



*Adcon Capital Services Limited*

**BOARD OF DIRECTORS**

MR. SANJAY MINDA  
MR. SAWAN JAJOO  
MR. MANJIT JAJOO

**BANKERS**

ING VYASYA BANK LTD

**AUDITORS**

M/S GUPTA SAHARIA & CO.  
(CHARTERED ACCOUNTANTS)  
C – 103/104, Pranay Nagar, Ram Mandir Road,  
Vazira Naka, Borivali (W),  
Mumbai – 400 092

**REGISTERED OFFICE**

417, Chetak Centre NX, 4th Floor,  
Near Hotel Shreemaya, RNT Marg,  
Indore-452001 MP

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**NOTICE**

NOTICE is hereby given that the 17<sup>th</sup> ANNUAL GENERAL MEETING of the Members of ADCON CAPITAL SERVICES LIMITED will be held on Friday, 30<sup>th</sup> September 2011 at 11 A.M at its Registered Office of the Company at Indore to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2011, the Profit and Loss Account for the year ended as on that date together with the Auditors and Directors reports thereon.
2. To appoint a Director in place of Mr. Sanjay Minda, who retires by rotation and being eligible, offers himself for reappointment.
3. **“RESOLVED THAT** M/s Gupta Saharia & Co., Chartered Accountants, (firm Reg. No. 103446W) be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting on such remuneration as shall be fixed by the Board of Directors.”

**SPECIAL BUSINESS**

4. To consider and if thought fit, to pass with or without modification (s) the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** Mr. Manjit Jajoo, who was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956, and who holds office as such up to the date of this Annual General Meeting and in respect of whom notice in writing under Section 257 of the Companies Act, 1956, has been received from a member signifying his intention proposing Mr. Manjit Jajoo as a candidate for the office of Director, be and is hereby appointed as a Director of the Company and that his period of office shall be liable to determination by retirement of Directors by rotation.”

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The proxies to be effective should be deposited at the Registered Office of the Company not less than Forty Eight (48) hours before the commencement of the meeting and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have any right to speak at the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 29.09.2011 to 30.09.2011. (both days inclusive).
4. Members desirous of marking nomination in terms of section 109A of the Act, 1956 in respect of their shareholding may approach the share department of the company.
5. Details required under listing agreement with the stock exchanges in respect of Directors seeking re-appointment at this AGM, is stated herein below.

**Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956**

**Item No. 3**

Mr. Manjit Jajoo was appointed as an Additional Director of the Company on 2<sup>nd</sup> December, 2010 at the meeting of the Board of Directors of the Company. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Manjit Jajoo holds office up to the date of ensuing Annual General Meeting. The Company has received notice in writing under Section 257 of the Companies Act, 1956, along with a requisite deposit, reposing his candidature for the office of Director liable to retire by rotation.

Mr. Manjit Jajoo is Bachelor of Commerce and having experience of a decade in the field of Capital market and financial Consultancy.

Mr. Manjit Jajoo is not holding any share in the Company and with joining of Mr. Manjit Jajoo as Director, the Company would be benefited from his experience and expertise.

None of the Directors of the Company except Mr. Manjit jajoo is in any way concerned or interested in this Resolution.

The Board recommends the Resolutions set out at Item Nos. 3 of the Notice for your approval.

By order of the Board  
for **Adcon Capital Services Limited**

Sd/-  
Sanjay Minda  
Director

Place: Mumbai  
Date: May 28, 2011

**Details of Directors seeking appointment / reappointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreements entered into with the Stock Exchanges)**

<b>Name of the Director</b>	<b>Mr. Sanjay Minda</b>	<b>Mr. Manjit Jajoo</b>
<b>Date of Birth</b>	15.08.1967	27.08.1985
<b>Relationship with other Directors Interse</b>	None	He is related to Mr. Sawan Kimar Jajoo
<b>Date of Appointment</b>	19.04.2010	02.12.2010
<b>Expertise in specific functional area</b>	Corporate Restructuring, Capital market, acquisition and takeovers and related matters.	Capital Market and Finance
<b>Qualification</b>	B.Com, FCA	B.Com.
<b>No. of Equity Shares held in the Company</b>	Nil	Nil
<b>Directorship in other Indian Public Limited Companies as on 31.3.2011</b>	<ul style="list-style-type: none"> <li>• Agarwal Holdings Limited</li> <li>• CSM Commodity Limited</li> </ul>	NIL
<b>Chairmanship / Membership of Committees in other Indian Public Limited Companies as on 31.3.2011</b>	NIL	NIL

**DIRECTORS' REPORT****To the Shareholders,**

Your Directors take pleasure in presenting the 17<sup>th</sup> Annual Report of and the audited accounts of the Company for the year ended 31<sup>st</sup> March 2011.

**FINANCIAL RESULTS**

The performance of the Company for the financial year ended 31<sup>st</sup> March 2011 is summarised below:

<b>FINANCIAL RESULTS</b>	<b>(Rs. in Lacs)</b>	
	<b>2010 - 11</b>	<b>2009 - 10</b>
Total income	10.60	6.50
Total Expenditure	8.10	6.39
Profit before Tax	2.50	0.11
Profit After Tax	0.84	0.06

**RESULTS OF OPERATIONS**

Total revenue of the Company for the financial year is Rs. 10,60,288/- as compare to Rs. 6,50,691/- in the corresponding previous year and the Company has achieved a net profit of Rs. 84,082/- as compared to Rs.6,231/- in the corresponding previous year.

**DIVIDEND**

In order to conserve the reserves to meet the needs of increased operation of the Company, the Board of Directors has decided not to declare dividend for the year.

**FIXED DEPOSITS**

Your Company has not accepted any fixed deposits from the public and is therefore not required to furnish information in respect of outstanding deposits under Non-Banking Financial Companies (Reserve bank) Directions, 1966 and Companies (Acceptance of Deposits) Rules, 1975.

**BOARD OF DIRECTORS****i). Composition of Board of Directors:**

The Board comprises of three Directors.

