



AJCON GLOBAL

ISO 9001:2008 Certified Company

Ajcon Global Services Ltd.

408, Express Zone, A Wing, Cello – Sonal Realty,

Near Patels, Western Express Highway,

Malad (E), Mumbai - 63.

Tel : 022 - 67160400 Fax : 28722062

Equity ♦ Commodity ♦ Currency ♦ D.P. ♦ Advisory Services
Investment Banking - Category I Merchant Bankers

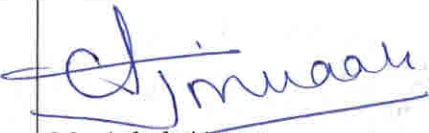

To,
The Manager (Listing)
BSE Ltd.
PJ Towers, Dalal Street
Mumbai-400001


Date: 21st July, 2014

Dear Sir,

Sub: As per clause 31 of the listing agreement with the stock exchange, we are enclosing herewith Annual Report for the year ended on 31/03/2014 along with Form - A.

FORM-A

1. Name of the company	Ajcon Global Services Ltd.
2. Annual financial statements for the year ended	31 st March, 2014
3. Type of Audit observation	Unqualified
4. Frequency of observation	Not Applicable
5. To be signed by-	
Managing Director/ CEO	 Mr. Ashok Ajmera
CFO	 Mr. Ashok Ajmera

Auditor of the company	M/s. Bhatler & Co. Chartered Accountant FRN: 131092W <i>D.H. Bhatler</i> D.H. Bhatler Proprietor M.No. 16937 
Audit Committee Chairman	<i>Narayan Atal</i> Mr. Narayan Atal Chairman- Audit Committee

For Ajcon Global Services Ltd.

Spathak

Shailendra Pathak
Company Secretary
Encl.: As above



Ajcon Global™
Your Friendly Advisor
Since 1986

27th ANNUAL REPORT 2013 - 2014



With The Right Company There is Only One Way

To Go



Up

- ◆ MERCHANT BANKING ◆ STOCK BROKING - EQUITY & F/O ◆ COMMODITY BROKING*
- ◆ CURRENCY FUTURES ◆ CORPORATE ADVISORY SERVICES ◆ DEPOSITORY SERVICES
- ◆ IPO ◆ MF ◆ INSURANCE

*Through Subsidiary Company

Ajcon Global Services Ltd.

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AJCON GLOBAL SERVICES LIMITED

CORPORATE INFORMATION

An ISO 9001:2008 Certified Company

BOARD OF DIRECTORS

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

STATUTORY AUDITORS

- ❖ Bhattar & Co.
Chartered Accountants
Mumbai

INTERNAL AUDITORS

- ❖ Atul Donde & Co.
Chartered Accountants
Mumbai

SECRETARIAL AUDITORS

- ❖ Kothari H. & Associates,
Company Secretaries
Mumbai

BANKERS

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

REGISTRAR & TRANSFER AGENT

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

KEY MANAGERIAL PERSONNEL

Mr. Ashok Ajmera - Managing Director & CEO
Mr. Ankit Ajmera - Executive Director & CFO
Mr. Anuj Ajmera - Executive Director
Mr. Shailendra Pathak - Company Secretary

Demat ISIN No.

INE759C01019

CIN No.

L74140MH1986PLC041941

Investor Grievance Email

investorgrievance@ajcon.net

Web Sites

www.ajcononline.com / www.pyarapaisa.com

REGD. OFFICE :

101, Samarth, Off. Hinduja Hosp., 151 Lt. P.N. Kotnis Road, Mahim (West), Mumbai - 400016. India.

Tel : 022 - 2446 0335 / 36 / 40 Fax : 91 22 2446 0339

CORRESPONDENCE & CORPORATE OFFICE :

408, Express Zone, A Wing, Cello –Sonal Realty, Western Express Highway, Goregaon (East), Mumbai - 400063.

Tel : 022 - 67160400 / 28722061. Email : ajcon@ajcon.net

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

NOTICE

Notice is hereby given that the **Twenty Seventh** Annual General Meeting of the Members of **Ajcon Global Services Limited** will be held at **Kilachand Conference Room, 2nd Floor, IMC Building, IMC Marg, Churchgate, Mumbai-400020** on **Thursday 14th August, 2014 at 4.00 p.m.** to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2014 and the statement of Profit & Loss for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Ankit Ajmera (holding DIN 00200434) who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Sections 139 and other applicable provisions, if any, of the Companies Act, 2013 (The “Act”) read with the Companies (Audit and Auditors) Rules, 2014, M/s. Bhatler & Co. Chartered Accountants (ICAI Firm Registration No. 131092W) the retiring Statutory Auditors of the Company be and are hereby re-appointed as the Statutory Auditors of the Company to hold office for a period of three years from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2016-17 (subject to ratification of their appointment at every AGM) on such remuneration as may be determined by the Board of Directors.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 Mr. Samir Biswas (holding DIN 02559909), Director of the Company who retire by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019, not liable to retire by rotation.”

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 Mr. Narayan Atal (holding DIN 00237626), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019, not liable to retire by rotation.”

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 Mr. Rajendra Bakiwala (holding DIN 02909100), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent

Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019, not liable to retire by rotation."

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

"RESOLVED THAT in supersession to the earlier resolution passed by the members of the Company in regarding borrowing powers of the Company and pursuant to the provisions of section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification (s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors (which expression shall be deemed to include any Committee (s) thereof and hereinafter referred to as the "Board") to borrow from time to time any sum or sums of monies together with monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) that may exceed the aggregate of the paid up share capital of the Company and its free reserves, provided that the total amount so borrowed by the Board shall not be in excess of Rs. 50.00 Crore over and above the aggregate of the paid up share capital and free reserve of the Company."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorize to undertake all such acts, deeds, matter and things to finalize and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to enable this resolution, and to settle any question, difficulty or doubt that may arise in this regard."

"RESOLVED THAT FURTHER THAT the Board of Director be and is hereby authorized to delegate all or any of the power conferred on it by or under this resolution to any Director of the Company or any other officer(s) or employees of the Company as it may consider appropriate in order to give effect to this resolution."

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

"RESOLVED THAT in supersession of the Ordinary resolution passed by the members in this behalf in terms of provisions of Section 293(1)(a) of the Companies Act, 1956, the consent of the Company be and is hereby accorded pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, to the Board of Directors of the Company (hereinafter referred to as the "Board" which expression shall also include a committee thereof) to create such mortgages/ charges/ hypothecation/pledge in addition to the mortgages/ charges/ hypothecation/pledge created/ to be created by the Company or executing a declaration of a trust or other appropriate document on such terms and conditions as the Board may think fit, on the whole or substantially the whole of the Company's undertakings or any part thereof, including the present and future properties, whether movable or immovable and assets of all kinds of the Company, both present and future, to or in favour of Financial institution(s), bank(s) and/ or any other person or entity and/ or the agents or trustees of the debenture holders to secure the borrowings availed/ to be availed by the Company and/or its Subsidiary Companies by way of loan (in foreign currency and/ or Indian Rupee) and/ or securities (comprising fully/ partly convertible debentures and/ or non-convertible debentures) or other instruments issued/ to be issued by the Company and/ or its subsidiary Companies from time to time for an amount not exceeding Rs. 50.00 crore (Fifty Crore) together with interest, costs, charges, expenses, remuneration of trustees and all other monies payable."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to finalize with lenders, the documents for creating the aforesaid mortgages, charges and /or hypothecations and to accept any modification to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 (statutory modification (s) or re-enactment thereof, for the time being in force), the new draft Articles as contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including a Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

