2012 (₹ '000)
I EQUITY AND LIABILITIES			
1 Share Holders' Fund			
Share Capital	2	61,162.00	61,162.00
Reserve and Surplus	3	108,908.76	93,164.12
		170,070.76	154,326.12
Share Application Money Pending Allotment			15,000.00
2 Minority Interest		14,230.30	10,326.30
3 Non-Current Liabilities			
Long Term Borrowings	4	2,908.42	1,443.97
Deferred Tax Liability (Net)	5	2,400.52	2,494.70
		5,308.94	3,938.67
4 Current Liabilities			
Short-Term Borrowings	6	248,667.56	179,074.89
Trade Payables	7	21,333.72	8,557.89
Other Current Liabilities	8	2,613.72	2,538.97
Short Term Provisions	9	7,518.39	7,125.17
		280,133.39	197,296.92
TOTAL		469,743.39	380,888.01
II ASSETS			
1 Non Current Assets			
Fixed Assets			
<i>Tangible Assets</i>			
<i>Gross Block</i>	10	44,572.43	38,123.38
<i>Depreciation</i>		20,677.77	16,636.83
<i>Net Block</i>		23,894.66	21,486.55
Non Current Investments	11	5,777.00	5,777.00
Other Non Current Assets (<i>Unamortized Expenses</i>)		254.61	76.31
		29,926.27	27,339.86
2 Current Assets			
Inventories	12	328,339.40	249,468.19
Trade Receivables	13	36,735.58	36,194.51
Cash & Cash Equivalents	14	15,475.63	7,040.98
Short Term Loans & Advances	15	59,266.51	60,844.47
		439,817.12	353,548.15
TOTAL		469,743.39	380,888.01

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 of Directors

Ashok Ajmera**Narayan Atal****Ankit Ajmera****Anuj Ajmera****Samir Biswas****Rajendra Bakiwala***Managing Director**Director**Executive Director**Executive Director**Director**Director*Mumbai
24.05.2013**Shailendra Pathak***Company Secretary*

AJCON GLOBAL SERVICES LIMITED			
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 ST MARCH 2013			
Particulars	Note No.	For the Year 31.03.2013 (₹'000)	For the Year 31.03.2012 (₹'000)
I. Revenue from Operations	16	89,969.76	97,126.51
II. Other Income	17	1,575.59	1,358.67
III. Total Revenue (I+II)		91,545.35	98,485.18
IV Expenses			
Employee Benefit Expenses	18	16,460.79	22,124.05
Financial Cost	19	5,649.28	6,669.19
Depreciation & Amortization Expenses		4,356.82	3,781.74
Interest Expenses	19A	22,260.57	9,174.32
Other Expenses	20	32,159.50	43,125.18
Total Expenses		80,886.95	84,874.48
V Profit/(Loss) before Extra-ordinary items & Tax (III-IV)		10,658.40	13,610.70
VI Extra-ordinary items		-	-
VI Profit/(Loss) before Tax (V-VI)		10,658.40	13,610.70
VII Tax Expenses			
i) Current Tax		3,688.89	4,050.00
ii) Deferred Tax Expenses/ (Savings)		(94.18)	(1,246.04)
VII Profit/(Loss) for the period		7,063.69	10,806.74
Balance carried to Balance Sheet		7,063.69	10,806.74
XII Basic & Diluted EPS (in ₹)		1.15	1.77
Face Value ₹ 10/- per Share			

As per our report of even date attached For and on behalf of the Board of Directors

FOR BHATTER & CO.