**ii). Changes during the year:**

During the year Mr. Deepak Nagar, Mrs. Radha Pandey and Mr. A.K. Pandey resigned as Director of the Company. The Board placed on record the valuable contribution made by them during their tenure with the Company.

During the year, Mr. Sanjay Minda and Mr. Sawan Jajoo was appointed as Directors and Mr. Manjit Jajoo was appointed Additional Directors of the Company. The Company has received notice in writing from a member proposing the candidature of Mr. Manjit Jajoo for the office of Director retiring by rotation.

**CORPORATE GOVERNANCE**

The requisite Certificate from the Auditors of the Company M/s. Gupta Saharia & Co., regarding compliance with the conditions of Corporate Governance as stipulated in Clause 49 is annexed to this Report.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. that in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. that the Directors had selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the profit of the Company for the year under review;
3. that the Directors had taken proper and sufficient care 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;
4. that the Directors had prepared the annual accounts for the year under review, on a 'going concern' basis.

**AUDITORS**

During the year M/s. Shirish Dalal & associates, Chartered Accountant, Ahmedabad resigned and M/s. Gupta Saharia & Co., Chartered Accountants, Mumbai, was appointed by the shares holders as Statutory Auditors of the Company. M/s. Gupta Saharia & Co., Chartered Accountants, Mumbai, will retire at the ensuing Annual General Meeting and being eligible, offer them selves for reappointment.

**ACKNOWLEDGEMENTS**

The Directors thank the Company's customers, vendors, investors, business associates and bankers for the support to the Company.

The Directors also thank the Government, Statutory and Regulatory authorities.

The Directors appreciate and value the contributions made by every employee of the Company.

For and on behalf of the Board of Directors

Place: Mumbai  
Date: 28.05.2011

Sd/-  
Sanjay Minda  
Director

**FORM**  
[SEE RULE 3]

**COMPLIANCE CERTIFICATE**

Company Identification Number : U67120MP1994PLC008511  
Authorised Capital : 40,000,000.00  
Paid-up Capital : 35,511,000.00

To,

The Members  
Adcon Capital Services Limited,  
417, Chetak Centre NX, 4<sup>th</sup> Floor,  
Near Hotel Shreemaya, RNT Marg,  
Indore - 452001 Madhya Pradesh

I have examined the registers, records, books and papers of ADCON CAPITAL SERVICES LIMITED (herein after "the Company") as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March, 2011. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year.

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government and Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company being public limited Company, comments are not required.
4. The Board of Directors duly met 11 (Eleven) times on 19.04.2010, 29.04.2010, 01.06.2010, 14.07.2010, 29.07.2010, 02.09.2010, 21.10.2010, 02.12.2010, 04.12.2010 11.01.2011 and 28.01.2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 29.06.2010 to 30.06.2010, during the year under review.
6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March 2010 was held on 30.06.2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting(s) was held during the financial year under review.
8. The Company has not advanced loan to its directors and / or persons or firms or companies referred in the section 295 of the Act after complying with the provisions of the Act.
9. The Company has duly complied with the provisions of section 297 of the Act in respect of contracts specified therein.



- 10.** The Company has made necessary entries in the register maintained under section 301 of the Act.
- 11.** The Company was not required obtain necessary approvals from the Board of Directors, members and previous approval of the Central Government pursuant to section 314 of the Act during the financial year.
- 12.** During the year the Company was not required to issue duplicate share certificates.
- 13.** The Company:
  - i.** has not made any allotment and issued the share certificates on allotment of securities and has issued the share certificates on lodgment thereof for transfer or any other purpose in accordance with the provisions of the Act.
  - ii.** was not declared any dividend during the financial year and hence no separate Bank Account was opened.
  - iii.** was not required to post warrants to any members of the Company as no dividend was declared during the financial year;
  - iv.** was not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as there was no such instance
  - v.** has duly complied with the requirements of section 217 of the Act.
- 14.** The Board of Directors of the Company is duly constituted and during the year appointment of directors, additional directors have been duly made and no appointment is made for alternate directors and directors to fill casual vacancies have been duly made.
- 15.** There are no appointments of Managing Director / Whole-time Director / Manager during the year under review.
- 16.** No appointment of sole-selling agents was made during the year under review.
- 17.** The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.
- 18.** The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
- 19.** The Company has not issued shares / debentures / other securities during the financial year and complied with the provisions of the Act.
- 20.** The Company has not bought back shares during the financial year ending under review.
- 21.** The Company has not redeemed any preference shares / debentures during the year under review.

22. The Company was not required to kept in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act.
23. The Company has not invited or accepted any deposits including unsecured loans falling with the provisions of sections 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975.
24. The Company has not made any Borrowings during the year.
25. The loans or advances made or guarantees given or securities provided to other bodies corporate are within the limits of 372A of the Companies Act, 1956 and the Company has not made any investments during the year.
26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has altered the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny and complied with the provisions of the Act.
30. The Company has not altered its articles of association.
31. There are no prosecution initiated against or show cause notices received by the Company under the Act during the year under review.
32. The Company has not received any amount as security from its employees during the year under certification.
33. The Company has deposited both employee's and employer's contribution, if any to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

**For Shreyans Jain & Co.**  
Company Secretaries

Sd/-  
Shreyans Jain  
(Proprietor)  
ACS No. 18839  
C.P. No. 9801

Place: Mumbai  
Date: 28<sup>th</sup> May 2011

**ANNEXURE – A****Registers as maintained by the Company:**

- I. Register of Members u/s 150 of the Act.
- II. Books of Accounts u/s 209 of the Act.
- III. Register of Particulars of Contracts in which Directors are interested under Section 301 (3) of the Act.
- IV. Register of Directors, Managing Director, Manager & Secretary u/s 303 of the Act.
- V. Register of Directors' Shareholding u/s 307 of the Act.
- VI. Minutes Book of Meetings of Members and Board of Directors u/s 193, of the Act.
- VII. Register of Directors Attendance in Board Meetings.
- VIII. Register of Share Transfer.