Place : Mumbai
Date : 29.05.2014

By Order of the Board

Ashok Ajmera
Chairman & Managing Director

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

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.
2. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the meeting.
3. A person can act as proxy on behalf of Members not exceeding fifty in number and holding in aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. In case of a Member holding more than ten per cent of the total share capital of the Company carrying voting rights, such a Member may appoint a single person as proxy, who however shall not act as proxy for any other person or shareholder.
4. Members / Proxies should bring the Attendance Slip duly filled in and signed for attending the meeting. Corporate Members intending to send their authorised representatives are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the ensuing Annual General Meeting so as to reach the Company on or before 14th August, 2014.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Shareholders seeking any information with regard to accounts are requested to write to the Company at least seven days in advance so as to enable the Company to keep the information ready.
7. The Register of Members and Share Transfer Books of the Company will remain closed from **12.08.2014 to 14.08.2014** (both days inclusive).
8. Members are requested to send all communications concerning shares, change of address etc. to the Company's Registrar, Bigshare Services Pvt. Ltd. quoting their folio and reference no. Members are also requested to send their email address to the company's Registrar.
9. As stipulated under Clause 49 of the Listing Agreement, a profile and brief resume of the directors seeking reappointment, their memberships/chairmanship in various Board Committees and names of other Companies in which they hold directorships, is given in the Corporate Governance Report which forms part of the Annual Report.
10. Dividend for the financial year 31st March, 2008, which remains unclaimed or unpaid, will be due for transfer to the Investor Education and Protection Fund of the Central Govt., pursuant to the provisions

of section 205C of the Companies Act, 1956/corresponding sections of Companies Act, 2013 on 26th February, 2015. Members, who have not yet encashed their dividend warrants, are requested to lodge their claims with the Company/ Big share Services Pvt. Ltd. without any delay. Members advised that no claims shall lie against the said fund or against the Company for the amounts of dividend so transferred to the said fund.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
12. Shareholders who are still holding physical share certificate(s) are advised to dematerialize their shareholding to avail the benefits of dematerialization.
13. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business under item no. 4 to 9 is annexed hereto.
14. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
15. Members may also note that the Notice of the 27th Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website www.ajcononline.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investorgrievance@gmail.com.
16. Voting through electronic means.

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 27th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The Company has signed an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the shareholders to cast their vote electronically.

The instructions for shareholders voting electronically are as under:.

- I. The voting period begins on 08th August, 2014 (9. 00 am) and ends on 10th August, 2014 (6.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 30th June, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- III. Click on "Shareholders" tab.
- IV. Now, select the "Ajcon Global Services Limited" from the drop down menu and click on "SUBMIT"
- V. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- VI. Next enter the Image Verification as displayed and Click on Login.
- VII. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- VIII. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v)

- IX. After entering these details appropriately, click on "SUBMIT" tab.
- X. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- XI. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- XII. Click on the EVSN for Ajcon Global Services Limited on which you choose to vote.
- XIII. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- XIV. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- XV. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- XVI. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- XVII. You can also obtain a print copy of the voting done by you by clicking on "Click here to print" option on the Voting page.
- XVIII. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XIX. Note for Institutional Shareholders & Custodians:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- XX. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 30th June 2014 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.

Mr. Hitesh Kothari, Practicing Company Secretary (having FCS 6038), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor of or against, if any, forthwith to the Chairman of the Company.

The voting rights of shareholders shall be in proportion to their shares of the paid equity capital of the Company as on 30th June 2014.

The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizers' Report shall be placed on the Company's website www.ajcononline.com and on the website of CDSL within two days the passing of the resolutions at the 27th Annual General Meeting of the Company on August 14, 2014, and communicated to the BSE Ltd. within the prescribed period.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 4

Mr. Samir Biswas is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in January 2009. Mr. Biswas is the member of the Nomination and Remuneration Committee of the Board of Directors of the Company.

Mr. Biswas is a graduate from Arts stream and also holding qualification as a CA, CS and CWA to his credit. He has been the former Regional Director & Director of Inspection of Ministry of Corporate Affairs. During his tenure with Department of Company Affairs he has assisted JJ Irani Committee & Kumar Mangalam Birla Committee on Corporate Governance.

Mr. Biswas does not hold by himself or for any other person, on a beneficial basis, any shares in the Company.

Mr. Biswas retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Mr. Biswas being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to 31st March, 2019. A notice has been received from a member proposing Mr. Biswas as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Biswas fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Biswas as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Biswas as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Biswas, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

ITEM NO. 5

Mr. Narayan Atal is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in January 2005. Mr. Atal is the Chairman of the Nomination and Remuneration Committee, Audit Committee and member of Stakeholder Relationship Committee and Risk Management Committee of the Board of Directors of the Company.

Mr. Atal is a Commerce graduate and a practicing Chartered Accountant. He is a fellow member of Institute of Chartered Accountants of India. Over the years, he has gained vast knowledge in capital markets, project finance, legal and accounting matters.

Mr. Atal is a Director whose period of office is liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Mr. Atal being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to 31st March, 2019. A notice has been received from a member proposing Mr. Atal as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Atal fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Atal as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Atal as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Atal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

ITEM NO. 6

Mr. Rajendra Bakiwala is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in January 2005. Mr. Bakiwala is the Member of the Nomination and Remuneration Committee, Audit Committee, Stakeholder Relationship Committee and Risk Management Committee of the Board of Directors of the Company.

Mr. Bakiwala is a Commerce Graduate and a practicing Chartered Accountant. He is fellow member of Institute of Chartered Accountants of India. He has vast knowledge in the field of accountancy, commerce, economics and taxation matters.

Mr. Bakiwala is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Mr. Bakiwala being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to 31st March, 2019. A notice has been received from a member proposing Mr. Bakiwala as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Bakiwala fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of great benefit to the Company and it is desirable to continue to avail services of Mr. Bakiwala as an Independent Director. Accordingly, the consent of the members of the company is sought for passing an ordinary resolution as set out at item No. 6 of the Notice for appointment of Mr. Bakiwala as an Independent Director.

Except Mr. Bakiwala, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

ITEM NO. 7& 8

Section 180 (1) (c) of the Companies Act, 2013 require the consent of the shareholders of a Company by way of Special Resolution at a General Meeting to enable the board of directors to borrow monies to be borrowed, together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), which may exceed the aggregate of the paid up share capital of the Company and its free reserve. Since the current borrowing powers of the Board of Directors may not be sufficient to facilitate the Board to borrow for the purpose of the business of the Company, the approval of the shareholders is being sought by special Resolution for enabling authority in favour of the Board to increase its Borrowing power to Rs. 50.00 Crore in addition to the aggregate of the paid up share capital and free reserve of the Company. Hence, the approval of the members of the Company is being sought for the resolution set-out under Item no. 7 by way of Special Resolution.

In view of aforesaid proposal to borrow funds from time to time, the Company may have to secure the borrowing by way of mortgage / charge over all or any part of the movable and / or immovable properties of the Company and as per the provisions of Section 180(1)(a) of the Companies Act, 2013 the mortgage or charge on all or any part of the movable and /or immovable properties of the Company, may be deemed as disposal of the whole, or substantially the whole, of the undertaking of the Company and hence approval of the Members of the Company is being sought for the resolution set out under Item no. 8 by way of Special Resolution.