CHARTERED ACCOUNTANTS

Firm Reg. No.131092W

D. H. BHATTER

PROPRIETOR

M. No. 16937

Ashok Ajmera

Narayan Atal

Ankit Ajmera

Anuj Ajmera

Samir Biswas

Rajendra Bakiwala

Managing Director

Director

Executive Director

Executive Director

Director

Director

Mumbai

24.05.2013

Shailendra Pathak

Company Secretary

AJCON GLOBAL SERVICES LIMITED			
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013			
	Particulars	Year Ended 31.03.2013 (₹ '000)	Year Ended 31.03.2012 (₹ '000).
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before Tax and Prior period Adjustment & exceptional item	10,658.40	13,610.70
	Adjustment for:		
	Depreciation and Amortization	4,356.82	3,781.74
	Preliminary Expenses incurred for incorporation of Subsidiary Company	(178.30)	(76.31)
	(Profit)/Loss on Sale of Fixed Asset	164.83	(45.10)
	Provision for Loss on Options Trading	142.06	-
	Interest Received	(1,031.07)	(516.95)
	Finance Cost	5,649.28	6,669.19
	Operating Profit Before Working Capital Changes	19,762.02	23,423.27
	Adjustment for:		
	Inventories	(78,871.27)	(171,203.53)
	Trade & Other Receivables	1,036.90	9,319.42
	Trade Payables & Other Current Liabilities	12,850.59	(1,840.85)
	Cash Generated from Operations	(45,221.76)	(140,301.68)
	Direct Taxes Paid (Net of Refund)	(3,352.73)	(333.80)
	Cash Flow before prior period Adjustments & Exceptional item	(48,574.49)	(140,635.48)
	Prior Period Adjustments	-	-
	Net Cash From/ (Used In) Operating Activities (A)	(48,574.49)	(140,635.48)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets / Capital work-in-progress	(7,529.76)	(2,445.50)
	Sale of Fixed Assets	600.00	226.50
	Interest on Fixed Deposits Received	491.38	516.95
	Net Cash From/ (Used In) Investing Activities (B)	(6,438.38)	(1,702.05)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Secured Borrowings (Net)	13,984.87	48,291.66
	Proceeds from Unsecured Borrowings (Net)	57,072.25	43,445.83
	Interest and Finance Charges Paid	(5,649.28)	(6,669.19)
	Net Proceeds from Issue of Shares including Share Premium	12,500.00	35,000.00
	Share Application Money Received / (Repaid)	(15,000.00)	15,000.00
	Interest Received	539.69	-
	Net Cash From/ (Used In) Financing Activities (C)	63,447.53	135,068.30
	Net Increase/ (Decrease) in Cash and Cash equivalents (A)+(B)+(C)	8,434.65	(7,269.23)
	Cash and Cash equivalents at the beginning of the year	7,040.98	14,310.21
	Cash and Cash equivalents at the end of the year	15,475.63	7,040.98
	NOTES:		
1	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.		
2	Cash and Cash equivalent at the end of the year includes earmarked balance with Bank towards unpaid dividend.		
3	Figures for the previous year are re-classified / re-arranged / re-grouped, wherever necessary.		

As per our report of even date attached

For and on behalf of the Board of Directors

FOR BHATTER & CO.

CHARTERED ACCOUNTANTS

Firm Reg. No.131092W

D. H. BHATTER

PROPRIETOR

M. No. 16937

Mumbai

24.05.2013

Ashok Ajmera

Narayan Atal

Ankit Ajmera

Anuj Ajmera

Samir Biswas

Rajendra Bakiwala

Shailendra Pathak

Managing Director

Director

Executive Director

Executive Director

Director

Director

Company Secretary

Notes forming Integral Part of Consolidated Balance Sheet as at 31st March 2013

Note: 2 Share Capital

	As at 31.03.2013	As at 31.03.2012
	(₹ '000)	(₹ '000)
<u>Authorised Share Capital</u> 10,000,000 (10,000,000) Equity Shares of ₹ 10 each	100,000.00	100,000.00
<u>Issued, Subscribed & Paid Up</u> 6,116,200 (6,116,200) Equity Shares of ₹ 10 each fully paid up.	61,162.00	61,162.00
Total	61,162.00	61,162.00

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

Name of Shareholders	As at 31.03.2013		As at 31.03.2012	
	No. of Shares	% held	No. of Shares	% held
Ashok Ajmera	750,000	12.26%	750,000	12.26%
Ajcon Consultants Pvt. Ltd.	719,900	11.77%	719,900	11.77%
Pragati Ajmera	500,000	8.18%	500,000	8.18%
Ankit Ajmera	325,000	5.31%	325,000	5.31%
Anuj Ajmera	325,000	5.31%	325,000	5.31%

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

Particulars	As at 31.03.2013	As at 31.03.2012
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	6,116,200	6,116,200
Add: Shares issued during the year	-	-
Less: Shares cancelled/ buy back during the year	-	-
Equity Shares at the end of the year	6,116,200	6,116,200

2.3 Face Value of Shares

All the equity shares are of same class with a face value of ₹ 10 per share. Company has not issued any shares during the year under consideration.

