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**ADCON CAPITAL SERVICES LIMITED**

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**ANNUAL REPORT**  
**2014 - 15**

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**BOARD OF DIRECTORS**

Mr. Sanjay Minda  
Mr. Sawan Jajoo  
Mr. Manjit Jajoo  
Mr. Mihir H. Patel  
Mrs. Chetna S. Minda

Mr. Vibhav S. Ranade, Company Secretary

**BANKERS**

Kotak Mahindra Bank Limited  
(ealier ING Vyasya Bank Limited)

**AUDITORS**

M/S Gupta Saharia & Co.  
(Chartered Accountants)

**REGISTERED OFFICE**

417, Chetak Centre NX,  
Near Hotel Shreemaya,  
RNT Marg, Indore - 452001 Madhya Pradesh

CIN : L67120MP1994PLC008511

**CORPORATE OFFICE**

117, Hubtown Solaris, N.S. Phadke Marg,  
Near East-West Flyover, Andheri (E),  
Mumbai - 400 069, Maharashtra.

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**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 21<sup>ST</sup> ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF ADCON CAPITAL SERVICES LIMITED WILL BE HELD ON WEDNESDAY, SEPTEMBER 23, 2015 AT 11.00 A.M. AT ITS REGISTERED OFFICE AT 417, CHETAK CENTRE NX, NEAR HOTEL SHREEMAYA, R.N.T. MARG, INDORE – 452 001, MADHYA PRADESH TO TRANSACT THE FOLLOWING BUSINESS:**

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**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2015 and reports of Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Sanjay Minda, (DIN: 00034029) who retires by rotation and being eligible, offers himself for reappointment.
3. To ratify the appointment of Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactment thereof, for the time being in force), the appointment of M/s. Gupta Saharia & Co., Chartered Accountants (Firm Reg. No. 103446W) as the Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of the Twenty Second Annual General Meeting be and is hereby ratified at such remuneration as may be fixed by the Board of Directors of the Company.”

**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** subject to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof and any rules made there under, for the time being in force) and Clause 49 of the Listing Agreement and pursuant to provisions of Articles of Associations of the Company and subject to such other approvals as may be required, consent of Members of the Company be and is hereby accorded for appointment of Mr. Mihir H. Patel, (DIN: 06991256) who was appointed as an Additional Director of the Company by the Board with effect from October 8, 2014 and who has given declaration in respect of the criteria of Independence as laid down in Section 149(6) of the Companies Act, 2013 and whose term of office expires at the ensuing annual general meeting and in respect of whom the Company has received a notice from a Member in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, as an Independent Director of the Company to hold office for a term of five consecutive years i.e. up to October 7, 2019.”

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

**“RESOLVED THAT** subject to the provisions of Section 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof and any rules made there under, for the time being in force) and pursuant to provisions of Articles of Associations of the Company and subject to such other approvals as may be required, consent of Members of the Company be and is hereby accorded for appointment of Mrs. Chetna S. Minda, (DIN: 00240265) who was appointed as an Additional Director of the Company by the Board with effect from March 31, 2015 and whose term of office expires at the ensuing annual general meeting and in respect of whom the Company has received a notice from a Member in writing under Section 160 of the Companies Act, 2013, proposing her candidature for the office of Director of the Company and her period of office shall be liable to determination by retirement of Directors by rotation.”

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

Place : Mumbai  
Date : 13/08/2015

Sd/-  
**Vibhav S. Ranade**  
Company Secretary

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**NOTES :**

1. The details under Clause 49 of the Listing Agreement with Stock Exchanges in respect of Director proposed to be reappointed at the Annual General Meeting, is annexed hereto.
2. 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. 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 submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution / authority, as applicable. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 17, 2015 to Wednesday, September 23, 2015 (both days inclusive).
4. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays during business hours upto the date of the Annual General Meeting.

5. Corporate members are requested to send a duly certified copy of the resolution authorizing their representatives to attend and vote at the meeting.
6. In compliance of the provisions of Companies Act, 2013, rules made thereunder and Listing Agreement, the Company is pleased to provide its members the facility to exercise their right to vote through ballot paper which is annexed to this report. Members are requested to refer instructions appended to the Ballot paper. The Board of Directors has appointed CS Shreyans Kumar Jain, Practicing Company Secretary to scrutinize the process in a fair and transparent manner.
7. As an austerity measure, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.

By order of the Board  
For **Adcon Capital Services Limited**  
Sd/-

**Vibhav S. Ranade**  
Company Secretary

Place : Mumbai  
Date : 13/08/2015

#### ANNEXURE TO THE NOTICE

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

The following explanatory statement sets out in detail all material facts relating to the item of Special Business as mentioned in the accompanying Notice convening the Annual General Meeting of the Company.

#### **ITEM No. 4**

Mr. Mihir H. Patel is an Additional Director of the Company appointed by the Board of Directors with effect from October 8, 2014. Pursuant to provisions of Section 161 of the Companies Act, 2013, he will hold office upto the date of ensuing Annual General Meeting.

It is proposed to appoint Mr. Mihir H. Patel as an Independent Director under Section 149 of the Act and Clause 49 of the Listing Agreement for a period of five consecutive years i.e. upto October 7, 2019 and he shall not be liable to retire by rotation as prescribed under the Companies Act, 2013.

In the opinion of the Board Mr. Mihir H. Patel fulfils the conditions specified under the Act and rules made thereunder as also under the Listing Agreement for his appointment as Independent Director of the Company and is Independent of the Management of the Company. Further he is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director of the Company.

The Company has received notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Mihir H. Patel for the office of Independent Director of the Company. Further the Company has also received declarations from the Director that he meets with the criteria of Independence as prescribed both under sub section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement with Stock Exchange.

Mr. Mihir H. Patel is interested in the resolution as appointee as set out in item no. 4 of the Notice with regard to his appointment. Copy of the draft letter for appointment of Mr. Mihir H. Patel as Independent Director setting out the terms and conditions is available for inspection by members free of cost at the registered office of the Company at the time specified as above.

The Directors, therefore, recommend the Resolution as set out in item no. 4 for the approval of the Members of the Company.

None of the Directors except Mr. Mihir H. Patel, Key Managerial Personnel and their relatives are in any way concerned or interested, financially or otherwise in these Resolutions.

**Item No. 5**

Mrs. Chetna S. Minda is an Additional Director of the Company appointed by the Board of Director with effect from March 31, 2015. Pursuant to provisions of Section 161 of the Companies Act, 2013, she will hold office upto the date of ensuing Annual General Meeting.

It is proposed to appoint Mrs. Chetna S. Minda as Director under Section 149 of the Act and Clause 49 of the Listing Agreement and she shall be liable to retire by rotation as prescribed under the Companies Act, 2013.

Further Mrs. Chetna S. Minda is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given her consent to act as Director of the Company.

The Company has received notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Chetna S. Minda for the office of Director of the Company.

Mrs. Chetna S. Minda is interested in the resolution as appointee as set out in item no. 5 of the Notice with regard to her appointment.

The Directors, therefore, recommend the Resolution as set out in item no. 5 for the approval of the Members of the Company.

None of the Directors except Mr. Sanjay Minda and Mrs. Chetna S. Minda, Key Managerial Personnel and their relatives are in any way concerned or interested, financially or otherwise in these Resolutions.

**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. Mihir H. Patel</b>	<b>Mrs. Chetna S. Minda</b>
<b>Date of Birth</b>	15.08.1967	13.05.1989	10.03.1972
<b>Date of Appointment</b>	19.04.2010	08.10.2014	31.03.2015
<b>Expertise in specific functional area</b>	Income Tax, Corporate Restructuring, Capital Market, Acquisition and Takeovers and related matters	Corporate Law, Account, Taxation and Finance	Human Resource and Administration
<b>Qualification</b>	B.Com, FCA	C.S. (Inter), B.Com	B.A.
<b>No. of Equity Shares held in the Company</b>	Nil	Nil	Nil
<b>Directorship in other Indian Public Limited Companies as on 31.3.2015</b>	2	Nil	1
<b>Chairmanship / Membership of Committees in other Indian Public Limited Companies as on 31.3.2015</b>	1	Nil	Nil



**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present the Twenty First Annual Report together with the Audited Financial Statements for the year ended March 31, 2015.

**1. CORPORATE OVERVIEW**

Adcon Capital Services Limited, a Company incorporated under the Companies Act, 1956 and holds registration as Non – Banking Financial Company (NBFC) from Reserve Bank of India. It is a listed NBFC Company, engaged in the business of providing loans and advances, investment in shares of other companies and providing other related Financial and Consultancy Services.

**2. FINANCIAL PERFORMANCE :**

(Amt. in Lacs)

PARTICULARS	For the Financial Year Ended	
	31st March, 2015	31st March, 2014
Total Income	11.27	13.15
<b>Less:</b> Total Expenses	(8.12)	(5.11)
<b>Profit before Tax</b>	<b>3.15</b>	<b>8.04</b>
<b>Less:</b> Tax Expenses	(0.69)	(2.46)
<b>Profit / (Loss) for the year</b>	<b>2.46</b>	<b>5.58</b>

**RESULTS OF OPERATIONS**

Total revenue of the Company for the financial year is Rs. 11,27,790/- as compare to Rs. 13,15,899/- in the corresponding previous year and the Company has gained a net profit of Rs. 2,45,948/- as compared to Rs. 5,57,787/- in the corresponding previous year. The income comprises of activities in the business of Financing and investments in securities.

**3. DIVIDEND AND RESERVES**

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. In terms of provisions of Section 45(IC) of Reserve Bank of India Act, 1934, the Company being Non – banking Financial Company (NBFC) is required to transfer minimum 20% of its Net Profit to reserves under this section, however the Current year's profits are not adequate to meet the said requirement in view of accumulated losses in the Company.



**4. SHARE CAPITAL**

The paid up Equity Share Capital as at March 31, 2015 stood at Rs. 3,55,11,000 / -. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2015, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

**5. 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. Further, the Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the details relating to deposits which are not in compliance with Chapter V of the Act is not applicable.

**6. FINANCE AND ACCOUNTS**

Your Company prepares its Financial Statements in compliance with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The estimates and judgments relating to the financial statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2015.

There is no audit qualification in the financial statements by the statutory auditors for the year under review.

**7. MATERIAL CHANGES AND COMMITMENTS**

In terms of Section 134(3)(i) of the Companies Act, 2013, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

**8. INTERNAL FINANCIAL CONTROLS**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

**9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY**

The Company being Non – banking Financial Company (NBFC), the details required under section 134(3)(g) of the Companies Act, 2013 are not required as the provisions of Section 186 of the Companies Act, 2013 are not applicable to the Company.

**10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

During the year there are no such details which are required to be disclosed in terms of provisions of Section 188(2) of the Companies Act, 2013.