The Board of Directors of your Company recommends the passing of the resolutions set-out under Item No. 7 and 8 of the Notice as Special Resolutions in terms of Section 180(1)(c) and Section 180(1)(a) of the Companies Act, 2013.

None of the Directors, Key Managerial Personal of the Company or their relatives are deemed to be interested or concerned in the said Special Resolutions.

ITEM NO. 9

The existing Articles of Association (herein after referred "AoA") of the Company is based on the Companies Act, 1956 and several regulations in the existing AoA contains reference to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013.

Considering that substantive sections of the Companies Act, 2013 which deal with the general working of the companies stand notified, it is proposed to amend the existing AoA to align it with the provisions of Companies Act, 2013 including the Rules framed thereunder.

The new AoA to substitute in place of the existing AoA are based on Table 'F' of the Act which sets out the model Articles of Association for a company limited by shares.

The proposed new draft AOA is being uploaded on the Company's website at www.ajcononline.com for perusal by the shareholders. The Proposed new draft of AoA is also available for inspection at the Registered Office of the Company on all working days, except Saturday, between 10.00 am to 12.00 noon up to the date Annual General Meeting.

None of the Directors, Key Managerial Personal of the Company or their relatives are deemed to be interested or concerned in the said Special Resolutions.

The Board of Directors of your Company recommends the passing of the resolutions set-out under Item No.9 of the Notice as Special Resolution.

Place : Mumbai
Date : 29.05.2014

By Order of the Board

Ashok Ajmera
Chairman & Managing Director

DIRECTORS' REPORT

To
The Members,

Your Directors have great pleasure in presenting the Twenty Seventh Annual Report and the Audited Accounts of your Company for the year ended 31st March 2014.

FINANCIAL RESULTS

	Year Ended 31.03.2014 (₹ '000)	Year Ended 31.03.2013 (₹ '000)
Income from Operations and Other Income	51,587.99	66,501.65
Profit before Interest & Depreciation	13,968.59	20,125.63
Less: Interest & Bank charges	5,637.13	5,649.28
Less: Depreciation	4,204.89	4,003.63
Profit before Tax	4,126.57	10,472.72
Less: Provision for Taxation	2,058.37	3,650.00
Profit after Tax	2,068.20	6,822.72
Less: Deferred Tax Expenses/(Savings)	(533.29)	(139.04)
Net Profit	2,601.49	6,961.76
Add: Surplus brought forward	40,840.06	33,878.30
Balance carried to Balance Sheet	43,441.55	40,840.06

OPERATIONS

The operations of the Company for the year under review have resulted in the gross profit of ₹ 13,968.59 thousand as against ₹ 20,125.63 thousand in the previous year. After providing for interest, depreciation and taxes, the Company has recorded a net profit of ₹ 2,601.49 thousand as against ₹ 6,961.76 thousand in the previous year. The gross revenue stood at ₹ 51,587.99 thousand as against ₹ 66,501.65 thousand during the previous year.

The fall in both the top-line and the bottom-line of the Company was due to adverse market conditions throughout the year.

FUTURE OUTLOOK

Following the NDA (National Democratic Alliance) victory in the recently concluded general elections, expectations are now exceptionally high from the new Government with regards to reforms and governance. The clear electoral mandate given to a single party reduces political uncertainty and raises the potential for economic policy reform.

The New Government faces a daunting task of reversing a declining economic trend. It could be 8 to 12 months before we can see any green shoots of recovery. However, market may not wait till then and price in positive policy as well as administrative actions.

The fact that we will have a decisive Government is a good thing, but the coming 100 days are going to be very important the cabinet formation, the budget, even some indications of how the government is going to move to get the economy back on track, all these will be very important events to watch.

After the allocation of portfolios, the first litmus test for the new Government would be the Budget which is due sometime in July. Already expectations are building up for big ticket reforms to be announced before the budget, but will they happen only time will tell.

The budget document is expected to give the right signals specially with respect to subsidy policy and overall fiscal stance. The budget may also benefit from articulating appropriate contingencies for a probable disruption to food production this year.

Industry is expectantly waiting for NDA's clarity on FDI issues in sectors like Insurance, Retail, Banking etc. Lot of policy actions is required in sectors like Mining, Power, Infrastructure, Real Estate etc. The entire world shall have a keen eye on the policy reforms which India would undertake. In view of the above, the new Government has to start firing all cylinders without wasting time. And if that happens, unprecedented amount of foreign money shall flow into India, which will be good for Indian market and economy and will in turn also boost our business prospects.

SHARE CAPITAL

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

SUBSIDIARY COMPANIES

• Ajcon Commodity Brokers Ltd.

In view of some unfortunate happenings in the market place i.e. NSEL scam etc., the Company consciously kept on hold the expansion in this segment. However, with the New Government in place and change of guard even at the MCX Exchange, we feel more confident of doing good business in the current year.

• Ajcon Comtrade Pvt. Ltd.

A wholly owned subsidiary namely Ajcon Comtrade Pvt. Ltd. has issued the 8,00,000 equity shares of ₹ 10 each at par during financial year 2013-14. The Company is slated to take over the Commodity Broking Business of Ajcon Commodity Brokers Ltd., subject to regulatory approvals.

• Kanchanmanik Securities Pvt. Ltd.

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

Consequently, there are three subsidiaries as on 31st March, 2014 viz. Ajcon Commodity Brokers Limited, Kanchanmanik Securities Pvt. Ltd. and Ajcon Comtrade Pvt. Ltd.

As per the circular No. 5/12/2007-CL-III dated 8th February, 2011 issued by Government of India, Ministry of Corporate Affairs, the Board of Director of your Company in its meeting held on 29th May, 2014 has decided for not attaching the accounts of its subsidiaries for the financial year ended 31st March, 2014. However, the Company has presented a consolidated financial statement of holding Company and all its subsidiaries duly audited by Statutory Auditors. The annual accounts of the aforesaid subsidiaries and the related detailed information shall be made available to shareholders of the Company, seeking such information at any point of time. The annual accounts of the Subsidiary Companies shall also kept open for inspection by any shareholder at the Registered Office at 101, Samarth, Lt. P.N. Kotnis Road, Off. Hinduja Hospital Mahim (W), Mumbai-400016 and shall also be posted on Company's website.

INVESTMENT IN GROUP COMPANIES

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

DIVIDEND

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

DIRECTORS

Mr. Ankit Ajmera retires by rotation and being eligible offers himself for re-appointment. Your Directors recommend his reappointment.

As per the notification of section 149 and other applicable provisions of the Companies Act, 2013, your Directors are seeking appointment of Mr. Samir Biswas, Mr. Narayan Atal and Mr. Rajendra Bakiwala as an Independent Directors for five consecutive years for a term up to 31st March 2019. Detail of the proposal for appointment Mr. Samir Biswas, Mr. Narayan Atal and Mr. Rajendra Bakiwala are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 27th Annual General Meeting.

FIXED DEPOSITS

The Company has not accepted any fixed deposits from public during the year.