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

	As at 31.03.2013	As at 31.03.2012
	(₹ '000)	(₹ '000)
<u>Securities Premium</u>		
Balance at the beginning of the year	47,610.32	20,475.00
Additions during the year	9,420.44	27,135.32
Utilization during the year *	(758.10)	-
Balance at the end of the year (A)	56,272.66	47,610.32
<u>General Reserve</u>		
Balance at the beginning of the year	10,737.50	10,737.50
Additions during the year	-	-
Utilization during the year	-	-
Balance at the end of the year (B)	10,737.50	10,737.50
<u>Profit and Loss Account</u>		
Balance at the beginning of the year	34,816.30	24,178.90
Profit/(Loss) during the year **	7,082.30	10,637.40
Balance at the end of the year (C)	41,898.60	34,816.30
Total (A+B+C)	108,908.76	93,164.12

* Utilisation of securities premium represent the effect due to change in share holding subsequent to issue of 62,500 equity shares under preferential allotment by subsidiary company, ranking pari passu to the existing equity shares.

** Amounts after adjustment for minority interest due to change in shareholding due to preferential allotment by subsidiary company.

Note: 4 Minority Interest

Face Value of Shares Held by Minority in subsidiary company	4,625.00	4,000.00
Appropriations of Reserve & Surplus	9,605.30	6,326.30
Total	14,230.30	10,326.30

Note: 4 Long Term Borrowings

<u>Secured Loans</u>		
Vehicle Loan From Bank (Secured against vehicles. Payment of principal and interest thereon is in line with the stipulated terms of the loan)	2,908.42	1,443.97
Total	2,908.42	1,443.97

Note: 5 Deferred Tax Liability

Deferred Tax Liability : (Opening)	2,494.70	3,740.74
Add: Deferred Tax Liability/ (Asset) for timing difference on depreciation	(94.18)	(1,246.04)
Net Deferred Tax Liability : (Closing)	2,400.52	2,494.70

Note: 6 Short Term Borrowings

	As at 31.03.2013	As at 31.03.2012
	(₹ '000)	(₹ '000)
<u>Secured Loans</u>		
Secured Overdraft from Banks (OD-EQM)	37,510.57	34,291.80
Secured Loans from Bank Repayable on Demand (OD-Shares)	1,043.68	7,541.81
Inter Corporate Loans / Advances (Secured against shares, repayable on demand)	81,885.58	66,085.80
<u>Unsecured</u>	2,230.10	665.40
Temporary Bank Overdraft		
<u>Others</u>		
Security/Margin Deposit	36,050.00	3,275.00
Inter Corporate Deposits	89,947.63	64,981.64
Advances from Constituents	-	2,233.44
TOTAL	248,667.56	179,074.89

- Secured overdraft (OD-EQM) from Bank of India is secured by equitable mortgage of office premises owned by the company and equitable mortgage of a plot of land owned by Ajcon Infra Projects Pvt. Ltd., an associate company and personal guarantee of the Managing Director of the Company
- Secured Loans (OD-Shares) from Bank of India is payable on demand is secured by pledge of shares with 50% margin.
- Payment of principal and interest thereon is in line with the stipulated terms of the loan.

Note: 7 Trade Payables

Creditors for Trade	[Refer note (a) below]	17,765.16	7,020.38
Creditors for Expenses	[Refer note (a) below]	3,568.57	1,537.51
TOTAL		21,333.72	8,557.89

- (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: 8 Other Current Liabilities

Creditors for Others	2,478.39	2,403.54
Unclaimed Dividend	135.33	135.43
TOTAL	2,613.72	2,538.97

Note: 9 Short Term Provisions

Provision for Taxation	7,376.33	7,040.17
Provision for Contingent Liability against Standard Assets	-	85.00
Provision for Loss on Options Trading	142.06	-
TOTAL	7,518.39	7,125.17

Note : 10 Fixed Assets										(₹ '000)
Gross block					Depreciation				Net Block	
	01/04/2012			31/03/2013	01/04/2012			31/03/2013	31/03/2013	31/03/2012
Name of the Assets	Opening	Addition	sale	balance	opening	Deduction	for the year	balance		
<u>Tangible Assets</u>										
Office Premises	6,159.86	-	-	6,159.86	708.62	-	100.41	809.03	5,350.83	5,451.24
Furniture Fixtures	4,543.59	1,275.96	-	5,819.55	1,937.26	-	321.61	2,258.87	3,560.68	2,606.33
Computers	17,696.44	1,504.47	-	19,200.91	10,213.66	-	2,975.88	13,189.54	6,011.37	7,482.78
Motor Vehicle	3,641.73	4,020.79	1,080.71	6,581.81	1,756.97	315.88	639.78	2,080.87	4,500.94	1,884.76
Air - Conditioner	971.05	553.39	-	1,524.43	392.47	-	85.06	477.53	1,046.90	578.58
Electrical Installation	1,815.99	175.16	-	1,991.15	950.09	-	130.66	1,080.75	910.40	865.90
Office Equipments	1,633.72	-	-	1,633.72	677.76	-	103.41	781.17	852.55	955.96
Total	36,462.38	7,529.76	1,080.71	42,911.43	16,636.83	315.88	4,356.82	20,677.77	22,233.66	19,825.55
<u>Intangible Assets</u>										
Stock Exchange Card	1,661.00	-	-	1,661.00	-	-	-	-	1,661.00	1,661.00
Grand Total	38,123.38	7,529.76	1,080.71	44,572.43	16,636.83	315.88	4,356.82	20,677.77	23,894.66	21,486.55
Previous Year	39,305.92	4,106.50	5,289.03	38,123.38	16,301.73	3,446.63	3,781.74	16,636.83	21,486.55	23,004.19