**ANNEXURE – B**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31<sup>st</sup> March, 2011.

<b>Sr. No.</b>	<b>Forms / Returns</b>	<b>SRN &amp; Date of Filing</b>
1.	eform20B	SRN-P48070270; Dated-06/06/2010
2.	eform23AC & Eform23ACA	SRN-P48070031; Dated-06/06/2010
3.	eform23AC & Eform23ACA	SRN-P48070197; Dated-06/06/2010
4.	eform20B	SRN-P48070338; Dated-06/06/2010
5.	eform66	SRN-P48070171; Dated-06/06/2010
6.	eform66	SRN-P48504773; Dated-02/07/2010
7.	eform28B	SRN-P48506505; Dated-02/07/2010
8.	eform23AC & eform23ACA	SRN-P48505333; Dated-02/07/2010
9.	eform32	SRN-A83577551; Dated-23/04/2010
10.	eform18	SRN-A83577908; Dated-23/04/2010
11.	eform32	SRN-B00244319; Dated-09/12/2010
13.	eform32	SRN-A99786626; Dated-03/12/2010

**REPORT ON CORPORATE GOVERNANCE FOR THE F.Y. 2010 – 11****1. COMPANY'S PHILOSOPHY:**

The Company believes that good corporate governance is a synonym for sound management, transparency and disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a Company to take sound decisions, thus maximising long-term stakeholder value without compromising on integrity, social obligations and regulatory compliances. The Company's philosophy on Corporate Governance finds its roots in ethical governance practices. This philosophy has been sought to be strengthened through the Code of Conduct, the Whistle Blower Policy and the Code for Prevention of Insider Trading which have been adopted. The Company will continue to focus its energies and resources in creating and safeguarding of shareholders' wealth and, at the same time, protect the interests of all its stakeholders.

**2. BOARD OF DIRECTORS:****2.1 Composition:**

The Board of Directors as on date viz: May 28, 2011 comprises of Three Directors, of which all are Non-Executive who brings in a wide range of skills and experience to the Board.

During the year 11 (Eleven) Board Meetings were held and the gap between two meetings did not exceed four months. The dates were: 19.04.2010, 29.04.2010, 01.06.2010, 14.07.2010, 29.07.2010, 02.09.2010, 21.10.2010, 02.12.2010, 04.12.2010 11.01.2011 and 28.01.2011.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The information as required under Annexure IA to Clause 49 is being made available to the Board.

**2.2 Composition of Board and attendance record:**

Name of Director	Category of Directorship	Attendance at		No. of other Directorships and other Committee Memberships / Chairmanship		
		Board Meetings	Last AGM	Other Directorships #	Committee Memberships ##	Committee Chairmanships
Mr. Sanjay Minda	Non- Executive	11	Yes	2	-	-
Mr. Sawan Jajoo	Non-Executive	11	Yes	-	-	-
Mr. Manjit Jajoo (Appointed w.e.f.02.12.2010)	Non-Executive, Independent	2	-	-	-	-
Mr. A.K. Pandey (Resigned w.e.f. 04.12.2010)	Managing Director – Executive Chairman	8	Yes	-	-	-
Mrs. Radha Pandey (Resigned on 19-04-2010)	Non-Executive, Independent	-	-	-	-	-
Mr. Deepak Nagar (Resigned on 19-04-2010)	Non-Executive, Independent	-	-	-	-	-

# Alternate Directorships and directorships in private companies, foreign companies and Section 25 Companies are excluded.

## Represents Memberships / Chairmanships of Audit Committee and Shareholders' / Investors' Grievance Committee.

**3. AUDIT COMMITTEE:**

The Board constituted an Audit Committee consisting of 3 Directors. All members of Audit Committee are financially literate and 2 Directors out of 3 has financial management expertise as required for member of Audit Committee as stipulated in Clause 49 of the Listing Agreement. The Details of Audit Committee meetings held during the year April 2010 to March 2011 and the attendance of the Audit Committee Members are as under:

Name of Directors	No. of Meetings Attended
Mr. Sanjay Minda	4
Mr. Sawan Jajoo	4
Mr. Manjit Jajoo (Appointed w.e.f.02.12.2010)	1

The broad terms and reference of Audit Committee are to review the financial statements before submission to Board, to review reports of the Auditors and Internal Audit department and to review the weaknesses in internal controls, if any, reported by Internal and Statutory Auditors etc. In addition, the powers and role of the Audit Committee are as laid down under Clause 49 II C & D of the Listing Agreement entered with the Stock Exchanges and Section 292A of the Companies Act, 1956.

**4. REMUNERATION COMMITTEE:**

This is a non-mandatory requirement. The Company has constituted a Remuneration Committee to decide and fix payment of remuneration and sitting fees to the Directors of the Company.

The Remuneration Committee consists of all three directors and the Chairman of the committee is Mr. Sanjay Minda one meeting of the committee held during the year under review.

**5. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE:**

The said committee comprises of all three directors under the chairmanship of Mr. Manjit Jajoo. There are 4 meetings during the year.

The Committee has delegated the authority to an officer of the Company who attends to share transfer formalities at least once in a fortnight.

**Terms of reference:-**

To look into the redressal of the share holders complaints in respect of any matter including transfer of shares non receipt of annual report, non receipt of declared dividend etc.

**Compliance Officer:** Mr. Sanjay Minda, is the Compliance Officer.

**6. ANNUAL GENERAL MEETINGS:**

The details of date, time and location of Annual General Meetings (AGM) held in previous three years are as under:

YEAR	DATE	TIME	VENUE
2007 – 08	29-09-2008	11.00 A.M	AT THE REGISTERED OFFICE OF THE COMPANY
2008 – 09	30-09-2009	11.00 A.M	-DO-
2009 - 10	30-06-2010	11.00 A.M	-DO-

There are no Special Resolutions passed in the previous three Annual General Meetings.