CORPORATE GOVERNANCE

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i. that in the preparation of the annual accounts, the applicable accounting standards and the requirements set out in schedule VI of Companies Act, 1956 have been followed and that there are no material departure from the same;
- ii. that the selected accounting policies were applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2014 and of the profit of the Company for the year ended on that date;
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. that the annual accounts have been prepared on a "going concern" basis.

INSURANCE

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

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

Particulars as prescribed under Section 217(1) (e) of the Companies Act, 1956 read with Companies (disclosure of particulars in the report of Board of Directors) Rules, 1988 are not applicable, as the Company is not engaged in manufacturing activities.

The Company has earned foreign exchange during the financial year 2013-14 by way of providing services to its overseas clients. Foreign Exchange earnings during the FY 2013-14 was ₹ 1,040.14 thousand. The expenditure in foreign currency amounted to ₹ 1,633.42 thousand.

EMPLOYEE INFORMATION

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

AUDITORS

M/s. Bhatler and Co., Chartered Accountants, Mumbai, Auditors of the Company having Firm Registration No. 131092W, hold office till the conclusion of the forthcoming Annual General Meeting (AGM) and are eligible for re-appointment. Based on recommendation of Audit Committee and the Board of directors in their meeting held on 29th May, 2014 and pursuant to the provisions of Section 139 of the Companies Act, 2013, and rules made thereunder, the Board recommends the appointment M/s. Bhatler and Co., Chartered Accountants, as the Auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of the AGM to be held for the financial year 2016-17, subject to ratification of their appointment at every AGM.

SECRETARIAL & INTERNAL AUDITORS

Based on recommendation received from the Audit Committee, the Board of Directors at their meeting held on 29th May, 2014 appointed M/s. Kothari H. & Associates, Company Secretaries, Mumbai as a Secretarial Auditor of the Company under the relevant provisions of the Companies Act, 2013 for the financial year 2014-15.

M/s Atul Donde & Co., Chartered Accountants, Mumbai have conducted the internal audit periodically and submitted their reports to the Audit Committee. Audit committee has recommended re-appointment of existing internal auditor M/s. Atul Donde & Co., Chartered Accountants, as an internal auditor of the Company for financial year 2014-15 under the relevant provisions of the Companies Act, 2013.

AUDITORS' REPORT & CERTIFICATION

The Auditors' Report forms the part of this Annual Report. The Auditors have also certified the Company's compliance requirements of Corporate Governance in terms of Clause 49 of the Listing Agreement and the same is enclosed as an annexure to the Report on Corporate Governance.

The observations made by the Auditors in their Report read with the relevant notes as given in the notes on financial statements for the year ended 31st March, 2014 are self explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their thanks and gratitude to Company's bankers, Institutional and other clients and customers, SEBI, NSE, BSE, MCX-SX, CDSL and other Authorities for their support, co-operation, guidance and assistance. The Board is also grateful to the shareholders for their continued confidence. The Board also expresses its deep sense of gratitude to Bank of India for its continued support for the Online Share Trading by its customers under the tie up with the Company.

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

Place : Mumbai
Date : 29.05.2014

By Order of the Board

Ashok Ajmera
Chairman & Managing Director

ANNEXURE TO DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE
(Pursuant to Clause 49 of the Listing Agreement)

1 MANDATORY REQUIREMENTS

1.1 Company's philosophy on Code of Corporate Governance:

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

1.2 Board of Directors: (Board)

A. Size of the Board:

As on 31st March, 2014 the Board of Directors comprised the Managing Directors, two other interested directors and three non executive independent directors, who brings in a wide range of skill and experience to the Board. The composition of the Board is in conformity with Clause 49 of the Listing Agreement, with the stock exchange.

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

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

SR.NO.	DATE
1 st	24.05.2013
2 nd	14.08.2013
3 rd	13.11.2013
4 th	04.02.2014

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

CATEGORY OF DIRECTORSHIP	NAMES OF THE DIRECTOR	ATTENDANCE DETAILS		OTHER DIRECTOR SHIPS*	OTHER BOARD COMMITTEE	
		BOARD MEETINGS	LAST AGM		MEMBERSHIPS	CHAIRMAN SHIPS
Promoter/ Exe. Chairman / CEO	Mr. Ashok Ajmera	4	Yes	1	-	-
Exe. Director	Mr. Ankit Ajmera	4	Yes	2	-	-
Exe. Director	Mr. Anuj Ajmera	4	Yes	2	-	-
Non Executive-Independent Directors	Mr. Narayan Atal	4	Yes	5	4	1
	Mr. Rajendra Bakiwala	4	Yes	-	-	-
	Mr. Samir Biswas	4	Yes	1	-	-

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

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

1.3 Audit Committee:

A. Composition, Meetings and Attendance:

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

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

NAME	NO. OF MEETINGS ATTENDED
Mr. Narayan Atal	4
Mr. Rajendra Bakiwala	4
Mr. Ankit Ajmera	4

Company Secretary of the Company, acts as the Secretary of the Committee.
All the committee members attended the last Annual General Meeting.

B. Term of reference:

The terms of reference of the Audit Committee were revised in the Board Meeting held on 29th May, 2014, to align the same with the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement. The terms of reference of the Audit Committee are as follows:

1. To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. To recommend to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. To approve the payment to statutory auditors for any other services rendered by the statutory auditors.
4. To review, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a) Matters required being included in the Director's Responsibility Statement to be included in the Board's report.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.

6. To review, with the management, the statement of uses /application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. To review, with the management, performance of statutory and internal auditors, and monitor auditor's independence and performance and effectiveness of the audit process and adequacy of the internal control systems.
8. To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
11. To approve the appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate.
12. To consider, suggest, modification and or recommend / approve, the related party transactions of the Company.
13. To scrutinise inter corporate loans and investments.
14. To consider valuation of assets or undertaking of the Company.
15. To evaluate internal financial controls and risk management systems.
16. To review and formulate the scope, functioning, periodicity, methodology for conducting the internal audit, in consultation with the Internal Auditor and to discuss with the internal auditors any significant findings and follow-up there on.
17. To have the authority to investigate into any matter as included in its terms of reference or referred to it by the Board and for this purpose the Audit Committee to have power to obtain professional advice from external sources and have full access to information contained in the records of the Company.
18. To review the Company's Vigil Mechanism as defined under the Whistle Blower Policy of the Company with regard to the process / procedure prescribed for its employees and directors to raise concerns, in confidence, about possible wrongdoing in financial reporting, accounting, auditing or other related matters. To ensure that these arrangements allow independent investigation of such matters and appropriate follow-up action.
19. Any other function as may be stipulated by the Companies Act, 2013, SEBI, Stock Exchanges or any other regulatory authorities from time to time.

1.4 Nomination and Remuneration Committee

A. Composition:

The Nomination and Remuneration Committee (formerly known as Remuneration/ Compensation Committee) comprise of three Non executive Independent Directors namely Mr. Rajendra Bakiwala, Mr. Narayan Atal and Mr. Samir Biswas. The Committee was renamed as Nomination and Remuneration Committee from Remuneration & Compensation Committee and its terms of reference were expanded to align the same with the provisions of Companies Act, 2013 and clause 49 of the listing agreement in the Board Meeting held on 29th May, 2014 .No meetings of the Committee held during the year.