Note: 11 Non Current Investments

	As at 31.03.2013	AS at 31.03.2012
	(₹ '000)	(₹ '000)
<u>Other Investments</u>		
<u>Investment in Equity Instruments- Strategic</u>		
<u>Unquoted Equity Shares at Cost</u>		
<u>i) In Associate Companies</u>		
♦ 25,000 (25,000) Equity shares of ₹ 10 each of M/s Ajcon IT.Com Ltd.	5,100.00	5,100.00
♦ 3,335 (3,335) Equity shares of ₹ 10 each of M/s Ajcon Infra Projects Pvt. Ltd.	667.00	667.00
<u>ii) Others</u>		
♦ 10,000 (10,000) Equity shares of ₹ 1 each at par of Madhya Pradesh Stock Exchange Ltd.	10.00	10.00
TOTAL	5,777.00	5,777.00

Note: 12 Inventories

Stock of Shares and Securities (At Cost)	328,339.40	249,468.19
TOTAL	328,339.40	249,468.19

Note: 13 Trade Receivables

	As at 31.03.2013	AS at 31.03.2012
	(₹ '000)	(₹ '000)
<u>Sundry Debtors (Unsecured, considered good)</u>		
Outstanding for a period exceeding six months from the date they are due for payment	2,304.78	2,682.45
Others	34,430.80	33,512.06
TOTAL	36,735.58	36,194.51

Note: 14 Cash & Cash Equivalents

	As at 31.03.2013	AS at 31.03.2012
	(₹ '000)	(₹ '000)
Cash on Hand	2,181.65	615.88
Balances with Bank		
- In current accounts	5,434.72	1,874.99
- Earmarked balances - Unpaid dividend account	135.33	135.43
Bank Fixed Term Deposits (Original maturity is more than 12 months)	7,723.94	4,414.68
TOTAL	15,475.63	7,040.98

♦ Fixed Deposits are margin given against Bank Guarantees for ₹ 13,875 Thousands (P.Y. ₹ 7,375 Thousands) issued by the bankers of the Company in favour of the Clearing Corporation / Clearing Member / Stock Exchanges.

Note: 15 Short Term Loans & Advances

<u>Unsecured, considered good</u>		
Advances to staff	2,428.50	3,367.44
Other advances recoverable in cash or in kind or for value, to be considered good	27,858.45	30,627.18
<u>Deposits</u>		
Deposits with Stock Exchanges & Other Miscellaneous Deposits	28,979.56	26,849.85
TOTAL	59,266.51	60,844.47

Notes forming Integral Part of Consolidated Statement of Profit & Loss for the year ended 31st March 2013**Note: 16 Revenue from Operations**

	For the Year 31.03.2013	For the Year 31.03.2012
	(₹ '000)	(₹ '000)
Income from Stock Market Operations	17,380.60	17,626.39
Income from Consultancy and Advisory Services	52,653.41	75,268.69
Profit/ (Loss) from Prop. Trading	19,935.75	4,231.43
TOTAL	89,969.76	97,126.51

Note: 17 Other Income

Interest	1,031.07	516.95
Profit/ (Loss) on sale of Assets	(164.83)	45.10
Miscellaneous Income	709.35	796.62
TOTAL	1,575.59	1,358.67

Note: 18 Employee Benefit Expenses

	For the Year 31.03.2013	For the Year 31.03.2012
	(₹ '000)	(₹ '000)
Salaries and Retainership Fees	12,155.81	17,740.44
Directors' Remuneration	3,660.00	2,960.40
Staff Welfare Expenses	644.98	1,423.21
TOTAL	16,460.79	22,124.05