No Court-convened Meetings were held during the last three years.

#### 7. DISCLOSURES:

- 1.1 There were no materially significant related party transactions i.e. transaction of the Company of material nature with its Promoters, Directors or the Management or their relatives etc. that would conflict with the interests of the Company.
- 1.2 The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India and there are no statutory audit qualifications in this regard.

#### 8. MEANS OF COMMUNICATION:

- a). The quarterly un-audited financial results are published in leading English and Vernacular newspapers. The half yearly report is not sent separately to the Shareholders. Annual Reports are sent to the shareholders at their registered address with the company.
- b). The Management Discussion and Analysis Report, in compliance with the requirements of Clause 49 of the Listing Agreement is annexed to the Directors' Report and forms part of this Annual Report being sent to all the members of the Company.

#### 9. GENERAL SHAREHOLDERS INFORMATION:

(a) **Regd. Office:-**  
417, CHETAK CENTRE NX, NEAR HOTEL SHREEMAYA, R.N.T. MARG,  
INDORE (MP)-452001

(b) **Date, Time, Venue of Annual General Meeting:-**  
30<sup>th</sup> September, 2011 at 11.00 A.M. at the Regd. Office of the company.

(c) **Financial Reporting for the quarter ending:-**

JUNE 30	: END JULY
SEPT 30	: END OCTOBER
DEC 31	: END JANUARY
MARCH 31	: END APRIL

(d) **Date of Book Closure:** 29.09.2010 to 30.09.2010 (both days inclusive)

(e) **Listing Details:**  
Madhya Pradesh Stock Exchange Ltd., Indore (MP) : No Stock Code

(f) **Market price data:**  
During the year ended 31-3-2011 the equity share have not been traded.

(g) **Share Transfer System:**  
The Company has a Share holders / Investors grievance Committee who looks after share transfer work by meeting at regular intervals depending upon the receipt of the shares for transfer.

**(h) CERTIFICATION WITH RESPECT TO FINANCIAL STATEMENT**

The Director of the Company has furnished a certificate to the Board of Directors of the Company with respect to accuracy of financial statements and adequacy of internal controls and compliance of Clause 49 as required under Clause 49 of the listing agreement.

**a. Distribution of Shareholding:**

The distribution of shareholding as on 31<sup>st</sup> March, 2011 is given below:

Sr. No.	No of Equity Shares	No. of Shareholders	No. of Shares	% of Total shares
1.	1 - 5,000	5844	14,25,100	40.13
2.	5,001 - 10,000	12	77,650	2.19
3.	10,001 - 20,000	14	2,30,200	6.48
4.	20,001 - 30,000	9	2,08,700	5.88
5.	30,001 - 40,000	5	1,77,500	5.00
6.	40,001 - 50,000	5	2,50,000	7.04
7.	50,001 - 1,00,000	4	3,40,000	9.57
8.	1,00,001 & Above	7	8,41,950	23.71
	<b>Total</b>	<b>5,900</b>	<b>35,51,100</b>	<b>100.00</b>

**b. Dematerialisation of Shares and Liquidity:**

The entire shareholding of the Company is in physical mode.

**c. Registered Office:**

417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore (MP) – 452 001.

Designated exclusive e-mail id for Investor servicing: adconcap@gmail.com

**10. CORPORATE ETHICS**

The Company adheres to the highest standards of business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings. A Code of Conduct for Board Members and a Code of Conduct for Prevention of Insider Trading as detailed below has been adopted pursuant to clause 49 (D) of the Listing Agreement & the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (as amended), respectively:

**a. Code of Conduct for Board Members:**

The Board of Directors of the Company adopted the Code of Conduct for its members. The Code highlights Corporate Governance as the cornerstone for sustained management performance, for serving all the stakeholders and for instilling pride of association.

**b. Declaration affirming compliance of Code of Conduct:**

The Company has received confirmations from the Directors regarding compliance of the Code of Conduct during the year under review.

**c. Code of Conduct for Prevention of Insider Trading:**

The Company has adopted the Code of Conduct for Prevention of Insider Trading for its Management and

Directors. The Code lays down guidelines and procedures to be followed and disclosures to be made by directors, top level executives and staff whilst dealing in shares. The Mr. Sanjay Minda has been appointed as the Compliance Officer and is responsible for adherence to the Code.

**d. Compliance Certificate by Auditors:**

The Company has obtained a certificate from the Statutory Auditors regarding compliance of conditions of corporate governance as stipulated in clause 49, which is annexed herewith.

AS PROVIDED UNDER CLAUSE 49 OF THE LISTING AGREEMENT, THE BOARD MEMBERS HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT FOR THE YEAR ENDED 31.03.2011.

By order of the Board  
for **Adcon Capital Services Limited**

Place: Mumbai  
Date: 28.05.2011

Sd/-  
Sanjay Minda  
Director

**AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE:**

We have examined the compliance of the conditions of Corporate Governance by Adcon Capital Services Limited for the year ended 31<sup>st</sup> March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

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

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

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

**For M/s Gupta Saharia & Co.  
Chartered Accountants**

Place: Mumbai  
Date: 28.05.2011

Sd/-  
**(S.S. Rathi)**  
Partner  
Membership No.: 73373  
Firm Reg. No. 103446W



**MANAGEMENT DISCUSSION AND ANALYSIS**

The Company is in the business of financial activity. The key issues of the Management Discussion and Analysis are given below.

**(a) Industry Structure and Developments:**

The Company is engaged in Merchant Banking, Investments, Finance and Leasing activities and derives its revenue from said activities.

The fortune of the Finance industry is expected to be positive across the emerging markets economies and to a large extent, linked to the growth of the Country. The proposed infrastructure spending by the Government will give an opportunity to the Companies across Financial Service industry to perform in the coming years.

**(b) Strength:**

The strength of the Company is known from its reputation which the Company has earned over a decade and its cordial relation with its clients and presently the Company's financial position is improving on account of positive sentiments in capital market activities.