The details of the Remunerations paid to the Directors for the financial year 2013-2014 is given below:

DIRECTORS	REMUNERATION (INCLUDING PERQUISITES) (₹)	COMMISSION (₹)	COMMITTEE MEETING FEES (₹)	BOARD MEETING FEES (₹)	TOTAL (₹)
Mr. Ashok Ajmera	1,500,000	-	-	-	1,500,000
Mr. Ankit Ajmera	1,500,000	-	-	-	1,500,000
Mr. Anuj Ajmera	1,500,000	-	-	-	1,500,000
Mr. Narayan Atal	-	-	2,000	7,000	9,000
Mr. Rajendra Bakiwala	-	-	2,000	7,000	9,000
Mr. Samir Biswas	-	-	-	7,000	7,000
TOTAL (₹)	4,500,000	-	4,000	21,000	4,525,000

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

B. Terms of reference:

- To recommend the annual remuneration and periodic increments payable to the Executive Director(s) which is required to be further approved by the Board.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- 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.
- To ensure that the overall remuneration payable to the Directors does not exceed the limits prescribed by the Companies Act and is within the limits approved by the shareholders.
- Any other function as may be stipulated by the Companies Act, 2013, SEBI, Stock Exchanges or any other regulatory authorities from time to time.

1.5 Stakeholder Relationship Committee:

A. Composition :

The Stakeholder Relationship Committee (formerly Known as Investor'/Shareholders' Grievance Committee) comprises of three Directors. Mr. Narayan Atal and Mr. Rajendra Bakiwala, both Chartered Accountants, the Non-Executive Independent Directors of the company and Mr. Ankit Ajmera, Executive Director of the company. Mr. Narayan Atal continues to be the Chairman of the committee. The Committee has been renamed as "Stakeholder Relationship Committee" from its former name "Investor'/Shareholders' Grievance Committee" and its terms of reference are

expanded to align with the provisions of Companies Act, 2013 and clause 49 of the listing agreement, in the Board Meeting held on 29th May, 2014. The committee met as and when required during the year.

B. Terms of reference:

The Stakeholder Relationship Committee of the Company reviews matters related to grievances of shareholders and investors. The committee primarily focuses on review of investor complaints, its redressal and queries received from investors i.e. transfer of shares, issue of duplicate share certificates, non receipt of annual reports etc. and also reviews the reports presented by the Share Transfer Agents of the Company.

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

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

Mr. Ashok Ajmera	- Managing Director & CEO
Mr. Narayan Atal	- Independent Director
Mr. Rajendra Bakiwala	- Independent Director

The Committee reviews the risks confronted by the Company with respect to its business area /operations as well as financial and validates the adequacy of insurance and other risk mitigation measures proposed for Company's business. The committee met as and when required during the year.

1.7 CEO/ CFO and Compliance Officer

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

Name and designation of CFO: At the Board Meeting held on 29th May, 2014, Mr. Ankit Ajmera, an Executive Director of the Company re-designated as Chief Financial Officer of the Company w.e.f. 1st June, 2014.

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

1.8 General Body Meetings:

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

YEAR	LOCATION	DATE	TIME
2012-13	408, A-Wing, Cello-Sonal Realty, Near Oberoi Mall on W.E. Highway, Malad (E), Mumbai-400063	14.08.2013	11.00 a.m.
2011-12	101, Samarth, Lt. P.N. Kotnis Road, Off. Hinduja Hospital, Mahim (W), Mumbai- 400016	14.08.2012	11.00 a.m.
2010-11	101, Samarth, Lt. P.N. Kotnis Road, Off. Hinduja Hospital, Mahim (W), Mumbai- 400016	12.08.2011	11.0 a.m.

B. Special Resolutions passed in previous three Annual General Meeting:

Date of Annual General Meeting	Particulars of Special Resolutions
14th August, 2013	1) Special Resolution Passed in respect of approval for increase in sitting fees of Directors. 2) Special Resolution Passed in respect of approval for revision of remuneration payable to Mrs. Pallavi Ajmera Under section 314 of the Companies Act, 1956. 3) Special Resolution Passed in respect of approval for appointment of Mrs. Shikha Ajmera under section 314 of the Companies Act, 1956.
14th August, 2012	No Special Resolution passed.
12th August, 2011	No Special Resolution passed.

C. Resolution passed by postal ballot during 2013-2014:

No resolution was passed by postal ballot during the year 2013-2014. At present, the Company does not have any resolution to be decided by members by postal ballot.

1.9 Disclosures:

- None of the transactions with any of the related parties were in conflict with the interest of the Company. Details of the related party transactions are given in Note no. 26 of notes on Financial Statement.
- During the previous three years while no strictures were passed, financial penalties aggregating to ₹ 1,09,821/- was levied by some stock exchanges and CDSL for delayed/non compliance of certain provisions/regulations relating to Capital Market and depository participant activities observed mainly during the regular inspection.
- None of the directors of the company are disqualified for being appointed as Directors as stipulated under section 274 (1) (g) of the Companies Act, 1956 as amended by Companies (Amendment) Act, 2000.
- Pursuant to the provisions of Section 177 of the Companies Act, 2013 and the rules made thereunder, board of Directors in their Board meeting held on 29th May, 2014 have adopted a vigil mechanism policy for directors and employees to report the genuine concerns to the Chairman of Audit Committee.
- The Company has duly complied with all the mandatory requirements as per Clause 49 of the Listing Agreement.
- Compliance with Non-mandatory requirements is furnished separately under the heading "Non-mandatory Requirements".

1.10 Means of Communication:

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

1.11 General Shareholders Information:**(a) ANNUAL GENERAL MEETING**

Day and Date	Thursday, 14th August, 2014
Time	4.00 p.m.
Venue	Kilachand Conference Room, 2 nd Floor, IMC Building, IMC Marg, Churchgate, Mumbai-400020.

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

Name of Director	Mr. Rajendra Bakiwala	Mr. Samir Biswas	Mr. Narayan Atal	Mr. Ankit Ajmera
Date of Birth	21/06/1954	26/09/1944	21/02/1956	04/01/1978
Nationality	Indian	Indian	Indian	Indian
Date of Appointment on Board	18/01/2005	22/01/2009	18/01/2005	18/01/2005
Qualification	B.Com, FCA	CA, CS, CWA, BA	B.Com, CA, CWA, LLB (Gen.)	B.Com, MBA (U.K.)
Brief Resume and expertise in specific functional area	Mr. Rajendra Bakiwala is a Fellow Member of the ICAI and Independent Director at Ajcon Global. He has over thirty one years of experience in Auditing and Taxation matters.	Mr. Biswas has completed CA, CWA, CS and BA. He has been the former Regional Director & Director of Inspection of Ministry of Corporate Affairs. During his tenure with Department of Company Affairs he has assisted JJ Irani Committee & Kumar Mangalam Birla Committee on Corporate Governance.	Mr. Narayan Atal is serving as Independent Director at Ajcon Global Services Ltd. His qualifications include CA, ICWA and LLB. He is a fellow member of ICAI. Over the years, he has gained vast knowledge in capital markets, project finance, legal and accounting matters.	Mr. Ankit Ajmera, an MBA in Finance from UK, is the whole time Director of the company. He has experience of over 12 years in Capital Markets. Mr. Ankit Ajmera handles day to day operations, accounting and financial activities of the Company.
Directorship held in other public Companies excluding private companies.	NIL	OSK Holdings Limited	Madhu Corporate Park Limited, Elpro International Limited, Elpro Estates Limited, Ajcon Commodity Brokers Limited, Shree Rama Newsprint Limited	Ajcon Commodity Brokers Ltd., Ajcon It. Com Ltd.
Membership/ chairmanship of Committees of other public Companies	NIL	NIL	Chairman of Audit Committee & Member Shareholders/Investor Grievance Committee in Elpro International Ltd., Member of Audit Committee and Remuneration Committee in Shree Rama News Print Ltd.	NIL
Number of shares held in the Company	NIL	NIL	2,000 Equity Shares	3,86,900 Equity Shares