Note: 19 Financial Cost

Paid by Holding Company		
Interest Expenses	5,168.87	6,240.16
Bank Charges & Commission	480.41	429.03
TOTAL	5,649.28	6,669.19

Note: 19-A Interest Paid

Interest Paid By Subsidiary Company (NBFC)	22,260.57	9,174.32
TOTAL	22,260.57	9,174.32

Note: 20 Other Expenses

Auditors' Remuneration		
a) Statutory Audit Fees	69.25	68.00
b) Tax Audit Fees	13.00	12.00
c) Other Services	0.00	23.50
Advertisement & Business Development Expenses	1,211.81	9,128.99
Bad Debts Written off	-	2,500.00
Connectivity & Communication	745.73	554.82
Depository Charges	91.37	76.78
Electricity Charges & Expenses	1,142.67	908.47
Insurance Premium	285.46	106.34
Legal & Professional Fees	16,247.99	17,628.20
Postage, Courier and Telegram	192.36	523.16
Printing & Stationery	261.90	527.29
Rent, Rates & Taxes	2,775.13	2,114.36
Repairs & Maintenance	787.02	750.92
Software and AMC charges	517.64	643.91
Subscription and Membership Fees	2,347.75	2,519.88
Sundry Expenses	1,407.58	1,629.54
Telephone Expenses	877.74	797.90
Transaction Charges	303.26	288.65
Travelling & Conveyance Expenses	2,881.85	2,322.47
TOTAL	32,159.50	43,125.18

21. Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the Companies. 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. Recognising this purpose, the Company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures.

22. Basis and principles of Presentation of Consolidated Financial Statements

- i) The financial statements of the parent Company and its subsidiaries 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 there from as laid down in Accounting Standard (AS)-21 on "Consolidated Financial Statements".
- ii) The Financial Statements of the Subsidiaries used in the consolidation is drawn upto same reporting date as that of parent Company, i.e. year ended 31st March, 2013.
- iii) 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.
- iv) The accounting policies of the parent are best viewed in its independent financial statements. The financial statements of the parent Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances.

23. In terms of AS 21 financial statement present the consolidated accounts of AJCON GLOBAL SERVICES LIMITED with its following subsidiaries:

SUBSIDIARY	COUNTRY OF INCORPORATION	2012-2013 PROPORTION OF OWNERSHIP INTEREST %	2011-2012 PROPORTION OF OWNERSHIP INTEREST %
Ajcon Commodity Brokers Limited	India	79.33%	81.61%
Kanchanmanik Securities Pvt. Ltd	India	100.00%	100.00%
Ajcon Comtrade Pvt. Ltd.	India	100.00%	-

24. Figures pertaining to the subsidiary Companies have been reclassified/regrouped/recast wherever necessary to bring them in line with the parent Company's financial statements.

25. Previous year's figures have been regrouped/reclassified 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

Mumbai

24.05.2013

For and on behalf of the Board of Directors

Ashok Ajmera

Narayan Atal

Ankit Ajmera

Anuj Ajmera

Samir Biswas

Rajendra Bakiwala

Managing Director

Director

Executive Director

Executive Director

Director

Director

Shailendra Pathak

Company Secretary

AJCON GLOBAL SERVICES LTD.

Regd. Off. : 101, Samarth, 151, Lt. P.N. Kotnis Road, Mahim (West), Mumbai- 400 016.

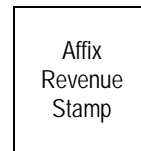


PROXY FORM

Reg. Folio/Client ID 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 Twenty Sixth Annual General Meeting of the Company to be held on Wednesday, 14th August, 2013 and if any adjournment thereof.

Signed this _____ Day of _____ 2013



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, 151, Lt. P.N. Kotnis Road, Mahim (West), Mumbai 400 016

ATTENDANCE SLIP

Reg. Folio/ Client ID 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 Twenty Sixth Annual General Meeting of the Company held at 408, A-Wing, Express Zone, Cello-Sonal Realty, Near oberoi Mall on Western Express Highway, Malad (E), Mumbai-400063 on Wednesday, 14th August, 2013 at 11.00 a.m.

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

(Member's/Proxy's Signature)



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CORRESPONDENCE & CORPORATE OFF. : 408, Express Zone, A Wing, Cello –Sonal Realty,
Western Express Highway, Malad (East), Mumbai - 400063. Tel : 022 - 67160400 / 28722061. Email : ajcon@ajcon.net