**(c) Comment on Current year's performance**

The management of the Company is considering various options to review the business activities of the Company and is hopeful to achieve the future objectives.

**(d) Opportunities and Threats**

The impact of boom in capital market and real estate sector due to infrastructure development activities and has provided a boost to the economy and it is set to grow at 8% to 9% supported by a smart growth in manufacturing and services sector. This brings prosperity to a country and more and more people go for investment in capital market. Outlook for the year 2011 – 12 is positive. While the overall demand outlook for the year 2010-11 remains positive, your Company expects the pressure on revenue to continue due to competition.

**(e) Segment wise performance**

The business of the Company falls under a single segment i.e. Merchant Banking, Investments, and Related Financial activities for the purpose of Accounting Standard AS-17.

**(f) Outlook**

The continual growth in the financial service sector is expected to give the necessary support to the Finance industry. The Company is making all efforts to accelerate growth of its business activities. It expects to improve its position in the market by focusing on technologically advanced and more profitable products / market segments and working aggressively in the areas of productivity, efficiency and cost reductions.

**(g) Risk and concerns**

The negative growth in western countries and slow recovery of United States of America coupled with slowdown in European Countries are major cause of concern of growth.

**(h) Internal control system**

Internal audit and other controls have been found to be adequate. These are reviewed periodically by the Audit Committee and found the performance satisfactory.

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**AUDITORS' REPORT TO THE SHAREHOLDERS**

We have audited the attached Balance Sheet of **ADCON CAPITAL SERVICES LIMITED**, as at 31<sup>st</sup> March, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended as on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

We report that:

1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further and subject to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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, Profit and Loss Account and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956, in so far as they apply to the Company;
  - (e) On the basis of written representations received from the directors, as on 31st March, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the accounts and Notes on accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - (a) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2011;

- (b) In the case of Profit and Loss Account, of the Profit of the Company for the year ended as on that date; and
- (c) In the case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

**For M/s Gupta Saharia & Co.  
Chartered Accountants**

**Sd/-  
(S.S. Rathi)  
Partner**

Membership No.: 73373  
Firm Reg. No. 103446W

Place: Mumbai  
Date: 28.05.2011

**ANNEXURE TO THE AUDITORS' REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011 OF ADCON CAPITAL SERVICES LIMITED**

(Referred to in paragraph 1 thereof)

1. (a) The Company has maintained proper records showing full particulars including Quantitative details and situation of fixed assets.
  - (b) The Fixed Assets have been physically verified by the management according to are regular programme of periodic verification in a phased manner which in our opinion is reasonable having regard to the size of the company and nature of fixed assets. The discrepancies notices on such physical verification were not material and provided for in the books of accounts of the company.
  - (c) In our opinion and according to the information and explanations given to us, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected
2. The Company's nature of operation does not require it to hold the inventories and hence this clause of the order is not applicable.
3. (a) According to the information and explanation given to us, the company has not granted any loans covered in the register maintained under section 301 of the Companies Act, 1956
  - (b) There is no amount overdue for more than rupees one lakh.
  - (c) The company has not taken any loans, secured or unsecured from companies, firms, or other parties covered in the register maintained under section 301 of the Act.
4. In our opinion, and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regards to sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
5. There are no transactions that need to be entered into the register maintained under Section 301 of the Act.
6. During the year the Company has not accepted any deposits to which provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under would apply.
7. In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its Business.
8. The Central Government has not prescribed maintenance of cost records under sub-section (1)(d) of Section 209 of the companies Act, 1956 for any of the products of the Company.
9. According to the information and explanation given to us, there are no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Custom Duty, Service Tax, Investor Education and Protection Fund, Excise Duty, Cess and any other statutory dues as at 31<sup>st</sup> March 2011.
10. The Company has accumulated losses at the end of the financial year and it has not incurred cash losses in the current financial year

11. The Company has neither taken any loan from banks and financial institutions nor issued any debentures.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (viii) of the companies (Auditors Report) order, 2003 are not applicable to the company.
14. The Company has maintained proper records of transaction and contracts in respect of Investments in securities and timely entries have been made therein. All Investments at the close of the year have been held in name of the company.
15. The Company has not given any guarantee for loans taken by others from bank or financial institutions.
16. The Company has not taken any term loans during the year.
17. The Company has not raised any funds during the year.
18. The Company has not made any preferential allotment of shares to parties or companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued any debentures during the year.
20. During the year, the Company has not raised money by public issue(s).
21. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For M/s Gupta Saharia & Co.  
Chartered Accountants**

**Sd/-  
(S.S. Rathi)  
Partner**

Membership No.: 73373  
Firm Reg. No. 103446W

Place: Mumbai  
Date: 28.05.2011

## BALANCE SHEET AS AT 31ST MARCH, 2011

PARTICULARS	SCHEDULE	AS AT 31/03/2011	AS AT 31/03/2010
<b>SOURCES OF FUNDS</b>			
<b>Share Holder's Funds</b>			
Share Capital	1	3,55,11,000.00	3,55,11,000.00
Reserve & Surplus		0.00	0.00
<b>LOAN FUNDS</b>			
Secured Loans		0.00	0.00
Unsecured Loans		0.00	0.00
Deferred Tax Liability		70,037.00	0.00
<b>TOTAL</b>		<b>3,55,81,037.00</b>	<b>3,55,11,000.00</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block		19,03,582.00	19,03,582.00
Less: Accumulated Depreciation		6,94,016.00	4,82,032.00
Total Block	2	<b>12,09,566.00</b>	<b>14,21,550.00</b>
<b>INVESTMENT</b>	3	0.00	2,67,23,000.00
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Sundry Debtors	4	3,742.43	3,918.00
Cash & Bank Balance	5	66,437.85	1,52,189.00
Loans & Advances	6	3,09,10,715.00	34,09,110.00
		<b>3,09,80,895.28</b>	<b>35,65,217.00</b>
Less :-			
Current Liability & Provision	7	1,44,789.00	28,157.00
Net Current Assets		3,08,36,106.28	35,37,060.00
<b>MISCELLANEOUS EXPENDITURE</b>	8	3,53,53,64.72	38,29,390.00
<b>TOTAL</b>		<b>3,55,81,037.00</b>	<b>3,55,11,000.00</b>
Notes of Accounts & Significant Accounting Policies	11		
As per our report of even date attached			
<b>For Gupta Saharia &amp; Co</b>		On or behalf of Board	
CHARTERED ACCOUNTANTS		<b>For ADCON CAPITAL SERVICES LTD.</b>	
Sd/-	Sd/-	Sd/-	
(S.S.Rathi)	Sanjay Minda	Sawankumar Jajoo	
partner	(DIRECTOR)	(DIRECTOR)	
Firm Reg. No. : 103446W			
M.ship No. 73373			
Place : Mumbai			
Date : 28.05.2011			