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

First quarter results ending 30.06.2014	: 14 th August, 2014
Second quarter results ending 30.09.2014	: 14 th November, 2014
Third quarter results ending 31.12.2014	: 14 th February, 2015
Last quarter/audited annual results ending 31.03.2015	: 30 th May, 2015
Annual General Meeting for the Year ended 31.03.2015	: 30 th September, 2015
Venue of AGM	: Mumbai

- (d) **BOOK CLOSURE** : Tuesday, 12th August, 2014 to Thursday, 14th August, 2014 (Both days inclusive)
- (e) **LISTING ON STOCK EXCHANGES**
BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.
Annual Listing Fees, as prescribed has been paid to the Stock Exchange for the year 2014-15
- (f) **STOCK EXCHANGE CODE:** 511692 (BSE)
- (g) **CORPORATE IDENTIFICATION NUMBER:** L74140MH1986PLC041941
- (h) **DEMAT ISIN No:** INE759C01019
- (i) **SHARE TRANSFERS AND OTHER COMMUNICATIONS SHOULD BE ADDRESSED TO:**
BIGSHARE SERVICES PVT. LTD.
E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai 400 072.
Tel: 022- 40430200 Fax: 022-28475207
Email : flavia@bigshareonline.com
- (j) **INVESTORS' COMPLAINTS MAY BE ADDRESSED TO:**
Compliance Officer
Ajcon Global Services Limited
Correspondence and Corporate Office: 408, A-Wing, Express Zone, Cello-Sonal Realty, Near Oberoi Mall on Western Express Highway, Goregaon (E), Mumbai-400063
Tel: 022- 67160400/450 Fax: 022-28722062
Email: investorgrievance@ajcon.net/cs@ajcon.net

(k) STOCK MARKET PRICE DATA

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

MONTH/ YEAR	HIGH (₹)	LOW (₹)	No. of Shares Traded	No. of Trades	MONTH/ YEAR	HIGH (₹)	LOW (₹)	No. of Shares Traded	No. of Trades
April 2013	18.00	14.50	3,01,102	1,029	October 2013	17.00	13.25	4,92,819	3,854
May 2013	17.00	13.60	3,30,500	1,102	November 2013	18.70	13.10	2,51,969	2,934
June 2013	16.60	11.20	3,16,109	2,664	December 2013	15.90	13.51	2,79,851	2,970
July 2013	15.82	12.70	3,68,172	4,581	January 2014	17.10	13.80	3,13,983	3,420
August 2013	15.35	12.50	2,64,647	3,298	February 2014	16.85	14.00	2,44,341	2,883
September 2013	17.00	12.75	3,04,784	3,483	March 2014	17.70	14.70	2,71,184	3,917

(l) REGISTRAR AND SHARE TRANSFER AGENTS

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

(m) DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2014

SR. NO.	RANGE (IN ₹)	NO. OF HOLDERS	% TO TOTAL SHAREHOLDERS	VALUE IN (₹)	% TO TOTAL EQUITY
1	1 - 5000	3,435	89.31	44,17,540	7.22
2	5001- 10000	212	5.51	18,69,750	3.06
3	10001- 20000	83	2.16	13,31,100	2.18
4	20001- 30000	34	0.89	8,85,460	1.45
5	30001- 40000	10	0.26	3,58,980	0.59
6	40001- 50000	12	0.31	5,77,750	0.94
7	50001- 100000	23	0.60	17,25,210	2.82
8	100001 and above	37	0.96	4,99,96,210	81.74
TOTAL		3,846	100.00	6,11,62,000	100.00

(n) SHAREHOLDING PATTERN AS ON 31.03.2014

	CATEGORY	NO. OF SHARES HELD	% OF SHARE HOLDING
A.	<u>PROMOTERS HOLDING</u>		
1.	PROMOTERS		
a.	Indian promoters *	38,50,000	62.95
b.	Foreign promoters	0	0.00
2.	PERSONS ACTING IN CONCERT	0	0.00
	Total	38,50,000	62.95
B.	<u>NON PROMOTERS HOLDING</u>		
1.	INSTITUTIONAL INVESTORS		
a.	Mutual funds	52,100	0.85
b.	Banks, financial institutions	0	0.00
c.	FII's	0	0.00
	Sub Total	52,100	0.85
2.	OTHERS		
a.	Bodies Corporate	8,16,222	13.35
b.	Indian public	13,85,778	22.66
c.	NRI / OCB	6,350	0.10
d.	Any other - Clearing Members	5,750	0.09
	Sub total	22,14,100	36.21
	Total	22,66,200	37.05
	GRAND TOTAL	61,16,200	100.00

* Includes Body Corporate also.

(o) DEMATERIALISATION OF SHARES

The shares of the Company are traded in compulsorily dematerialized form. 54,12,185 Equity shares (88.49%) have been dematerialized as on 31.03.2014.

- (p) **OUTSTANDING GDR/WARRANTS/CONVERTIBLE INSTRUMENTS.**
The Company has no outstanding GDR/Warrants/Convertible Instruments.
- (q) **ADDRESS FOR CORRESPONDENCE**
AJCON GLOBAL SERVICES LIMITED
408, A-Wing, Express, Cello Sonal Realty, Nr. Western Express Highway,
Goregaon (E), Mumbai- 400063
Tel: 022 67160400 Fax: 022 28722062
Email: ajcon@ajcon.net

1.12 Reconciliation of Share Capital Audit Report

M/s G.N. Shanbhag & Co. Chartered Accountants, carried out a secretarial audit to, reconcile the total admitted capital with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

1.13 Compliance Certificate from the Auditors

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

1.14 CEO & CFO Certification

Mr. Ashok Ajmera, Managing Director acting in the capacity of CEO & CFO of the Company, have issued a Certificate to the Board as prescribed under sub - clause V of Clause 49 of the Listing Agreement. The said Certificate was placed before the Board Meeting held on 29th May, 2014 in which the Accounts for the Financial Year ended 31st March, 2014 were considered and approved by the Board of Directors.

2. NON-MANDATORY REQUIREMENTS

2.1 Chairman of the Board:

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

2.2 Shareholders' Rights:

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

2.3 Postal Ballot:

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

MANAGEMENT DISCUSSION AND ANALYSIS

Macro-Economic Environment

A) Underlying economic Current parameters remained weak for India throughout FY14.

- a) Official estimates place economic growth for FY14 at 4.9% supported by strong agricultural growth of 4.6%.
- b) A deep slowdown continued in the mining and manufacturing sectors. In fact, it was the first time since 1991-92 that India's Mfg sector contracted during FY14.
- c) Services sector covering 60.0% of the economy is estimated to have grown by a lower 6.9%.

B) High & persistent inflation remained a key macroeconomic risk during FY14. While WPI-based inflation averaged at 5.9%, CPI-based inflation averaged at 9.5%.