**11. DIRECTORS & KEY MANAGERIAL PERSONNEL**

Your Company has Five (5) Directors consisting of Three (3) Non – Executive Independent Directors as on March 31, 2015.

In terms of the definition of ‘Independence’ of Directors as prescribed under clause 49 of the Listing Agreement entered with Stock Exchanges and Section 149(6) of the Companies Act, 2013 and based on the confirmation received from the Director, during the year under review, the Company has appointed Mr. Mihir H. Patel as an Independent Director.

In terms of the provisions of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a Company shall have atleast one Woman Director on the Board of the Company. Your Company has appointed Mrs. Chetna S. Minda as Director on the Board of the Company w.e.f. March 31, 2015.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company’s Articles of Association, Mr. Sanjay Minda, Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

The Company has received the declaration of Independence as provided under section 149(6) of the Act from all the Independent Directors. Further, the familiarisation program for Independent Directors is also available on website of the Company viz. [www.adconcap.com](http://www.adconcap.com).

During the year under review, the Company has appointed Mr. Vibhav S. Ranade as Company Secretary of the Company. Further, the Board is also making efforts to appoint other Key Managerial Personnel as required under the Act, however due to its financial position not able to achieve the same.

**12. DIRECTOR’S RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013 with respect to Director’s Responsibility Statement, it is hereby confirmed:

- a) that in the preparation of the Annual Accounts for the year ended March 31, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) 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 ended on March 31, 2015 and profit of the Company for that period;
- c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) the directors had prepared the annual accounts on a going concern basis;
- e) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**13. NUMBER OF MEETINGS OF THE BOARD**

The Board met Eleven (11) times during the Financial Year 2014- 15. Detailed information on the meetings of the Board are included in the report on Corporate Governance, which forms part of this Annual Report.

**14. BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a criteria for performance evaluation of Directors was prepared after taking into consideration various aspects of the Board's Functioning, composition of the Board and its committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and Non – Independent Director was also carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

**15. CORPORATE GOVERNANCE**

As per clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on Corporate Governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report as "Annexure – D". However, in terms of the SEBI circular CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014, the compliance of the same is not mandatory as the paid share capital and net worth of the Company does not exceed Rs. 10 crores and Rs. 25 crores respectively as on the last day of the previous financial year.

**16. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

The Management's Discussion and Analysis Report for the year under review, as stipulated under revised clause 49 of the Listing Agreement with the Stock Exchanges is given in "Annexure – E" to this report.

**17. AUDIT COMMITTEE**

The Audit Committee of Directors was reconstituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section and Listing Agreement. The Composition and the functions of the Audit Committee of the Board of Directors of the Company is disclosed in the Report on Corporate Governance, which is forming a part of this report.

During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

**18. NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee (NRC) of Directors was reconstituted by the Board of the Company in accordance with the requirements of Section 178 of the Companies Act, 2013.

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The Nomination and Remuneration Policy of the Company is attached herewith as **Annexure – A**.

**19. STAKEHOLDERS RELATIONSHIP COMMITTEE**

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of the Company has constituted the Stakeholders Relationship Committee. The Company Secretary acts as the Secretary of the Stakeholder's Relationship Committee.

The Composition and the functions of the Stakeholders Relationship Committee of the Board of Directors of the Company is disclosed in the Report on Corporate Governance, which is forming a part of this report.

**20. WHISTLE BLOWER POLICY**

The Board has, pursuant to the provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and clause 49 of the Listing Agreement framed whistle blower policy to report genuine concerns or grievances. The whistle blower policy has been posted on the website of the Company ([www.adconcap.com](http://www.adconcap.com)).

**21. STATUTORY AUDIT**

M/s. Gupta Saharia & Co., Chartered Accountants, Mumbai (Firm Registration No. 103446W) the Statutory Auditors of the Company, retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. They have confirmed their eligibility to the effect that their re – appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

**22. SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed Shreyans Jain & Co., Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as “**Annexure – C**” and forms an integral part of this report.

**23. CLARIFICATION ON OBSERVATIONS BY THE SECRETARIAL AUDITOR**

With respect to the observations made in the Secretarial Audit Report, your Board of Directors provides clarification as under –

In view of the poor financial conditions of the Company, the Company is not able to have the Whole time Key Managerial Personnel as required under Section 203 of the Companies Act, 2013 and also was not able to provide facility of voting by electronic means at its Annual General Meeting held on September 30, 2014, however the management of the Company is being carried out under the supervision of the professional Board and is consistently trying to achieve the targets.

**24. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT – 9, as required under Section 92 of the Companies Act, 2013, is attached as “**Annexure – B**” and forms an integral part of this report.

**25. DISCLOSURE UNDER THE SEXUAL HARRASMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

Presently, the compliance with respect to the Sexual Harassment of Women at the workplace (Prevention, Prohibition & Redressal) Act, 2013 is not applicable to the Company as there is no woman employee (permanent, contractual, temporary, trainees) employed in the Company.

**26. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION:**

Considering the nature of the Business of your Company there are no particulars which are required to be furnished in this report relating to conservation of energy and technology absorption.

**27. FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Foreign Exchange earnings and outgo of the Company during the year under review amounted to Rs. Nil.

**28. ACKNOWLEDGEMENTS**

The Board of Directors places on record its gratitude to the Ministry of Corporate Affairs (MCA), Reserve Bank of India, other government and regulatory authorities, financial institutions and correspondent banks for their strong support and guidance. The Board acknowledges the support of the shareholders and also places on record its sincere thanks to its valued clients and customers for their continued patronage.

**For and on behalf of the Board of Directors**

**Place: Mumbai**  
**Date: 25/05/2015**

**Sd/-**  
**Sanjay Minda**  
**Chairman**

## ANNEXURE A

**NOMINATION AND REMUNERATION POLICY OF ADCON CAPITAL SERVICES LIMITED**

<b>Policy Title</b>	<b>Nomination and Remuneration Policy</b>
<b>Authorised by</b>	Board of Directors

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement. The Key Objectives of the Committee would be:

**1. OBJECTIVE**

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management;
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board;
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management;
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations;
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial personnels and create competitive advantage;
- To devise a policy on Board diversity;
- To develop a succession plan for the Board and to regularly review the plan

**2. DEFINITIONS**

- **"Act"** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- **"Board"** means Board of Directors of the Company.
- **"Directors"** mean Directors of the Company.
- **"Key Managerial Personnel"** means –

- a) Chief Executive Officer or the Managing Director or the Manager or Whole-time director or Chief Financial Officer or Company Secretary
- b) **“Senior Management”** means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

### **3. COMPOSITION**

- The Committee shall consist of a minimum three non-executive directors, majority of them being independent.
- Minimum two (2) members shall constitute a quorum for the Committee meeting.
- Membership of the Committee shall be disclosed in the Annual Report.
- Term of the Committee shall be continued unless terminated by the Board of Directors.
- Chairperson of the Committee shall be an Independent Director.
- Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

### **4. ROLE OF COMMITTEE**

#### **Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee**

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by

passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

- The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).
- Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.
- The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.





**ANNEXURE - B**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN  
as on Financial Year ended on March 31, 2015**

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

**I. REGISTRATION AND OTHER DETAILS:**

- |   |   |
|---|---|
| 1. CIN  | L67120MP1994PLC008511   |
| 2. Registration Date  | 28/07/1994  |
| 3. Name of the Company  | Adcon Capital Services Limited  |
| 4. Category / Sub-Category of the Company                                       | Company Limited by Shares /<br>Indian Non-Government Company  |
| 5. Address of the Registered office<br>and contact details                      | 417, Chetak Centre NX, Near Hotel Shreemaya,<br>R. N. T. Marg, Indore – 452 001, Madhya Pradesh   |
| Corporate Office  | 117, Hubtown Solaris, N. S. Phadke Marg,<br>Near East – West Flyover, Andheri (East),<br>Mumbai – 400 069, Maharashtra<br>Tel: 022 – 268 444 97 / 95  |
| 6. Whether listed company   | Yes   |
| 7. Name, Address and Contact details<br>of Registrar and Transfer Agent, if any | Purva Sharegistry India Pvt. Ltd.<br>9, Shivshakti Industrial Estate, J R Boricha Marg,<br>Opp. Kasturba Hospital, Lower Parel (East),<br>Mumbai – 400 011.<br>Tel: 022 – 2301 6761 / 8261 Fax: 022 – 2301 2517 |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company**
1.	Other credit granting	6492	92%

\*\* represents total income

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	Applicable Section
1.	N.A.	N.A.	N.A.	N.A.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year % Change				during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1) Indian</b>									
a) Individual / HUF	-	12,80,000	12,80,000	36.05	-	2,99,940	2,99,940	8.45	(27.60)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	2,50,000	2,50,000	7.04	-	-	-	-	(7.04)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total A(1)</b>	-	<b>15,30,000</b>	<b>15,30,000</b>	<b>43.09</b>	-	<b>2,99,940</b>	<b>2,99,940</b>	<b>8.45</b>	<b>(34.64)</b>
<b>2) Foreign</b>									
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total A(2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoter (A) = A(1) + A(2)</b>	-	<b>15,30,000</b>	<b>15,30,000</b>	<b>43.09</b>	-	<b>2,99,940</b>	<b>2,99,940</b>	<b>8.45</b>	<b>(34.64)</b>

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year % Change				during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B. Public Shareholding</b>									
<b>1) Institutions</b>									
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total B(1)</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									-
a) Bodies Corp.									
i. Indian	-	-	-	-	-	12,69,460	12,69,460	35.75	35.75
ii. Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i. Individual Shareholders holding nominal share capital upto Rs. 1 Lac	-	14,29,600	14,29,600	40.26	2000	13,83,500	13,85,500	39.02	(1.24)
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 Lac	-	5,91,500	5,91,500	16.66	1,43,700	3,76,400	5,20,100	14.65	(2.01)
c) Others specify									
Clearing Members	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Non Resident Indians (REPAT & NON REPAT)	-	-	-	-	-	-	-	-	-
HUF	-	-	-	-	55,500	20,600	76,100	2.14	2.14
Trusts	-	-	-	-	-	-	-	-	-
<b>Sub-total B(2)</b>	-	<b>20,21,100</b>	<b>20,21,100</b>	<b>56.91</b>	<b>2,01,200</b>	<b>30,49,960</b>	<b>32,51,160</b>	<b>91.55</b>	<b>34.64</b>
<b>Total Public Shareholding (B)=B(1)+B(2)</b>	-	<b>20,21,100</b>	<b>20,21,100</b>	<b>56.91</b>	<b>2,01,200</b>	<b>30,49,960</b>	<b>32,51,160</b>	<b>91.55</b>	<b>34.64</b>

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year % Change				during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>C. Shares held by Custodian for GDRs &amp; ADRs (NIL)</b>									
<b>Grand Total (A+B+C)</b>	-	35,51,100	35,51,100	100	2,01,200	33,49,900	35,51,100	100	0.00