## PROFIT &amp; LOSS ACCOUNT FOR THE FINANCIAL YEAR 2010-11

PARTICULARS	SCHEDULE	AS AT 31/03/2011	AS AT 31/03/2010
<b>INCOME</b>			
Income	9	10,60,288.68	6,50,691.00
		<b>10,60,288.68</b>	<b>6,50,691.00</b>
<b>EXPENDITURE</b>			
Purchases		0.00	4,91,258.00
Administration and General Exp.	10	5,97,613.20	1,37,757.00
Interest & Financial Charges		0.00	458.00
Depreciation		2,11,984.00	9,888.00
		<b>8,09,597.20</b>	<b>6,39,361.00</b>
Net Profit before Tax		2,50,691.48	11,330.00
Provision for Taxation			
Current Year		91,259.00	5,099.00
Earlier Year		5,313.00	0.00
Deferred Tax		70,037.00	0.00
Net Profit after Tax		84,082.48	6,231.00
Profit and loss A/c as per Last Balance Sheet (Dr)		27,79,676.00	27,85,907.00
Balance Carried to Balance Sheet		<b>26,95,593.52</b>	<b>27,79,676.00</b>

As per our report of even date attached

**For Gupta Saharia & Co.**  
CHARTERED ACCOUNTANTS

On or behalf of Board  
**For ADCON CAPITAL SERVICES LTD.**

Sd/-  
**(S.S.Rathi)**  
Partner  
Firm Reg. No. : 103446W  
M.Ship No. 73373  
Place : Mumbai  
Date : 28.05.2011

Sd/-  
**Sanjay Minda**  
(DIRECTOR)

Sd/-  
**Sawankumar Jajoo**  
(DIRECTOR)



Cash Flow Statement for the Year ended on 31st March 2011			
PARTICULARS		2010-11	2009-10 Amount (Rs.)
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>			
Net Profit / (loss) before tax and extraordinary items		2,50,691.48	11,330.00
<b>Adjustment for :</b>			
Preliminary Expenses		2,09,942.80	88,777.00
Depreciation		2,11,984.00	9,888.00
Taxes		-1,66,609.00	-5,099.00
Profit on sale of investment		-31,729.68	0.00
<b>Total Inflow from Operation</b>		<b>4,74,279.60</b>	<b>1,04,896.00</b>
Non Operating Income		0	0
Operating Profit / Loss before Working Capital Changes		<b>4,74,279.60</b>	<b>1,04,896.00</b>
<b>Adjustment For:</b>			
Trade and other receivables		175.57	0.00
Deposits		0	0
Loans & Advances		-2,75,01,605.00	3,000.00
Current Liabilities		1,86,669.00	9,098.00
<b>Net cash from operating activities</b>	<b>(A)</b>	<b>-268,40,480.83</b>	<b>1,16,994.00</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Investment		0	0
Sale of Investment		2,67,50,000.00	0
Shares Trading		4729.68	0
	<b>(B)</b>	<b>2,67,54,729.68</b>	<b>0</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>			
<b>Proceeds from Secured Loans</b>		0	0
<b>Proceeds from extra ordinary items</b>		0	0
Proceeds from Unsecured Loans		0	0
<b>Sub - Total</b>	<b>(C)</b>	<b>0</b>	<b>0</b>
Net Increase (Decrease) in cash & cash equivalent		-85,751.15	1,16,994.00
Opening Cash & Cash equivalents		1,52,189.00	35,195.00
Closing Cash & Cash equivalents		66,437.85	1,52,189.00

As per our report of even date attached

**For Gupta Saharia & Co**  
**CHARTERED ACCOUNTANTS**

Sd/-  
**(S.S. Rathi)**  
 partner  
 Firm Reg. No. : 103446W  
 M.ship No. 73373  
 Place: Mumbai  
 Date : 28.05.2011

On or behalf of Board  
**For ADCON CAPITAL SERVICES LTD.**

Sd/-                                      Sd/-  
**Sanjay Minda**                      **Sawankumar Jajoo**  
 (DIRECTOR)                              (DIRECTOR)

## SCHEDULE FORMING PART OF BALANCE SHEET

PARTICULARS	AS AT 31/03/2011	AS AT 31/03/2010
<b>SCHEDULE 1</b>		
<b>SHARE CAPITAL AUTHORISED</b>		
40,00,000 EQUITY SHARES OF RS. 10/- EACH	4,00,00,000.00	4,00,00,000.00
<b>Issued Subscribed and Paid up</b>		
35,51,100 Equity Shares of Rs. 10/- each	3,55,11,000.00	3,55,11,000.00
Fully paid up		
	<b>3,55,11,000.00</b>	<b>3,55,11,000.00</b>
<b>SCHEDULE -3</b>		
<b>INVESTMENT</b>		
<b>UNQUOTED</b>	0.00	11,41,000.00
<b>QUOTED</b>	0.00	2,55,82,000.00
	<b>0.00</b>	<b>2,67,23,000.00</b>
<b>SCHEDULE 4</b>		
<b>SUNDRY DEBTORS</b>		
Sundry Hirer / Leasee / Trade debtors (Unsecured considered Goods)		
(a) Outstanding over six months	0.00	3,918.00
(b) Others	3,742.43	0.00
	<b>3,742.43</b>	<b>3,918.00</b>
<b>SCHEDULE 5</b>		
<b>CASH AND BANK BALANCE</b>		
Bank Balance	63,645.85	0.00
Cash Balance	2,792.00	1,52,189.00
	<b>66,437.85</b>	<b>1,52,189.00</b>