Despite growth concerns, RBI had to raise the policy rate by 75 bps during May'13 to Jan'14.

C) Around June-July, 2013, India was faced with significant debt capital outflows and pressures on its currency, equity and bond markets, as global liquidity conditions tightened.

- a) The RBI controlled the situation by tightening liquidity, relaxing limits on FDI, ECBs and encouraging NRI remittances and sharply increasing gold import duties.
- b) India's external vulnerabilities fell significantly in H2, FY14 helped by policy actions to shrink the CAD & strengthen capital flows.

D) Indian banking sector witnessed relatively lower business expansion (deposits up 14.6% & credit up 14.3%) with continued stresses on asset quality and restructured loan-books.

History was re-written in India as the Country found a strong leader and gave its most decisive mandate to him. The markets simultaneously carved a history of their own, with the Sensex and Nifty crossing the 25,000 and 7,400 levels respectively as the elections gave the on single party its highest mandate ever the Indian stocks have turned in a solid performance so far this year, and they've caught the attention of global investors. Of the four so-called "BRIC" economies – Brazil, Russia, India and China – it's India that's the top performer so far this year, up about 15 percent.

Investors are expecting measures for revival of the economy, business-friendly policies and good governance from the new Government that comes to power after the elections. Investors expect policy measures from the new government to put India on a high-growth path on a sustainable basis.

Our Business

i. Stock Broking

The retail broking business continues facing a slow down due to economic conditions which have affected the sentiments. However, the institutional broking business kept the company going. The online broking under tie up with Bank of India remained stable during the year. The same is expected to take a big leap in the coming year.

ii. Currency broking

The Company has enrolled a few corporate clients for this segment and expects the list to grow in near future.

iii. Depository Services

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

iv. Corporate Advisory Services

During the year under review, the Company executed a few assignments for large corporate houses which have helped your Company in generating reasonable amount of revenue. The Company also made some fresh recruitment to expand the scope of advisory services. Presently the Company has more than eight assignments in hand.

v. Investment Banking/Merchant Banking

During the year the Merchant Banking division has executed transactions relating to valuation of equity shares. In future the Company's main focus shall be smaller IPO's for listing on SME Exchanges of BSE and NSE. The Company has a few mandates on hand for the same. With the opening up of Direct Listing (ITP) and transfer of Companies from Regional Stock Exchanges to main National Exchanges, the scope of services for this division has enlarged.

vi. Proprietary Trading

Amidst the erratically volatile movements in both Equity and Currency markets, your Company posted a profit to the tune of ₹ 9,367.51 thousand from the proprietary trading activity.

Analysis of financial trends

The Continued sluggishness in the markets coupled with lower assignments for consultancy & Investment Banking, both the top & bottom-line of the Company got affected adversely as shown in the following table:-

FINANCIAL YEAR	GROSS REVENUE (₹ '000)	PROFITS AFTER TAX (₹ '000)
F.Y. 2013-2014	51,587.99	2,601.48
F.Y. 2012-2013	66,501.65	6,961.76
F.Y. 2011-2012	85,971.66	10,108.86

Outlook & Opportunities

The Company is also in talks with some SME'S for their proposed IPO issue on SME Exchanges. In addition the Company is also active in discussions to raise funds for SME clients through Private Equity/VC/Angel funding and see a large scope for corporate advisory services. Company's investment banking division has also become very active and is engaged in a couple of private equity deals.

Threats:

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

Adequacy of Internal Controls & Internal Audits

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

Human Resources

The Company has been following standard procedure for recruitment of best personnel for all the departments and is making constant and continuous efforts to retain and groom them to meet its present and future requirements. The relation between the management and staff remained very cordial during the year. During the year, the Company had added many more high level executives. The HR department is cordial with the employee and takes due care of their growth and professional credentials & abilities of the employees.

Code for Prevention of Insider Trading Practices

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

Safe Harbour Clause

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

Place: Mumbai
Date : 29.05.2014

By Order of the Board

Ashok Ajmera
Managing Director & CEO

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

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

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

For Ajcon Global Services Limited

**Ashok Ajmera
Managing Director & CEO**

**Place : Mumbai
Date : 29.05.2014**

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

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

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

For Ajcon Global Services Limited

**Ashok Ajmera
Managing Director & CEO**

**Place : Mumbai
Date : 29.05.2014**

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of AJCON GLOBAL SERVICES LIMITED,

We have examined the compliance of the conditions of Corporate Governance by Ajcon Global Services Limited for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange.

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

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

Address:

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

For BHATTER & CO.

Chartered Accountants
Firm Reg. No.131092W
D. H. Bhattar
Proprietor
Mem. No.:16937

Place: Mumbai
Date : 29.05.2014

INDEPENDENT AUDITOR'S REPORT

To
The Members of Ajcon Global Services Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of Ajcon Global Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred section 211(3C) of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13.09.2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

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

statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to section 211(3C) of the Companies Act, 1956 and the General Circular 15/2013 dated 13.09.2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

Address:

307, Tulsiani Chambers
Nariman Point
Mumbai, 400021
Tel: 22853039
Fax: 66301318

For BHATTER & CO.

Chartered Accountants
Firm Reg. No.131092W
D.H. Bhattar
Proprietor
Mem. No.:16937

Place: Mumbai
Date : 29.05.2014

ANNEXURE TO AUDITORS' REPORT

The Annexure referred to in our report to the members of Ajcon Global Services Limited for the year ended 31st March, 2014.

We report that:

- i. In respect of its fixed assets,
 - a) The Company has been maintaining proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, physical verification of a major portion of fixed assets as at 31st March, 2014 was conducted by the management during the year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) Based on the information and explanation given by the management and on the basis of audit procedures performed by us, we are of the opinion that the Company has not disposed off a substantial part of its fixed assets which could affect the going concern status of the Company.
- ii. In respect of inventories,
 - a) The inventories have been physically verified by the management. In our opinion, the frequency of the verification of inventories is reasonable.
 - b) Company's inventory comprises of only shares and securities. The Management during the year has physically verified those stocks which were not in dematerialized form and the rest were verified through Demat statements of depositaries. In our opinion, the procedure of such verification was reasonable and adequate, considering the size and nature of its business.
 - c) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book record.
- iii. In respect of loans, secured or unsecured, granted or taken by the Company to and from companies, firms or other parties covered in the Register maintained under Section 301 of the companies Act, 1956;
 - a) The Company has given interest free unsecured advance to Subsidiary Companies and Associate Companies. At the year end the outstanding balances of such advance granted to Subsidiary Companies was ₹ 750 thousand and to that of Associate Companies was NIL. The maximum amount outstanding of Subsidiary Companies during the year was ₹ 12,931.49 thousand and that of the Associates Companies was ₹ 330.00 thousand.
 - b) In our opinion the terms & conditions of such advances are prima facie not prejudicial to the interest of the Company.
 - c) The advances given are repayable on demand at discretion of the Company and due dates of payment are not stipulated; therefore the question of overdue principal amount does not arise and therefore, clause 4(iii) (d) of the Companies (Auditors' Report) Order 2003 are not applicable.
 - e) The Company has taken advances from its subsidiary company during the year. At the year end the outstanding balance of such advances taken from Subsidiary Companies was ₹ Nil. The maximum amount outstanding of Subsidiary Companies during the year was ₹ 12,649.70 thousand.
 - f) In our opinion the terms & conditions of such advances are prima facie not prejudicial to the interest of the Company.
 - g) The advances taken are repayable on demand at discretion of the Company and due dates of payment are not stipulated; therefore the question of overdue principal amount does not arise and therefore, clause 4(iii) (g) of the Companies (Auditors' Report) Order 2003 are not applicable.
- iv. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business, with regard to purchases of equipments and other assets and with regards to the sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
- v. In respect of the contracts or arrangements referred to in section 301 of the Companies Act, 1956
 - a) To the best of our knowledge and belief and according to the information and explanations given to us by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