**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1.	Vinod Pandey	1,27,950	3.60	-	-	-	-	(3.60)
2.	Devendra Gulati	1,15,100	3.24	-	-	-	-	(3.24)
3.	Sanjay Sharma	1,40,000	3.94	-	-	-	-	(3.94)
4.	Nirmal Sancheti	100	0.00	-	-	-	-	(0.00)
5.	Radha Pandey	1,27,000	3.58	-	-	-	-	(3.58)
6.	Awadhesh Pandey	1,26,450	3.56	-	2,99,940	8.45	-	4.89
7.	Deepak Pandey	1,03,490	2.91	-	-	-	-	(2.91)
8.	Gaurav Pandey	70,000	1.97	-	-	-	-	(1.97)
9.	Anjana Sancheti	50,000	1.41	-	-	-	-	(1.41)
10.	Balkrishna G. Kher	5,000	0.14	-	-	-	-	(0.14)
11.	Bharat G. Kher	1,01,960	2.87	-	-	-	-	(2.87)
12.	Govind Bajpai	600	0.02	-	-	-	-	(0.02)
13.	Sulochana Kher	2,000	0.06	-	-	-	-	(0.06)
14.	Anuradha Bajpai	5,850	0.16	-	-	-	-	(0.16)
15.	Rita Pandey	16,000	0.45	-	-	-	-	(0.45)
16.	Leena Kher	50,000	1.41	-	-	-	-	(1.41)
17.	Premlata Dave	2,500	0.07	-	-	-	-	(0.07)
18.	Praveena Bajpai	10,000	0.28	-	-	-	-	(0.28)
19.	R. S. Pandey	15,000	0.42	-	-	-	-	(0.42)
20.	C. B. Bajpai	25,000	0.70	-	-	-	-	(0.70)
21.	Vikas Bajpai	10,000	0.28	-	-	-	-	(0.28)
22.	Puneet Pandey	6,500	0.18	-	-	-	-	(0.18)
23.	Abhay Bajpai	10,000	0.28	-	-	-	-	(0.28)
24.	O. P. Bajpai	50,000	1.41	-	-	-	-	(1.41)
25.	Nishant Pandey	2,500	0.07	-	-	-	-	(0.07)
26.	Vyomesh Bhat	2,500	0.07	-	-	-	-	(0.07)
27.	Jigdesh Rathor	4,000	0.11	-	-	-	-	(0.11)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
28.	Anita Sarmandal	5,500	0.15	-	-	-	-	(0.15)
29.	Anima Bajpai	7,500	0.21	-	-	-	-	(0.21)
30.	Sanjay Bachawat	10,000	0.28	-	-	-	-	(0.28)
31.	R. K. Mittal	25,000	0.70	-	-	-	-	(0.70)
32.	Madhu Mittal	15,000	0.42	-	-	-	-	(0.42)
33.	Elice Bhat	2,500	0.07	-	-	-	-	(0.07)
34.	Lalit Bhandari	15,000	0.42	-	-	-	-	(0.42)
35.	Leelamma Varghese	2,500	0.07	-	-	-	-	(0.07)
36.	Pragati Bajpai	15,000	0.42	-	-	-	-	(0.42)
37.	Adcon Electronic Pvt. Ltd.	50,000	1.41	-	-	-	-	(1.41)
38.	Adcon Swetch Gear Pvt. Ltd.	1,00,000	2.82	-	-	-	-	(2.82)
39.	Adcon Cement Pvt. Ltd.	1,00,000	2.82	-	-	-	-	(2.82)
40.	L. S. Yadav	2,500	0.07	-	-	-	-	(0.07)

(iii) **Change in Promoters' Shareholding (please specify, if there is no change)**

Sr.No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.					
	At the beginning of the year	15,30,000	43.08%	-	-
	Market Sale on 14.08.2014	12,30,060	34.63%	-	-
	At the end of the year	2,99,940	8.45	2,99,940	8.45%

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	<b>Lyme Grass Mercantile Private Limited</b>				
	At the beginning of the year	-	-	-	-
	Market Purchase on 10.09.2014	-	-	1,58,960	4.48%
	At the end of the year	-	-	1,58,960	4.48%
2.	<b>Segment Agencies Private Limited</b>				
	At the beginning of the year	-	-	-	-
	Market Purchase on 10.09.2014	-	-	1,56,350	4.48%
	At the end of the year	-	-	1,56,350	4.40%
3.	<b>Riddika Vincom Private Limited</b>				
	At the beginning of the year	-	-	-	-
	Market Purchase on 10.09.2014	-	-	1,52,000	4.28%
	At the end of the year	-	-	1,52,000	4.28%
4.	<b>Aakriti Dealers Private Limited</b>				
	At the beginning of the year	-	-	-	-
	Market Purchase on 10.09.2014	-	-	1,51,950	4.28%
	At the end of the year	-	-	1,51,950	4.28%
5.	<b>Pasupathi Enclave Private Limited</b>				
	At the beginning of the year	-	-	-	-
	Market Purchase on 10.09.2014	-	-	1,50,000	4.22%
	At the end of the year	-	-	1,50,000	4.22%
6.	<b>Benchmark Buildcon Private Limited</b>				
	At the beginning of the year	-	-	-	-
	Market Purchase on 10.09.2014	-	-	1,40,000	3.94%
	At the end of the year	-	-	1,40,000	3.94%
7.	<b>Gangour Distributors Private Limited</b>				
	At the beginning of the year	-	-	-	-
	Market Purchase on 10.09.2014	-	-	1,17,600	3.31%
	At the end of the year	-	-	1,17,600	3.31%
8.	<b>Jigdamba Complex Private Limited</b>				
	At the beginning of the year	-	-	-	-
	Market Purchase on 10.09.2014	-	-	1,00,000	2.82%
	At the end of the year	-	-	1,00,000	2.82%

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
9.	<b>Manoj Kumar Mishra</b>				
	At the beginning of the year	-	-	-	-
	Market Purchase on 10.09.2014	-	-	50,100	1.41%
	At the end of the year	-	-	50,100	1.41%
10.	<b>Kirti Land Developers (P) Ltd</b>				
	At the beginning of the year	-	-	-	-
	Market Purchase on 10.09.2014	-	-	50,000	1.41%
	At the end of the year	-	-	50,000	1.41%

(v) **Shareholding of Directors and Key Managerial Personnel:**

Note: None of the Director and Key Managerial Personnel (KMP) holds any shares in the Company as referred above.

**V. INDEBTEDNESS**

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

During the year, there is no Indebtedness of the Company including interest outstanding / accrued but not due for payment, secured loans excluding deposits, unsecured loans and deposits.

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

In view of the financial performance of the Company during the year, there is no Managing Director, Whole – time Director and / or Manager appointed.

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Sanjay Minda	Mrs. Chetna S. Minda	Mr. Sawankumar Jajoo	Mr. Manjit Jajoo	Mr. Mihir H.Patel	
1.	<b>Independent Directors</b>	N.A.	N.A.	✓	✓	✓	
	Fees for attending Board / Committee Meetings	N.A.	N.A.	-	-	-	-
	Commission	N.A.	N.A.	-	-	-	-
	Others, please specify	N.A.	N.A.	-	-	-	-

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Sanjay Minda	Mrs. Chetna S. Minda	Mr. Sawankumar Jajoo	Mr. Manjit Jajoo	Mr. Mihir H. Patel	
	<b>Total (1)</b>	N.A.	N.A.	-	-	-	-
<b>2.</b>	<b>Other Non – Executive Directors</b>	✓	✓	N.A.	N.A.	N.A.	N.A.
	Fees for attending Board / Committee Meetings	-	-	N.A.	N.A.	N.A.	N.A.
	Commission	-	-	N.A.	N.A.	N.A.	N.A.
	Others, please specify	-	-	N.A.	N.A.	N.A.	N.A.
	<b>Total (2)</b>	-	-	-	-	-	-
	<b>Total (B) = (1) + (2)</b>	-	-	-	-	-	-
	<b>Total Managerial Remuneration</b>	-	-	-	-	-	-
	<b>Overall Ceiling as per the Act</b>	-	-	-	-	-	-

**C. Remuneration to key managerial personnel other than MD/Manager/WTD**

Sl. No.	Particulars of Remuneration	Company Secretary (Mr. Vibhav S. Ranade) [appointed w.e.f. 02.09.2014] (Amount in Rs.)
<b>1.</b>	<b>Gross Salary</b>	
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	1,05,000
	b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-
	c) Profits in lieu of salary u/s 17(3) of Income Tax Act, 1961	-
<b>2.</b>	<b>Stock Option (Number of options granted)</b>	-
<b>3.</b>	<b>Sweat Equity</b>	-
<b>4.</b>	<b>Commission</b>	-
<b>5.</b>	<b>Others, please specify</b>	-
	<b>Total</b>	<b>1,05,000</b>

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES**

There were no penalties / punishment / compounding of offences in respect of the Company.





**SHREYANS JAIN & CO.**

Company Secretaries

**ANNEXURE C**

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

To,  
The Members,  
**Adcon Capital Services Limited**  
417, Chetak Centre NX, Near Hotel Shreemaya,  
R. N. T. Marg, Indore – 452 001,  
Madhya Pradesh

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ADCON CAPITAL SERVICES LIMITED** (hereinafter called “the company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board - processes and compliance -mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by “the Company” for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not Applicable to the Company during the Audit Period)**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not Applicable to the Company during the Audit Period)**;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit Period)**;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**; and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit Period)**;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not Applicable to the Company during the Audit Period)**;
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s),

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations;

*- In terms of the provisions of Section 203 of the Companies Act, 2013 read with rule 8 of the Companies (Appointment & Remuneration) Rules, 2014 the Company is required to have whole time Key Managerial*

*Personnel as specified in clause (i), (ii) & (iii) of sub - section (1) of the said Section, however the Company yet to appoint the Key Managerial Personnel as mentioned in clause (i) & (iii).*

*- The Company being listed entity on Regional Stock Exchange was required to provide facility of voting by electronic means at its Annual General Meeting held on 30th September, 2014, however the said facility was not made available.*

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Company has applied for listing of its Equity Shares at BSE Limited under Direct Listing norms in terms of SEBI circular CIR/MRD/DSA/18/2014.

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

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

Place: Mumbai  
Date: 25th May, 2015



## ANNEXURE - D

REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2015  
(IN ACCORDANCE WITH CLAUSE 49 OF THE LISTING AGREEMENT)

## 1. COMPANY'S PHILOSOPHY:

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 31<sup>st</sup> March, 2015 comprises of (5) five Directors, of which three are Non-Executive Independent who brings in a wide range of skills and experience to the Board.