## SCHEDULE "2"

## FIXED ASSETS

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRICIATION			NET BLOCK	
	AS AT 01/04/2010	ADDN / DEDU	AS AT 31/03/2011	AS ON 01/04/2010	FOR THE YEAR	AS ON 31/03/2011	AS AT 31/03/2011	AS ON 31/03/2010
PLANT & MACHINERY	12,38,293	0	12,38,293	1,26,876	1,54,598	2,81,474	9,56,819	11,11,417
DATA PROCESSING M/C	2,87,957	0	2,87,957	2,82,236	2,288	284524	3433	5,721
FUR. & FIXTURE	3,77,332	0	3,77,332	72,920	55,098	1,28,018	2,49,314	3,04,412
<b>Total</b>	<b>19,03,582</b>	<b>0</b>	<b>19,03,582</b>	<b>4,82,032</b>	<b>2,11,984</b>	<b>6,94,016</b>	<b>12,09,566</b>	<b>14,21,550</b>
Previous year	19,03,582	0	1903582	4,72,144	9,888	4,82,032	14,21,550	14,31,438

## SCHEDULE FORMING PART OF BALANCE SHEET

PARTICULARS		AS AT 31/03/2011	AS AT 31/03/2010
<b>SCHEDULE 6</b>			
<b>LOANS &amp; ADVANCES</b>			
Advances rec. in Cash or Kind or value to be received		3,08,32,992.00	34,09,110.00
TDS		77,723.00	0.00
		<b>3,09,10,715.00</b>	<b>34,09,110.00</b>
<b>SCHEDULE 7</b>			
<b>OTHER LIABILITIES &amp; PROVISIONS</b>			
<b>CURRENT LIABILITIES</b>			
Sundry Creditors		53,530.00	23,058.00
Provision for Taxation		91,259.00	5,099.00
		<b>144789.00</b>	<b>28157.00</b>
<b>SCHEDULE 8</b>			
<b>MISCELLANEOUS EXPENDITURE</b>			
(To the extent not w/o)			
Preliminary Exp.		8,39,771.20	10,49,714.00
Profit and Loss A/c		26,95,593.52	27,79,676.00
		<b>35,35,364.72</b>	<b>38,29,390.00</b>
<b>SCHEDULE 9</b>			
<b>INCOME</b>			
Interest Received		10,28,559.00	0.00
Sale of Shares		0.00	6,50,691.00
Profit on sale of shares		31,729.68	0.00
		<b>10,60,288.68</b>	<b>6,50,691.00</b>
<b>SCHEDULE 10</b>			
<b>ADMINISTRATION &amp; OTHER EXPENSES</b>			
Filing & Legal Fee		10,250.00	1000.00
Preliminary Exp. Written off during the year		2,09,942.80	88,777.00
Audit fee		11,030.00	7,500.00
Conveyance		9,976.00	0.00
Rent		22,000.00	0.00
Travelling Exp		33,372.00	0.00
Bank charges		55.15	0.00
Demat charges		987.25	0.00
Listing fee		1,50,000.00	0.00
Salary		1,50,000.00	18,000.00
Printing & Stationery		0.00	3,520.00
Office Exp.		0.00	18,960.00
		<b>5,97,613.20</b>	<b>1,37,757.00</b>

As per our report of even date attached

For **Gupta Saharia & Co**  
CHARTERED ACCOUNTANTS

Sd/-  
**(S.S.Rathi)**  
partner  
Firm Reg. No. : 103446W  
M.ship No. 73373  
Place: Mumbai  
Date : 28.05.2011

On or behalf of Board  
For **ADCON CAPITAL SERVICES LTD.**

Sd/-  
**Sanjay Minda**  
(DIRECTOR)

Sd/-  
**Sawankumar Jajoo**  
(DIRECTOR)

**Schedules forming part of the Accounts as at 31<sup>st</sup> March 2011 Schedule - 11****Significant Accounting Policies:****1. General:**

- a) Financial Statements are prepared on historical cost basis and in consonance with the generally accepted accounting principles.
- b) All revenues and expenses are accounted on accrual basis except to the extent stated otherwise.

**2. Miscellaneous Expenditure:**

Miscellaneous Expenditure comprising of share issue expenses are written off in five equal installments.

**3. Fixed Assets and Depreciation:****a) Fixed Assets**

Fixed Assets are stated at cost of acquisition and other direct cost incurred up to the date the assets is put to use.

**b) Depreciation**

Depreciation on fixed assets is provided on written down value method at the rates specified in Schedule 'XIV' of the Companies Act, 1956.

Depreciation on additions \ deletions to the fixed assets during the year is provided on pro-rata basis from \ to the date of such additions \ deletions as the case may be.

**4. Investments:**

Long Term Investments are valued at cost. Diminution in value if any, which is of a temporary nature, is not provided.

**5. Sundry Debtors and Receivables :**

Sundry Debtors and Loans and Advances are stated at the value if realized in the ordinary course of business. Irrecoverable amounts, if any are accounted and / or provided for as per management's judgment or only upon final settlement of accounts with the parties.