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

The information as required under Annexure IIA 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	1	-
Mr. Sawan Jajoo	Non-Executive/Independent	11	Yes	-	-	-
Mr. Manjit Jajoo	Non-Executive/Independent	11	Yes	1	-	-
Mr. Mihir H. Patel*	Non-Executive/Independent	6	-	-	-	-
Mrs. Chetna Minda**	Non-Executive	1	-	1	-	-

\*Mr. Mihir H. Patel was appointed on the Board with effect from 08.10.2014.

\*\* Mrs. Chetna Minda was appointed on the Board with effect from 31.03.2015.

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

## Represents Memberships / Chairmanships of Audit Committee and Stakeholders Relationship Committee.

Mr. Sawan Jajoo & Mr. Manjit Jajoo are related to each other and Mr. Sanjay Minda & Mrs. Chetna Minda are related to each other.

The company does not pay any fees / compensation to any Non – Executive. Also, no sitting fee has been paid to any Non – Executive Director during the year.

### **2.3 Independent Directors**

The Non-Executive Independent Directors fulfil the conditions of independence specified in the Section 149(6) of the Companies Act, 2013 and rules made thereunder and meet with requirement of Clause 49 of the Listing Agreement entered into with the Stock Exchanges. A formal letter of appointment to Independent Director as provided in the Companies Act, 2013 and the Listing Agreement has been issued and disclosed on the website of the Company viz. [www.adconcap.com](http://www.adconcap.com).

### **2.4 Familiarisation Programme for Directors**

At the time of appointing a Director, a formal letter of appointment is given to him, which *inter alia* explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliance required from him under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations and affirmation taken with respect to the same. Further, the Company has put in place a system to familiarise the Independent Directors about the Company, its business and the on – going events relating to the Company.

## **3. BOARD MEETINGS**

The Board meets at regular intervals to discuss and decide on business strategies / policies and review the financial performance of the Company. The notice of each Board Meeting is given to each Director. The Agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting. This ensures timely and informed decisions by the Board.

During the year 11 (eleven) Board Meetings were held and the gap between two meetings did not exceeded four months. The dates were: 28.05.2014, 14.08.2014, 30.08.2014, 02.09.2014, 10.09.2014, 08.10.2014, 25.10.2014, 14.11.2014, 24.12.2014, 14.02.2015 and 31.03.2015.

## **4. COMMITTEES OF THE BOARD**

The Board of Directors have constituted Board Committees to deal with specific areas and activities which concern the Company and need a closer review. The Board Committees are framed with the approval of the Board and functions under the respective charters. These Board Committees play an important role in overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals, takes necessary steps to perform its duties entrusted by the Board. To ensure good governance, the minutes of the Committee Meetings are placed before the Board for their noting.

The Board has currently the following committees:

**(A) AUDIT COMMITTEE****Composition**

Audit Committee of the Board of Directors (“the Audit Committee”) is entrusted with the responsibility to supervise the Company’s internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Clause 49 of the Listing Agreement. In the Board Meeting held on October 8, 2014, the Audit Committee was reconstituted. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation and Economics. Mr. Mihir Patel, Independent Director is the Chairman of the Audit Committee. The other members of the Audit Committee include Mr. Sawan Jajoo and Mr. Manjit Jajoo and the Company Secretary acts as a Secretary to the Committee.

**Meetings and Attendance**

The Audit Committee met four times during the Financial Year 2014 – 15. The Company is in compliance with the provisions of Clause 49 of the Listing Agreement on gap between two Audit Committee Meetings. The Committee met on 28.05.2014, 14.08.2014, 14.11.2014 and 14.02.2015. The necessary quorum was present for all meetings. The table below provides the attendance of the Audit Committee members:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Position</b>	<b>Category</b>	<b>No. of meetings attended</b>
1.	Mr. Sanjay Minda*	Chairman	Non-Executive Professional	2
2.	Mr. Mihir Patel*	Chairman	Non-Executive Independent	2
3.	Mr. Sawan Jajoo	Member	Non-Executive Independent	4
4.	Mr. Manjit Jajoo	Member	Non-Executive Independent	4

\* Audit Committee re-constituted w.e.f. 08/10/2014.

**Terms of Reference**

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 of the Listing Agreement entered into with the Stock Exchanges and Section 177 of the Companies Act, 2013. The Audit Committee invites such of the executives, as it considers appropriate (and particularly the person responsible for the finance and accounts function) to be present at its meetings.

**(B) NOMINATION AND REMUNERATION COMMITTEE**

**Composition**

The Nomination and Remuneration Committee comprises of three Directors. Mr. Sawan Jajoo is the Chairman of the Nomination and Remuneration Committee. The other members of the Nomination and Remuneration Committee include Mr. Sanjay Minda and Mr. Manjit Jajoo. The composition of Nomination and Remuneration Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

**Meetings and Attendance**

The Remuneration Committee met thrice during the year on 02/09/2014, 08/10/2014 and 31/03/2015. The necessary quorum was present at the meeting. The table below provides the attendance of the Nomination and Remuneration Committee Members:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Position</b>	<b>Category</b>	<b>No. of meetings attended</b>
1.	Mr. Sawan Jajoo	Chairman	Non-Executive Independent	1
2.	Mr. Sanjay Minda	Member	Non-Executive Professional	1
3.	Mr. Manjit Jajoo	Member	Non-Executive Independent	1

**Terms of Reference**

The terms of reference of the 'Nomination and Remuneration Committee' are as follows:

- 1) To determine on behalf of the Board and on behalf of the Shareholders the Company's policy on specific remuneration packages for Directors, Key Managerial Personnel (KMP) and other employees including pension rights and any compensation payment;
- 2) Formulation of criteria for evaluation of Independent Directors and the Board;
- 3) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and
- 4) Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

There is no sitting fees paid to Non – Executive Directors for attending Board and Committee Meetings and none of the Director hold shares in the Company.

**Performance Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. The Directors expressed their satisfaction with the evaluation process.

**(C) STAKEHOLDERS RELATIONSHIP COMMITTEE****Composition**

This Committee comprises of three Directors. Mr. Manjit Jajoo, Independent Director is the Chairman of this Committee. The table below highlights the composition and attendance of the Members of the Committee. They met twice during the year on 08/10/2014 and 25/10/2014 and the meeting was attended by all the members.

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Position</b>	<b>Category</b>	<b>No. of meetings attended</b>
1.	Mr. Manjit Jajoo	Chairman	Non-Executive Independent	2
2.	Mr. Sanjay Minda	Member	Non-Executive Professional	2
3.	Mr. Sawan Jajoo	Member	Non-Executive Independent	2

**Terms of reference**

The Board has clearly defined the terms of reference for this Committee, which generally meets once a month. The Committee looks into the matters of Shareholders / Investors grievances along with the redressal of the shareholders complaints in respect of any matter including transfer of shares, non receipt of annual report, non receipt of declared dividend etc.

CS Vibhav S. Ranade, Company Secretary is the Compliance Officer of the Company and Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agent (RTA) attends to all grievances of the shareholders received directly or through Securities and Exchange Board of India (SEBI), Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies etc. The Minutes of the Stakeholders Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their telephone numbers and email addresses to facilitate prompt action.



**Details of Shareholder’s complaints Received, Solved and Pending Share Transfers**

The total numbers of complaints received and replied to the shareholders during the year 2014-15 were 2. There were no complaints outstanding as on March 31, 2015. The number of pending share transfers and pending requests for dematerialization as on March 31, 2015 were NIL. Shareholder’s / Investor’s complaints and other correspondence are normally attended within seven working days except where constrained by disputes or legal impediments. No investor grievances remained unattended / pending for more than thirty days as on March 31, 2015.

<b>Sr. No.</b>	<b>Nature of Complaints</b>	<b>Complaints Received</b>	<b>Complaints Redressed</b>
1.	Non – receipt of Dividend	1	1
2.	Non – receipt of Bonus	1	1
	<b>Total</b>	<b>2</b>	<b>2</b>

**6. SUBSIDIARY COMPANIES**

The Company does not have any subsidiary as defined under Clause 49 of the Listing Agreement.

**7. AFFIRMATIONS AND DISCLOSURES**

- a. All mandatory requirements as per Clause 49 of the Listing Agreement have been complied with by the Company. However, in terms of the SEBI circular CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014, the compliance of the same is not mandatory as the paid share capital and net worth of the Company does not exceed Rs. 10 crores and Rs. 25 crores respectively as on the last day of the previous financial year.
- b. 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.
- c. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- d. In terms of Clause 49(IX) of the Listing Agreement, the Director made a certification i.e. (CEO / CFO Certificate) to the Board of Directors in the prescribed format for the year under review which has been reviewed by the Audit Committee and taken on record by the Board.

**8. CORPORATE POLICIES / 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 the Listing Agreement & the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, respectively:

**a. Code of Conduct for Board Members & Senior Management**

The Board of Directors of the Company adopted the Code of Conduct for its members and the same is posted on the Company's website viz. [www.adconcap.com](http://www.adconcap.com). The Code highlights Corporate Governance as the cornerstone for sustained management performance, for serving all the stakeholders and for instilling pride of association. The code is based on the principle that the Directors and Senior Management Personnel shall act in accordance with the highest standard of honesty, integrity, fairness and ethical conduct and shall exercise utmost good faith, due care and integrity in performing their duties.

**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 while dealing in shares. The Code lays down guidelines and procedures to be followed and disclosures to be made by Directors and others while dealing in shares. The code also contains regulations for preservation of price sensitive information, pre-clearance of trade and monitoring and implementation of the Code.

**d. Whistle Blower Policy**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and Employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provisions of direct access to the Chairperson of the Audit Committee in exceptional cases.

**e. 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.

**f. Reconciliation of Share Capital Audit Report**

The Company obtains certificate from Practicing Company Secretary and submits the same to Stock Exchanges alongwith Share Capital Audit Report in terms of SEBI directive vide its circular CIR/MRD/DP/30/2010 dated September 6, 2010, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with National Securities Depository Limited and Central Depository Services (India) Limited, is submitted to the Stock Exchanges where the Shares of the Company are listed.

**9. ANNUAL GENERAL MEETINGS:**

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

<b>AGM / EGM</b>	<b>DATE</b>	<b>TIME</b>	<b>VENUE</b>
2013-14 AGM	30.09.2014	11.30 A.M.	417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore (MP) - 452001
2012-13 AGM	10.09.2013	2.00 PM	417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore (MP) - 452001
2011-12 AGM	25.09.2012	11.30 AM	417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore (MP) - 452001

There are no Special Resolutions passed in the previous three Annual General Meetings or any of the Extra Ordinary General Meeting held during the previous three years.

During the year no Special Resolutions were passed through postal ballot and No Court-convened Meetings were held during the last three years.

**10. MEANS OF COMMUNICATION:**

a) The quarterly un-audited financial results are published in 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. The same are also available on the website of the Company viz. [www.adconcap.com](http://www.adconcap.com).

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.

**11. GENERAL SHAREHOLDERS INFORMATION:**

**(a) ANNUAL GENERAL MEETING**

**Date and Time** : September 23, 2015 at 11.00 a.m.  
**Venue** : 417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore (MP)-452001  
**Dates of Book Closure** : September 17, 2015 to September 23, 2015

**(a) FINANCIAL CALENDAR 2015-16 (TENTATIVE):**

First quarterly results : August, 2015  
 Second quarterly results : November, 2015

Third quarterly results : February, 2016  
Annual results for the year  
ending on 31.03.2016 : May, 2016  
Annual General Meeting  
for the year 2016 : around September, 2016

**(b) LISTING ON STOCK EXCHANGES:**

The Company's Equity Shares are listed on the Madhya Pradesh Stock Exchange Ltd., Indore (MP) and Ahmadabad Stock Exchange Limited (ASE). The Company has paid Annual Listing Fees as applicable, to the MPSE and to ASE for the financial year 2015-16. However, both the stock exchanges are failed to provide the trading platform.

ISIN of Equity Shares:

ISIN Equity :	INE805Q01010
Face Value :	Rs. 10/- per share

Further, your Company has applied for listing of its 35,51,100 equity shares at BSE Limited under Direct Listing in terms of SEBI circular CIR/MRD/DSA/18/2014 and the same is pending.

**(d) Registrar and Share Transfer Agent (RTA)**

Your Company has appointed Purva Sharegistry India Private Limited as Registrar and Share Transfer agent and details of the same are as under;

**Purva Sharegistry India Pvt. Ltd**

9, Shivshakti Industrial Estate, J R Boricha Marg,  
Opp. Kasturba Hospital, Lower Parel (E), Mumbai – 400 011  
Tel: 91-22-2301 6761 / 8261  
Fax: 91-22-2301 2517 Email ID: [busicomp@vsnl.com](mailto:busicomp@vsnl.com)

**(e) MARKET PRICE DATA:**

During the year ended 31-3-2015 the equity share have not been traded as both the Stock Exchanges where the Company is listed are unable to provide trading platform.

**(f) SHARE TRANSFER SYSTEM:**

The Board has delegated the authority for approving transfers, transmissions etc. of the Company's securities to the Registrar and Share Transfer Agents (RTA). The Company obtains from a Company Secretary in Practice half yearly certificate of compliance with the share transfer formalities as required under clause 47(c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the Stock Exchanges.

**(g) 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.

**(h) DISTRIBUTION OF SHAREHOLDING:**

The distribution of shareholding as on 31<sup>st</sup> March, 2015 is given below:

Sr. No.	No of Equity Shares	No. of Shareholders	No. of Shares	% of Total shares
1.	1 - 5,000	5572	987300	27.80
2.	5,001 - 10,000	141	118400	3.33
3.	10,001 - 20,000	69	102100	2.88
4.	20,001 - 30,000	21	49800	1.41
5.	30,001 - 40,000	11	38700	1.09
6.	40,001 - 50,000	14	59400	1.67
7.	50,001 - 1,00,000	8	52300	1.47
8.	1,00,001 & above	36	2143100	60.35
	<b>Total</b>	<b>5872</b>	<b>3551100</b>	<b>100</b>

**(i) Dematerialization of Shares and Liquidity:**

The Company has arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for demat facility.

The demat position of the Company as on March 31, 2015 is as follows:

Particulars of shares	Equity Shares of Rs. 10/- each	
	Number	% of Total
NSDL	1,900	5.35
CDSL	1,99,300	5.61
<b>Sub-total</b>	<b>2,01,200</b>	<b>5.66</b>
Physical	33,49,900	94.34
<b>Total</b>	<b>35,51,100</b>	<b>100</b>

**(j) Address for correspondence**

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

**Corporate Office:** 117, Hubtown Solaris, N. S. Phadke Marg, Near East – West Flyover, Andheri (East), Mumbai – 400 069, Maharashtra  
Tel. No. 022 – 268 444 95 / 97

Designated exclusive e-mail id for Investor servicing: [adconcap@gmail.com](mailto:adconcap@gmail.com)

Website: [www.adconcap.com](http://www.adconcap.com)

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

Place: Mumbai  
Date: 25/05/2015

**Sd/-**  
**Sanjay Minda**  
Chairman

## ADCON CAPITAL SERVICES LIMITED

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### DECLARATION – CODE OF CONDUCT

In compliance to the clause 49 of the Listing Agreement, all the Board members and senior management personnel have, for the year ended 31<sup>st</sup> March, 2015, affirmed compliance with the Code of Conduct laid down by the Board of Directors.

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

**Place: Mumbai  
Date: 25/05/2015**

**Sd/-  
Sanjay Minda  
Chairman  
DIN : 00034029**

**Sd/-  
Sawankumar Jajoo  
Director  
DIN : 01988257**

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### DECLARATION BY THE MD / CFO - PURSUANT TO CLAUSE 49(V)

We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31<sup>st</sup> March, 2015 and certify, to the best of our knowledge and belief, that:

- i. These statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- ii. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- iii. No transactions entered into by the Company during the year were fraudulent, illegal or violative of the Company's code of conduct and no instances of fraud took place;
- iv. We accept responsibility for establishing and maintaining internal controls for financial reporting;
- v. We have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and have taken steps to rectify the same, wherever found;
- vi. Significant changes in internal control over financial reporting as well as significant changes in accounting policies, if any, have been intimated to the Auditors and the Audit Committee and have been disclosed in the notes to the financial statements;

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

**Place : Mumbai  
Date : 25/05/2015**

**Sd/-  
Sanjay Minda  
Chairman  
DIN 00034029**

**Sd/-  
Sawankumar Jajoo  
Director  
DIN 01988257**

**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, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

**Place: Mumbai**  
**Date: 25/05/2015**



## MANAGEMENT DISCUSSION AND ANALYSIS

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

- (A) **INDUSTRY STRUCTURE AND DEVELOPMENTS:** The Company is engaged in Investments, Finance 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 values 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 confidence in the security situation and the stability of the country has created a positive macroeconomic environment. Economic development is expected in all areas of the country. The existing high competition could lead to the lowering of profit margins and a reduction in market share. The new regulations relevant to capital adequacy and liquidity may create pressure on profit margins. Special attention is paid to customer retention, and attracting new customers, leading to high advertising and promotional costs. Policies are implemented in order to take required action, with regard to the identified threats.
- (E) **SEGMENT WISE PERFORMANCE:** The business of the Company falls under a single segment i.e. 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.



**GUPTA SAHARIA & CO.**

**Chartered Accountants**

C-103, PRANAY NAGAR, RAM MANDIR ROAD, VAZIRA NAKA,  
BORIVALI (W), MUMBAI-400091

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**INDEPENDENT AUDITOR'S REPORT**

To the Members of,  
**Adcon Capital Services Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Adcon Capital Services Limited ("the Company")**, which comprises of Balance Sheet as at 31<sup>st</sup> March, 2015, the statement of Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

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

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

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements along with the notes thereon give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

As required by 'the Companies (Auditor's Report) Order, 2015' issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act ("the order"), and on the basis of such checks of the books and records of the Company as we consider appropriate and according to the information and explanation given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said order.

### **Further as required by Section 143(3) of the Act, we report that:**

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) The going concern matter described in sub-paragraph (b) under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- f) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a Director in terms of Section 164(2) of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

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

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

**Place: Mumbai  
Date: 25/05/2015**



**GUPTA SAHARIA & CO.**  
**Chartered Accountants**

C-103, PRANAY NAGAR, RAM MANDIR ROAD, VAZIRA NAKA,  
BORIVALI (W), MUMBAI-400091

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**ANNEXURE – A**

**ANNEXURE TO THE AUDITORS' REPORT ON THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 OF ADCON CAPITAL SERVICES LIMITED**

1. In respect of Fixed Assets:
  - a) The Company has maintained proper records showing full particulars including Quantitative details and situation of fixed assets.
  - b) The Fixed Assets have been physically verified by the management according to a 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 not provided for in the books of accounts of the Company.
2. The Company's nature of operation does not require it to hold the inventories and hence the clause II of the order is not applicable.
3. In respect of loans, secured or unsecured, granted to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013;
  - a) The Company has not granted any loans to such parties during the year and hence the question of regular receipt of principal amount and interest does not arise.
  - b) Since the Company has not granted loans to such parties, there is no instance of overdue amount of Rupees One Lakh.
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 services provided. During the course of our audit, no major weakness has been noticed in the internal control system of the Company.
5. In our opinion and explanation given to us, during the year the Company has not accepted any deposits to which the directives of the Reserve Bank or provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 framed there under would apply.

6. The Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the companies Act, 2013 for any of the services of the Company.
7. a) According to the information given to us and the records of the Company examined by us, the Company is regular in depositing the undisputed statutory dues including provident fund, employee's state insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Service Tax, Investor Education and Protection Fund and any other statutory dues as at 31<sup>st</sup> March 2015.
- b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Service Tax and no statutory dues required to be deposited on account of any dispute.

The company is not required to transfer any amount to Investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such und within time.

8. The Company is registered for a period of not less than five years and has accumulated loss at the end of the financial year but is not less than fifty per cent of its net worth and it has not incurred cash losses in the current financial year as well as in the immediately preceding financial year.
9. The Company has neither taken any loan from banks and financial institutions nor issued any debentures hence the question of default in repayment of dues does not arise.
10. As per the explanation and information given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
11. The Company has not raised any term loans during the year.
12. 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: 25/05/2015**

**ADCON CAPITAL SERVICES LIMITED**
**BALANCE SHEET AS AT 31st MARCH 2015**

(Amount in Rs.)

Particulars	Note No.	As at 31.3.2015		As at 31.3.2014	
<b>I Equity &amp; Liabilities</b>					
<b>1. Shareholders' funds</b>					
(a) Share Capital	2.1	35,511,000		35,511,000	
(b) Reserves and Surplus	2.2	(1,311,729)		(1,557,677)	
			<b>34,199,271</b>		<b>33,953,323</b>
<b>2. Non - Current Liabilities</b>					
(a) Deferred Tax Liabilities (Net)	2.3	45,100		45,362	
			<b>45,100</b>		<b>45,362</b>
<b>3. Current Liabilities</b>					
(a) Other Current Liabilities	2.4	11,236		11,236	
(b) Short- Term Provisions	2.5	339,340		254,676	
			<b>350,576</b>		<b>265,912</b>
<b>TOTAL</b>			<b>34,594,947</b>		<b>34,264,597</b>
<b>II Assets</b>					
<b>1. Non - Current Assets</b>					
(a) Fixed Assets	2.6				
Tangible Assets		686,799		758,461	
			<b>686,799</b>		<b>758,461</b>
(b) Other Non Current Assets	2.7	1,123,600		209,943	
			<b>1,123,600</b>		<b>209,943</b>
<b>2. Current Assets</b>					
(a) Current Investments	2.8	18,084,460		17,772,347	
(b) Trade Receivables	2.9	94		(562)	
(c) Cash and Bank Balances	2.10	3,245,195		506,367	
(d) Short - Term Loans and Advances	2.11	11,129,355		14,927,504	
(e) Other Current Assets	2.12	325,444		90,538	
			<b>32,784,548</b>		<b>33,296,194</b>
<b>TOTAL</b>			<b>34,594,947</b>		<b>34,264,597</b>

See accompanying notes to the financial statements, as under

Significant Accounting Policies & Notes on Accounts	1
Notes to the Balance Sheet	2

In terms of our report of even date  
**For M/s. Gupta Saharia & Co.**  
 Chartered Accountants  
 Firm's Registration No. : 103446W

Sd/-  
**S.S. Rathi**  
 Partner  
 Membership No. : 73373  
 Place : Mumbai  
 Date : 25/05/2015

For and on behalf of Board of Directors

Sd/-  
**Sanjay Minda**  
 Director  
 DIN 00034029

Sd/-  
**Sawankumar Jajoo**  
 Director  
 DIN 01988257

Sd/-  
**Vibhav S. Ranade**  
 Company Secretary

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015**

(Amount in Rs.)