**6. Provisions, Contingent Liabilities and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of

resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

#### A. Notes on Accounts

1. Previous years figures have been re-grouped and re-arranged wherever considered necessary.
2. There was no amount due as on March 31, 2011 as reported to us from/to Micro, small & Medium Enterprises as per MSMED Act, 2006

#### 3. Payment to Auditors :

	<b>Current Year</b>	<b>Previous Year</b>
	<b><u>Rupees</u></b>	<b><u>Rupees</u></b>
a) Audit Fees	11,030.00	7,500.00
b) Taxation and other matters	0.00	0.00
	-----	-----
	<b>11,030.00</b>	<b>7,500.00</b>
	-----	-----

#### 4. Deferred Tax :

Components of deferred tax liabilities is provided by applying the applicable rate of tax to the taxable income of the year. As per Accounting Standard 22 on Taxes on Income-the company has a deferred tax liability of Rs. 70,037/- (Previous year Rs. Nil)

Deferred Tax benefits are recognized on assets to the extent it is more likely than not that future taxable profits will be available against which the asset can be utilized.

#### 5. Earnings Per Share (EPS)

	<b>Current Year</b>	<b>Previous Year</b>
	<b><u>Rupees</u></b>	<b><u>Rupees</u></b>
a. Net Profit for Equity Shareholder (Numerator used for calculation)	84,082	6,231
b. Basic number of Equity shares (Denominator used for calculation)	35,51,100	35,51,100
c. Earnings per share of Rs. 10/- each	0.02	0.00

#### 6. Segment Reporting

As the company operates in only one business and operates only in one geographical segment i.e. domestic, the disclosure requirements under Accounting Standard 17-“Segment Reporting” is not required.

7. There are no transactions as reported with any key management persons and with any of the Enterprises owned and controlled by Key management persons.
8. As per management's view none of the current employees shall complete their term of service of five years, hence actuarial valuation of gratuity is not done.

9. There is no outstanding dues of micro and small enterprises suppliers as defined under The Micro, Small and Medium Enterprises Development Act, 2006.
10. Previous year's figures have been regrouped / reclassified / rearranged / recast wherever necessary to match with current year's presentation.
11. Quantitative details - N.A.

**For M/s Gupta Saharia & Co.  
Chartered Accountants**

**For ADCON CAPITAL SERVICES LTD.**

Sd/-  
**(S.S. Rathi)**  
**Partner**  
Membership No.: 73373  
Firm Reg. No. 103446W  
Place: Mumbai  
Date: 28.05.2011

Sd/-  
**Sanjay Minda**  
**Director**

Sd/-  
**Sawankumar Jajoo**  
**Director**

**Additional information pursuant to Part VI to The Companies Act, 1956  
BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE.**

<b>1) Registration Details</b>		
Registration No.	:	14078
State Code No.	:	04
Balance sheet	:	31.03.2011
		<b>(Amount in Thousands)</b>
<b>2) Capital raised during the year</b>		
Public Issue	:	NIL
Right Issue	:	NIL
Bonus Issue	:	NIL
Private Placement(Preferential Issue)	:	NIL
<b>3) Position of Mobilisation and Deployment of funds</b>		
Total Liabilities	:	355.81
Total Assets	:	355.81
<b>Sources of Funds</b>		
Paid up Capital	:	355.11
Reserves and Surplus	:	NIL
Secured Loans	:	NIL
Unsecured Loans	:	NIL
Deferred Tax Liability	:	NIL
<b>Application of Funds</b>		
Net Fixed Assets	:	12.09
Investments	:	-NIL
Net Current Assets	:	308.36
Miscellaneous Expenditure	:	8.40
Accumulated Losses	:	26.95
<b>4) Performance of Company</b>		
Turnover	:	10.60
Total Expenditure	:	8.09
Profit/(Loss) Before Tax	:	2.50
Profit/(Loss) After Tax	:	0.84
Earning per Share (Rs.)	:	0.02
Dividend %	:	NIL
<b>5) Generic, Name of three Principle, Products / Services of the Company (as per monetary terms)</b>		
* Item Code (ITC Code)	:	Not Available
* Product description	:	Not Available
*As certified by the Director		

For and on behalf of the Board

Sd/-

Sanjay Minda

Director

Sd/-

Sawan kumar Jajoo

Director

Place : Mumbai

Date : 28.05.2011



*Attendance Slip*

Name of the attending Member (In Block Letters): \_\_\_\_\_

Folio No : \_\_\_\_\_

Name of the Proxy : \_\_\_\_\_  
(To be filled in if the Proxy attends instead of the Member)

No. of Shares held : \_\_\_\_\_ (in words) \_\_\_\_\_

I hereby record my presence at the Annual General Meeting of the Company at 417, Chetak Centre NX, Near Hotel shree maya, R N T Marg, Indore (M P) 452001. on Friday, the 30<sup>th</sup> day of September, 2011 at 11.00 a.m. and at any adjournment thereof.

\_\_\_\_\_  
Member's/Proxy's Signature

(To be signed at the time of handing over this slip)

{NOTE: Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over the same at the entrance after the same has been duly signed}

**ADCON CAPITAL SERVICES LIMITED**

417, Chetalk Circle NX, Near Hotel Shreemaya, RNT Marg, Indore ( M P ) 452001.

**PROXY FORM**

I/We ..... of..... being a Member/Members of the above named Company, hereby appoint .....or failing him..... as my/our Proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Friday, , the 30<sup>th</sup> day of September, 2011 at 11.00 a.m.at 417, Chetak Centre NX, Near Hotel shree maya, R N T Marg, Indore (M P) 452001. and at any adjournment thereof.

Signed this ..... day of ..... 2011.

Folio No: \_\_\_\_\_ No. of Shares: \_\_\_\_\_

DP ID: \_\_\_\_\_ Signature \_\_\_\_\_



**N.B.:** This proxy must be deposited at the Registered Office of the Company at 417, Chetak Centre NX, Near Hotel shree maya, R N T Marg, Indore (M P) 452001 at least 48 hours before the meeting.

**BOOK POST**

**If Undelivered Please Return to:**  
**ADCNON CAPITAL SERVICES LIMITED**

**Registered Office:**  
**417, Chetak Centre NX,**  
**Near Hotel shree maya,**  
**R N T Marg, Indore (M P) 452001.**