Particulars	Note No.	For the year ended 31.3.2015		For the year ended 31.3.2014	
I Revenue from Operations	3.1 & 3.2	1,127,790		1,315,899	
II Other Income		-		-	
<b>III Total Revenue (I + II)</b>			<b>1,127,790</b>		<b>1,315,899</b>
<b>IV Expenses</b>					
Employee Benefits Expense	3.3	105,000		-	
Depreciation and Amortization Expense	3.4	124,611		136,242	
Other Expense	3.5	582,828		375,014	
<b>Total Expense</b>			<b>812,440</b>		<b>511,256</b>
<b>V Profit Before Tax (III-IV)</b>			<b>315,350</b>		<b>804,643</b>
<b>VI Tax Expense:</b>					
(a) Current Tax expense for Current Year		69,664		254,676	
(b) Deferred Tax		(262)		(7,820)	
			<b>69,402</b>		<b>246,856</b>
<b>VII Profit for the Period (V-VI)</b>			<b>245,948</b>		<b>557,787</b>
<b>VIII Earnings Per Equity Share:</b>	3.6				
(Face Value ₹10 Per Share)					
(1) Basic (₹)			0.07		0.16
(2) Diluted (₹)			0.07		0.16

See accompanying notes to the financial statements, as under

Significant Accounting Policies & Notes on Accounts	1
Notes to Statement of Profit and Loss	3

In terms of our report of even date  
**For M/s. Gupta Saharia & Co.**  
 Chartered Accountants  
 Firm's Registration No. : 103446W

Sd/-  
**S.S. Rathi**  
 Partner  
 Membership No. : 73373  
 Place : Mumbai  
 Date : 25/05/2015

**For and on behalf of Board of Directors**

Sd/-  
**Sanjay Minda**  
 Director  
 DIN 00034029

Sd/-  
**Sawankumar Jajoo**  
 Director  
 DIN 01988257

Sd/-  
**Vibhav S. Ranade**  
 Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015****(Amount in Rs.)**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>A. Cash flow from Operating Activities</b>		
Net profit before taxation	315,350	804,643
<b>Adjustments for:</b>		
Preliminary Expenses	(913,657)	209,943
Depreciation	124,611	136,242
Taxes	(69,664)	(254,676)
<b>Operating profit before Working Capital changes</b>	<b>(543,360)</b>	<b>896,151</b>
<b>Changes in Working Capital</b>		
Inter Corporate Deposits	5,250,404	(3,176,536)
Other Advances	(1,453,148)	2,709,000
Prepaid Rent	893	518
Other Current Assets - T.D.S (Advance Income Tax )	(234,906)	(20,091)
Trade and Other Receivables	(656)	568
Other Current Liabilities	0	0
Salary Outstanding	15,000	0
Tax Provisions	69,664	67,937
Trade Payable	0	(24)
<b>Cash generated from operations</b>	<b>3,103,891</b>	<b>477,524</b>
Income Taxes (paid)/ refund	0	0
<b>Net cash inflow from/(outflow) from Operating Activities</b>	<b>3,103,891</b>	<b>477,524</b>
<b>B. Cash flow from Investing Activities</b>		
Purchase of Computer	(52,950)	0
Purchase of Investment	(312,113)	(345)
<b>Net cash inflow from/(outflow) from Investing Activities</b>	<b>(365,063)</b>	<b>(345)</b>
<b>C. Cash flow from Financing Activities</b>		
<b>Net cash inflow from/(outflow) from Financing Activities</b>	<b>0</b>	<b>0</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents</b>	<b>2,738,828</b>	<b>477,179</b>
<b>Opening Cash and Cash Equivalents</b>	<b>506,367</b>	<b>29,188</b>
<b>Closing Cash and Cash Equivalents</b>	<b>3,245,195</b>	<b>506,367</b>
In terms of our report of even date For M/s. Gupta Saharia & Co. Chartered Accountants Firm's Registration No. : 103446W	For and on behalf of Board of Directors	
Sd/- S.S. Rathi Partner Membership No. : 73373 Place : Mumbai Date : 25/05/2015	Sd/- Sanjay Minda Director DIN 00034029	Sd/- Sawankumar Jajoo Director DIN 01988257
	Sd/- Vibhav S. Ranade Company Secretary	



ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2015

**NOTE: 1**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015**

**I. SIGNIFICANT ACCOUNTING POLICIES:**

**A. Corporate Information:**

Adcon Capital Services Limited ("the company") is a NBFC Company domiciled in India and incorporated under the provisions of Companies Act, 1956 and Registered with Reserve Bank of India as Non Deposit Accepting Company. The Company is presently operating in financial services viz. Capital market operations, corporate financing, Investment and trading, Project and management consultancy services of financing etc.

**B. Basis Of Preparation Of Financial Statement:**

The financial statements of the company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on a going concern basis. Pursuant to Section 133 of the Companies Act, 2013 and Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the Company will continue to apply the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956; the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013.

All the assets and Liabilities have been classified as current or non-current as per the criteria set out in Schedule III to the Companies Act, 2013. The accounting policies, in all material respects, have been consistently applied by the Company and are consistent with those used in the previous year, except to the extent stated in point C below.

**C. Changes in Accounting Policies**

Depreciation of Fixed Assets:

The Schedule II of the Companies Act, 2013 is being implemented from 1<sup>st</sup> April, 2014 and the Company has adopted the new method of Depreciation on its Fixed Asset from "Written down value" method to "Depreciation on the basis of useful life" as provided in Part C of Schedule II.

**D. Revenue recognition:**

- a) Revenue (Income) is recognized when no significant uncertainty as to measurability or collectability exists.
- b) Interest income is accounted for on an accrual basis. Dividend income is accounted for when the right to receive income is established.

**E. Fixed Assets :**

**Tangible Assets:**

Tangible Assets are stated at cost of acquisition includes any direct and indirect cost, if any, for bringing the assets to its working condition for its intended use, less accumulated depreciation and impairment losses, if any.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

**Intangible Assets**

An item is recognized as an intangible asset if it meets the definition of an intangible asset. However the company has not acquired any Intangible Assets.

**F. Transfer to Reserves**

In terms of provisions of Section 45(IC) of Reserve Bank of India Act, 1934, the Company being Non – banking Financial Company (NBFC) is required to transfer minimum 20% of its Net Profit to reserves under this section, however the Current year's profits are not adequate to meet the said requirement in view of accumulated losses in the Company.

**G. Depreciation :**

Effective from 1st April, 2014, the Company depreciates its fixed assets over the useful life in the manner prescribed in schedule II of the Act, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956

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

**H. Investments:**

Long Term Investments are valued at cost. Diminution in value if any, which is of a temporary nature, is not provided. However, the Company has no Long Term Investments.

Current Investments are carried at lower of cost or fair market value.

**I. Cash & Cash Equivalent:**

Cash comprises cash on hand and current accounts with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**J. Cash Flow Statement:**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**K. Employees Benefit Expenses:**

As per management's view none of the current employees shall complete their term of service of five years, hence actual valuation of gratuity is not done.

**L. 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.

**M. 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.

**N. Taxes on Income:**

Provision for income tax is made on the basis of estimated taxable income for the year at current rates.

Current Tax represents the amount of income tax payable in respect of the taxable income for the reporting period as determined in accordance with the provisions of the income tax act, 1961.

Deferred tax is measured based on the tax rates and the tax laws enacted or subsequently enacted at the Balance sheet date. Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off. Deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred assets can be realized. If the Company has carry forward unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidences that they can be realized against future taxable profits. Unrecognized deferred tax assets of earlier year are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

**O. Miscellaneous Expenditure:**

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

**II. NOTES ON ACCOUNTS:**

**A.** Previous year's figures have been regrouped / reclassified / rearranged / recast wherever necessary to match with current year's presentation.

**B.** There was no amount due as on March 31, 2015 as reported to us from / to Micro, small & Medium Enterprises as per MSMED Act, 2006.

**C. Payment to Auditors :**

	<b>Current Year <u>Rupees</u></b>	<b>Previous Year <u>Rupees</u></b>
a) Audit Fees	11,236.00	11,236.00
	<u>11,236.00</u>	<u>11,236.00</u>

**D. Deferred Tax :**

Components of deferred tax liabilities are provided by applying the applicable rate of tax to the taxable income of the year. 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.

The company has a deferred tax liability of Rs. 45,100/- (Previous year Rs. 45,362/-)

**E. Earnings Per Share (EPS)**

	<b>Current Year <u>Rupees</u></b>	<b>Previous Year <u>Rupees</u></b>
a. Net Profit for Equity Shareholder (Numerator used for calculation)	2,45,948	5,57,787
b. Basic number of Equity shares (Denominator used for calculation)	35,51,100	35,51,100
c. Earnings per share of Rs. 10/- each (Basic / Diluted)	0.07	0.16

**F. 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.

- G.** There are no transactions as reported with any key management persons and with any of the Enterprises owned and controlled by Key management persons.
- H.** The Company has not entered into any transaction involving any Foreign Currency transaction.
- I.** Quantitative details – Not applicable

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

**For Adcon Capital Services Limited**

**Sd/-**

**S.S. Rathi**  
**Partner**  
**Membership No. : 73373**

**Place : Mumbai,**  
**Date : 25/05/2015**

**Sd/-**  
**Sanjay Minda**  
**Director**  
**DIN 00034029**

**Sd/-**  
**Sawankumar Jajoo**  
**Director**  
**DIN 01988257**

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2015

NOTE 2: NOTES TO THE BALANCE SHEET

(I). SHARE CAPITAL

(a) Details of authorised, issued and subscribed share capital

(Amount in Rs.)

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Authorised Capital</b> 40,00,000 (Previous Year 40,00,000) Equity Shares of Rs.10/- each	40,000,000	40,000,000
<b>Issued Capital</b> 35,51,100 (P.Y. 35,51,100) Equity Shares of Rs. 10/- each	35,511,000	35,511,000
<b>Subscribed and Paid up</b> 35,51,100 (P.Y. 35,51,100) Equity Share of Rs. 10/- each fully paid up	35,511,000	35,511,000
<b>Total</b>	<b>35,511,000</b>	<b>35,511,000</b>

(b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2015	As at March 31, 2014
<b>No. of shares at the beginning of the year</b>	3,551,100	3,551,100
Add: Issued during the year	0	0
<b>No. of shares at the end of the year</b>	<b>3,551,100</b>	<b>3,551,100</b>

(c) Details of shareholders holding more than 5% of aggregate Shares in the Company.

Particulars	As at March 31, 2015	As at March 31, 2014
Awadhesh Kumar Pandey	299,940	126,450
No. of Shares		
% of Holding	8.44%	3.56%

(d) Terms and rights attached to Equity Shares

The company has only one class of shares i.e. equity shares having par value of Rs.10 per share. Each holder of equity share is entitled to vote per share.

2 RESERVES AND SURPLUS

(Amount in Rs.)

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening Balance	(1,557,677)	(2,115,463)
Add: profit for the period	245,948	557,787
<b>Closing Balance</b>	<b>(1,311,729)</b>	<b>(1,557,677)</b>

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2015**

<b>3. DEFERRED TAX LIABILITIES (NET)</b>		
The major components of deferred tax liabilities/assets as recognized in the financial statements is as follows:		
<b>(Amount in Rs.)</b>		
<b>Particulars</b>	<b>As at March 31, 2015</b>	<b>As at March 31, 2014</b>
<b>Deferred Tax Liabilities</b>		
On difference between book balance and tax balance of fixed assets.	45,100	45,362
<b>TOTAL</b>	<b>45,100</b>	<b>45,362</b>
<b>4. OTHER CURRENT LIABILITIES</b>		
<b>(Amount in Rs.)</b>		
<b>Particulars</b>	<b>As at March 31, 2015</b>	<b>As at March 31, 2014</b>
<b>Statutory dues:</b>	-	-
<b>Other Payables:</b>		
Audit Fees	11,236	11,236
Professional Fees	-	-
<b>TOTAL</b>	<b>11,236</b>	<b>11,236</b>
<b>5. SHORT -TERM PROVISIONS</b>		
<b>(Amount in Rs.)</b>		
<b>Particulars</b>	<b>As at March 31, 2015</b>	<b>As at March 31, 2014</b>
<b>Provisions</b>		
Provisions for Tax A.Y.2014 - 2015	254,676	254,676
Provisions for Tax A.Y.2015 - 2016	69,664	-
<b>Provision for Salary</b>		
Salary Outstanding	15,000	-
<b>TOTAL</b>	<b>339,340</b>	<b>254,676</b>

<b>2(6) FIXED ASSETS</b>										
<b>(Amount in Rs.)</b>										
<b>Description</b>	<b>Gross Block</b>				<b>Depreciation Block</b>				<b>Net Block</b>	
	<b>As at April 1, 2014</b>	<b>Additions</b>	<b>Deductions/ Adjustments</b>	<b>As at March 31, 2015</b>	<b>As at April 1, 2014</b>	<b>Charged For the year</b>	<b>Deductions/ Adjustments</b>	<b>As at March 31, 2015</b>	<b>As at March 31, 2015</b>	<b>As at March 31, 2014</b>
<b>Tangible Assets</b>										
Plant and Equipment	1,238,293	-	-	1,238,293	627,790	84,921	-	712,711	525,582	610,503
Furnitures and Fixtures	377,332	-	-	377,332	240,366	24,791	-	265,157	112,175	136,966
Office Equipment ( Data Processing )	287,957	-	-	287,957	287,216	296	-	287,513	444	741
Computers	32,500	52,950	-	85,450	22,249	14,603	-	36,852	48,598	10,251
<b>Total</b>	<b>1,936,082</b>	<b>52,950</b>	<b>0</b>	<b>1,989,032</b>	<b>1,177,621</b>	<b>124,611</b>	<b>0</b>	<b>1,302,233</b>	<b>686,799</b>	<b>758,461</b>
Previous Year	1,936,082	0	0	1,936,082	877,629	136,242	0	1,177,621	758,461	894,703



NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

7. OTHER NON CURRENT ASSETS (Amount in Rs.)		
Particulars	As at March 31, 2015	As at March 31, 2014
<b>Unamortized expenses</b>		
Preliminary expenses	1,123,600	209,943
<b>TOTAL</b>	<b>1,123,600</b>	<b>209,943</b>
8. CURRENT INVESTMENTS (Amount in Rs.)		
Particulars	As at March 31, 2015	As at March 31, 2014
<b>Investments in equity instruments</b>		
<b>Quoted</b>		
Arshiya International Limited	396,511	396,511
Grandma Trading and Agencies Limited	525,152	139,195
P G Electroplast Limited	15,886,479	15,886,479
Sam Leaseco Limited	22,714	22,714
Simplex Project Limited	324,737	324,737
Trio Mercantile & Trading Limited	328,867	402,711
<b>Unquoted</b>		
Padamprabhu Project Private Limited	600,000	600,000
	18,084,460	17,772,347
Less: Provision for diminution in value	-	-
<b>Aggregate Market Value of listed &amp; quoted investments</b>	18,084,460	17,772,347
	6,858,991	9,663,793
<b>TOTAL</b>	<b>18,084,460</b>	<b>17,772,347</b>
9. TRADE RECEIVABLES (Amount in Rs.)		
Particulars	As at March 31, 2015	As at March 31, 2014
<b>Due for more than 6 Months</b>		
Unsecured considered good	-	(562)
Less : Provision for doubtful trade receivables	-	-
	-	(562)
<b>Others</b>		
Unsecured considered good	94	-
Less : Provision for doubtful trade receivables	-	-
	94	-
<b>TOTAL</b>	<b>94</b>	<b>(562)</b>

## NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

10. CASH AND BANK BALANCES		(Amount in Rs.)	
Particulars	As at March 31, 2015	As at March 31, 2014	
<b>Cash &amp; Cash Equivalents</b>			
Cash on Hand	48,732	1,032	
Bank Balances in: In current accounts	3,196,463	505,335	
<b>TOTAL</b>	<b>3,245,195</b>	<b>506,367</b>	
11. SHORT-TERM LOANS AND ADVANCES		(Amount in Rs.)	
Particulars	As at March 31, 2015	As at March 31, 2014	
<b>a. Prepaid expenses</b>			
Rent	22,547	23,440	
<b>b. Inter-Corporate deposits</b>			
Unsecured, considered good	3,988,660	9,239,064	
<b>c. Other Advances</b>			
Unsecured, considered good	7,118,148	5,665,000	
<b>TOTAL</b>	<b>11,129,355</b>	<b>14,927,504</b>	
12. OTHER CURRENT ASSETS		(Amount in Rs.)	
Particulars	As at March 31, 2015	As at March 31, 2014	
S.A. Tax for A.Y. 14-15	156,610	-	
TDS A.Y. 2014-2015	90,538	90,538	
TDS A.Y. 2015-2016	78,296	-	
<b>TOTAL</b>	<b>325,444</b>	<b>90,538</b>	

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2015

NOTE 3 : NOTES TO STATEMENT OF PROFIT AND LOSS

1. REVENUE FROM OPERATIONS

(Amount in Rs.)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
interest income from Loans	1,036,104	1,140,383
<b>TOTAL</b>	<b>1,036,104</b>	<b>1,140,383</b>

2. OTHER OPERATIVE INCOME

(Amount in Rs.)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Short Term Capital Gain	0	158,243
Long Term Capital Gain	90,749	17,273
Other Income	937	0
<b>TOTAL</b>	<b>91,686</b>	<b>175,516</b>

3. EMPLOYEE BENEFIT EXPENSES

(Amount in Rs.)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries	105,000	0
<b>TOTAL</b>	<b>105,000</b>	<b>0</b>

4. DEPRECIATION

(Amount in Rs.)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Depreciation of Tangible Fixed Assets	124,611	136,242
<b>TOTAL</b>	<b>124,611</b>	<b>136,242</b>

NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

<b>5. OTHER EXPENSES</b>		<b>(Amount in Rs.)</b>	
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014	
Advetising Expenses	7,073	-	
Depository Fee	32,585	-	
Interest Paid	530	-	
Misl Charges	1,124	-	
RTA Charges	16,854	-	
Website Charges	10,112	-	
Rent Paid	36,324	32,748	
Printing and stationery	10,400	4,500	
Listing Fees	157,851	14,045	
Bank Charges	4,551	-	
Demat Charges	281	545	
Office Expenses	38,400	87,000	
Traveling & Conveyance	15,400	13,500	
<b>Payment to Auditors:</b>			
Audit fees	11,236	11,236	
<b>Miscellaneous Expenses</b>			
Preliminary Expenses	209,943	209,943	
Filing Fees	30,165	1,500	
Sundry Balance W/off	-	(2)	
<b>TOTAL</b>	<b>582,828</b>	<b>375,014</b>	
<b>6. EARNING PER EQUITY SHARE</b>		<b>(Amount in Rs.)</b>	
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014	
Profit attributable to Equity shareholders	245,948	557,787	
Weighted average number of equity shares	3,551,100	3,551,100	
<b>Basic Earnings Per Share</b>	0.07	0.16	
<b>Face value per Share</b>	10	10	
Profit after adjusting interest on petential equity shares	245,948	557,787	
Weighted average number of equity share after considering potential equity shares	3,551,100	3,551,100	
<b>Dilutive Earnings per Share</b>	0.07	0.16	
<b>Face value per Share</b>	10	10	
<p>In terms of our report of even date  <b>For M/s. Gupta Saharia &amp; Co.</b>  Chartered Accountants  Firm's Registration No. : 103446W</p> <p style="text-align: center;">Sd/-  <b>S.S. Rathi</b>  Partner  Membership No. : 73373  Place : Mumbai  Date : 25/05/2015</p>		<p style="text-align: center;"><b>For and on behalf of Board of Directors</b></p> <p style="text-align: center;">Sd/-  <b>Sanjay Minda</b>  Director  DIN 00034029</p> <p style="text-align: center;">Sd/-  <b>Sawankumar Jajoo</b>  Director  DIN 01988257</p> <p style="text-align: center;">Sd/-  <b>Vibhav S. Ranade</b>  Company Secretary</p>	

**ADCON CAPITAL SERVICES LIMITED**

CIN: L67120MP1994PLC008511

**Regd. Office:** 417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore (MP)-452001

**ATTENDANCE SLIP**

**21<sup>st</sup> ANNUAL GENERAL MEETING  
Wednesday 23<sup>rd</sup> SEPTEMBER, 2015**

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) _____ (Figures)

I hereby record my presence at the 21<sup>st</sup> Annual General Meeting of the Company on Wednesday, 23<sup>rd</sup> September 2015 at 417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore (MP)-452001, Madhya Pradesh at 11.00 AM 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]

**Form No. MGT-11  
PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

**ADCON CAPITAL SERVICES LIMITED**

Registered Office: 417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg,  
Indore – 452001, Madhya Pradesh, Tel. 0731-2528933; Email: adconcap@gmail.com  
CIN: L67120MP1994PLC008511

Name of the member(s) :	
Registered Address:	
Email Id :	
Folio No. / Client Id :	
DP ID :	

I / We, being the holder(s) of \_\_\_\_\_ shares of Adcon Capital Services Limited, hereby appoint

- Name: \_\_\_\_\_ Email Id: \_\_\_\_\_  
Address : \_\_\_\_\_  
Signature: \_\_\_\_\_ or failing him / her
- Name: \_\_\_\_\_ Email Id: \_\_\_\_\_  
Address : \_\_\_\_\_  
Signature: \_\_\_\_\_ or failing him / her
- Name: \_\_\_\_\_ Email Id: \_\_\_\_\_  
Address : \_\_\_\_\_  
Signature: \_\_\_\_\_ or failing him / her

as my / our Proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 21<sup>st</sup> Annual General Meeting of the Company, to be held on Wednesday, 23<sup>rd</sup> September 2015 at 11.00 a.m at 417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore – 452001, Madhya Pradesh and at adjournment thereof in respect of such resolution as are indicated below:

Resolution No.	Resolution
<b>ORDINARY BUSINESS</b>	
1	Adoption of Financial Statements and reports thereon for the year ended March 31, 2015
2	Reappointment of Mr. Sanjay Minda as Director retire by rotation of the Company
3	Appointment of M/s. Gupta Sahara & Co. as Auditors of the Company
<b>SPECIAL BUSINESS</b>	
4	Appointment of Mr. Mihir H. Patel as an Independent Director
5	Appointment of Mrs. Chetna S. Minda as a Director

Signed this day of 2015

.....  
Signature of shareholder

.....  
Signature of proxy holder(s)

Note:- This form of Proxy in order to be effective should be duly completed and deposited at Registered Office of the Company.

Affix Revenue Stamp
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# ADCON CAPITAL SERVICES LIMITED

Regd. Off.: 417, Chetak Centre NX, Near Hotel Shreemaya, RNT Marg, Indore – 452 001, Madhya Pradesh  
Corp. Off.: 117, Hubtown Solaris, N. S. Phadke Marg, Near East–West Flyover, Andheri (E), Mumbai–400 069, Maharashtra  
Tel: 022 2684 4495/97; Email: adconcap@gmail.com; CIN: L67120MP1994PLC008511

Sr. No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	DP Id & Client id / Registered folio No.	<b>Equity</b>
4.	Class of Share	

I / We hereby exercise my / our vote in respect of Ordinary resolutions enumerated below to be passed at the **Twenty First Annual General Meeting to be held on September 23, 2015** by recording my/our assent or dissent to the said resolutions by placing the tick (✓) marking the appropriate box below:

No.	Item No.	No. of Shares held by me/ us	I / We assent to the Resolution (FOR)	I / We dissent to the resolution (AGAINST)
1.	Adoption of Audited Financial Statement together with the Report of the Board of Directors and Auditors for the Financial year ended March 31, 2015.			
2.	Appoint a Director in place of Mr. Sanjay Minda (DIN 00034029), who retires by rotation and being eligible, offers himself for reappointment.			
3.	Ratification of the appointment of M/s. Gupta Saharia & Co., Chartered Accountants, (Firm Regn. No. 103446W) as Statutory Auditors of the Company.			
4.	Appointment of Mr. Mihir H. Patel as an Independent Director.			
5.	Appointment of Mrs. Chetna S. Minda as a Director			

Place:

Date:

(Signature of the shareholder)

**Note: Please read the instructions printed below carefully before exercising your vote.**

# ADCON CAPITAL SERVICES LIMITED

**Regd. Off.:** 417, Chetak Centre NX, Near Hotel Shreemaya, RNT Marg, Indore – 452 001, Madhya Pradesh

**Corp. Off.:** 117, Hubtown Solaris, N. S. Phadke Marg, Near East–West Flyover, Andheri (E), Mumbai–400 069, Maharashtra

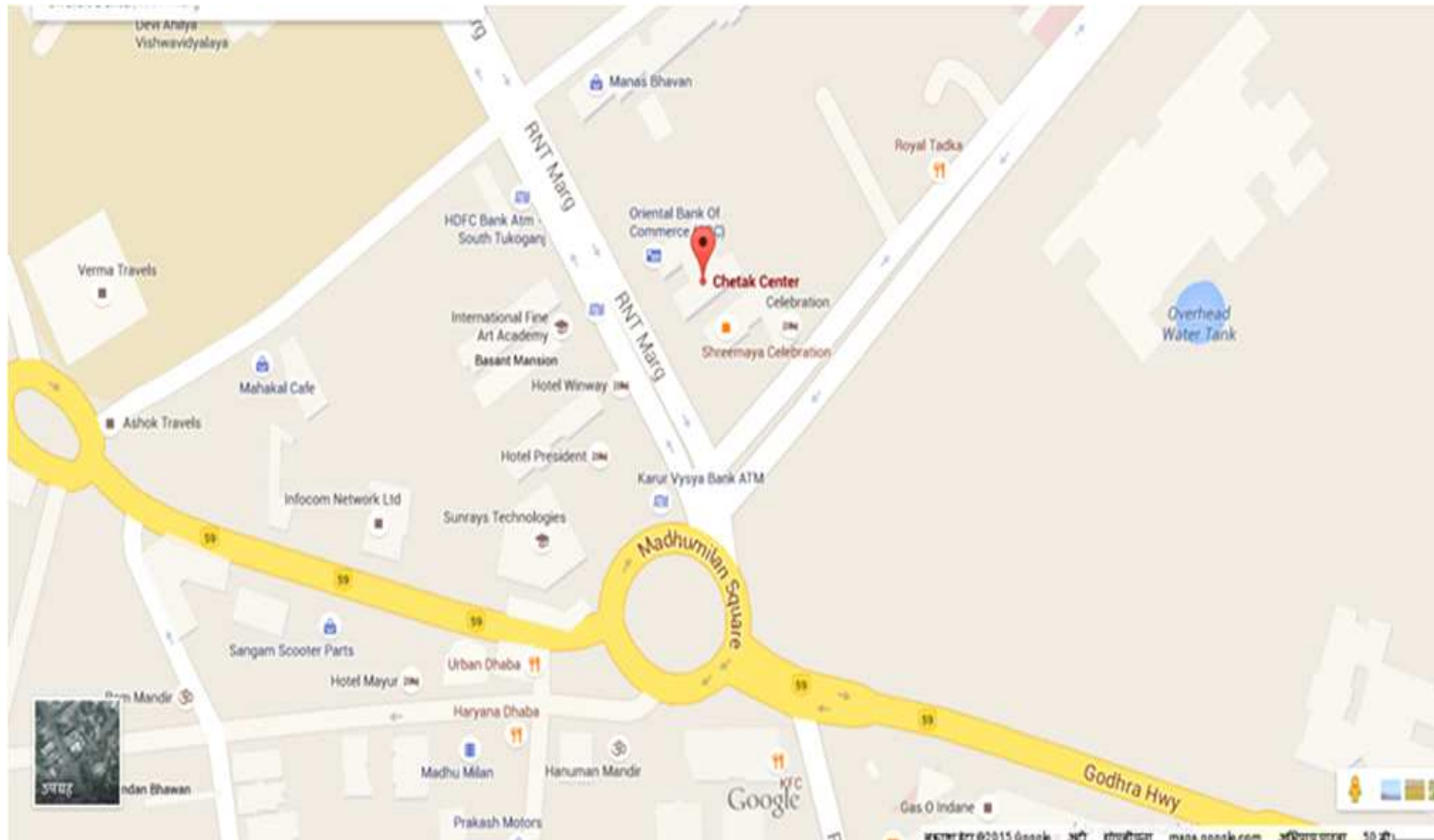
**Tel:** 022 2684 4495/97; **Email:** adconcap@gmail.com; **CIN:** L67120MP1994PLC008511

## INSTRUCTIONS

- 1) Please complete and sign the Ballot Paper and send it so as to reach the Scrutinizer CS Shreyans Jain, Practicing Company Secretary c/o. Adcon Capital Services Limited – 417, Chetak Centre NX, Near Hotel Shreemaya, RNT Marg, Indore – 452 001, Madhya Pradesh, not later than the closing of working hours i.e. 22.09.2015 at 5.30 pm. Ballot Papers received after this date will be considered invalid. The facility of voting through ballot paper shall also be made available at the venue of the Meeting and also the members attending the Meeting who have not cast their vote shall be able to vote at the Meeting through ballot paper.
- 2) The Ballot Paper should be signed by the Member as per the specimen signature registered with the Company / Depositories. In case of joint holding, the Ballot Paper should be completed and signed by the first named Member and in his /her absence, by the next named joint holder. A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company or enclosing an attested copy of the POA. Exercise of vote by Ballot is not permitted through proxy.
- 3) In case the shares are held by companies, trusts, societies, etc. the duly completed Ballot paper should be accompanied by a certified true copy of the relevant Board Resolution /Authorization with the specimen signature(s) of the authorized signatory(ies) duly attested.
- 4) Votes should be cast in case of each resolution, either in favour or against by putting the tick (“”) mark in the column provided in the Ballot.
- 5) The voting rights of shareholders shall be in proportion of the shares held by them in the paid up equity share capital of the Company as on August 28, 2015 as per the Register of Members of the Company.
- 6) Unsigned, incomplete, improperly or incorrectly tick marked Ballot Papers will be rejected. A Ballot Paper will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favour or against or if the signature cannot be verified.
- 7) The decision of the Scrutinizer on the validity of the Ballot Paper and any other related matter shall be final.
- 8) In case of any clarification and queries, please contact the Corporate Office at 117, Hubtown Solaris, N. S. Phadke Marg, Near East – West Flyover, Andheri (E), Mumbai – 400 069, Maharashtra **Tel:** 022 2684 4495/97







**Registered Office**  
417, Chetak Centre NX,  
Near Hotel Shreemaya, RNT Marg,  
Indore - 452001 Madhya Pradesh

BOOK - POST

If undelivered, return to

**Adcon Capital Services Limited**

**Corp. Off.:** 117, Hubtown Solaris, N. S. Phadke Marg,

Near East West Flyover, Andheri (E)

Mumbai - 400 069, Maharashtra.