- b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts and arrangements referred to in (a) above and exceeding the value of ₹ 5.00 lacs with any party during the year have been made at prices which appear reasonable having regard to the prevailing market prices at the relevant time.
- vi. According to the information and explanation given to us, the Company has not accepted any deposits from public.
- vii. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- viii. The Central Government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act 1956 for any of the services rendered by the Company.
- ix. According to the information and explanation given to us, the undisputed amounts payable in respect of taxes, wealth tax, service tax, and any other statutory dues have generally been deposited regularly with the concerned authorities. Based on information furnished to us, there are no undisputed statutory dues as on 31st March, 2014 which are outstanding for a period exceeding six months from the date they became payable.
- x. The Company does not have any carry forward losses and also not incurred cash loss either during the year or in the immediately preceding financial year.
- xi. Based on our audit procedures and according to the information and explanation given to us, the Company has not defaulted in scheduled repayment of dues to banks and financial institutions.
- xii. Based on our examination of the records and the information and explanation given to us we are of the opinion that, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. However, as regards the client's shares and securities taken as margin, the Company has maintained adequate documents.
- xiii. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund or society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
- xiv. The Company is dealing and trading in securities, derivatives and other instruments and has maintained proper records of the transactions and contracts and timely entries are made therein. All the shares, securities, debentures and other securities have been held by the Company in its own name except to the extent of exemption granted under Section 49 of Companies Act, 1956.
- xv. According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from Bank or Financial Institutions.
- xvi. To the best of our knowledge and belief and according to the information and explanations given to us, no term loans were raised by the Company during the year; therefore question of utilization for stated purpose does not arise.
- xvii. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment and vice versa.
- xviii. During the year, the Company has not made preferential allotment to the parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- xix. The Company has not issued any Debentures during the year.
- xx. The Company has not raised any monies through public Issue during the year.
- xxi. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

Place: Mumbai
Date : 29.05.2014

For BHATTER & Co
Chartered Accountants
Firm Reg. No.131092W
D. H. Bhattar
Proprietor
Mem. No. 16937

AJCON GLOBAL SERVICES LIMITED			
BALANCE SHEET AS AT 31ST MARCH 2014			
Particulars	Note No.	As at 31/03/2014 (₹ '000)	As at 31/03/2013 (₹ '000)
I EQUITY AND LIABILITIES			
1 Shareholders' Fund			
Share Capital	2	61,162.00	61,162.00
Reserves and Surplus	3	74,654.05	72,052.56
		1,35,816.05	1,33,214.56
2 Non-Current Liabilities			
Long Term Borrowings	4	1,287.77	1,919.15
Deferred Tax Liability (Net)	5	1,763.29	2,296.58
		3,051.06	4,215.73
3 Current Liabilities			
Short-Term Borrowings	6	67,183.86	74,554.25
Trade Payables	7	11,220.12	14,946.51
Other Current Liabilities	8	624.09	2,031.28
Short Term Provisions	9	9,395.81	7,337.44
		88,423.88	98,869.48
TOTAL		2,27,290.98	2,36,299.77
II ASSETS			
1 Non Current Assets			
Fixed Assets			
<i>Tangible Assets</i>			
<i>Gross Block</i>	10	43,241.24	39,607.45
<i>Depreciation</i>		23,264.39	19,244.94
<i>Net Block</i>		19,976.85	20,362.50
Non Current Investments	11	33,237.15	23,527.00
		53,214.00	43,889.50
2 Current Assets			
Inventories	12	73,366.15	82,794.38
Trade Receivables	13	37,599.97	36,413.49
Cash & Cash Equivalents	14	12,807.62	14,115.71
Short Term Loans & Advances	15	50,303.25	59,086.68
		1,74,076.98	1,92,410.26
TOTAL		2,27,290.98	2,36,299.77

As per our report of even date attached

FOR BHATTER & CO.
Chartered Accountants
Firm Reg. No. 131092W

D.H. Bhattar
Proprietor
Mem. No. 16937
Place: Mumbai
Date : 29.05.2014

For and on behalf of the Board

Ashok Ajmera Managing Director
Narayan Atal Director
Ankit Ajmera Executive Director
Anuj Ajmera Executive Director

Shailendra Pathak Company Secretary

AJCON GLOBAL SERVICES LIMITED			
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 ST MARCH 2014			
Particulars	Note No.	For the Year 31.03.2014 (₹ '000)	For the Year 31.03.2013 (₹ '000)
I. Revenue from Operations	16	51,035.16	65,542.34
II. Other Income	17	552.82	959.31
III. Total Revenue (I+II)		51,587.99	66,501.65
IV Expenses			
Employee Benefit Expenses	18	18,950.37	15,313.05
Financial Cost	19	5,637.13	5,649.28
Depreciation & Amortization Expenses		4,204.89	4,003.63
Other Expenses	20	18,669.03	31,062.96
Total Expenses		47,461.42	56,028.93
V Profit/(Loss) before Extra-ordinary items & Tax (III-IV)		4,126.57	10,472.72
VI Extra-ordinary items		-	-
VII Profit/(Loss) before Tax (V-VI)		4,126.57	10,472.72
VIII Tax Expenses			
i) Current Tax		1,799.20	3,650.00
ii) Deferred Tax Expenses/ (Savings)		(533.29)	(139.04)
iii) Short / (Excess) Tax Provision of Earlier Years		259.17	-
IX Profit/(Loss) for the period		2,601.48	6,961.76
Balance carried to Balance Sheet		2,601.48	6,961.76
X Basic & Diluted EPS (in ₹)		0.43	1.14
Face Value ₹ 10/- per Share			

As per our report of even date attached

FOR BHATTER & CO.
Chartered Accountants
Firm Reg. No. 131092W

D.H. Bhattar
Proprietor
Mem.No. 16937
Place : Mumbai
Date : 29.05.2014

For and on behalf of the Board

Ashok Ajmera
Narayan Atal
Ankit Ajmera
Anuj Ajmera

Managing Director
Director
Executive Director
Executive Director

Shailendra Pathak

Company Secretary

AJCON GLOBAL SERVICES LIMITED		
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014		
Particulars	Year Ended	Year Ended
	31/03/2014	31/03/2013
	(₹ '000)	(₹ '000)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Prior period Adjustment & exceptional item	4,126.57	10,472.72
Adjustment for:		
Depreciation and Amortisation	4,204.89	4,003.63
(Profit)/Loss on Sale of Fixed Asset	81.54	164.83
Interest on Fixed Deposits Received	(613.71)	(491.38)
Finance Cost	5,637.13	5,649.28
Operating Profit Before Working Capital Changes	13,436.42	19,799.08
Adjustment for:		
Inventories	9,428.23	(14,503.12)
Trade & Other Receivables	7,596.95	(8,758.62)
Trade Payables & Other Current Liabilities	(5,133.57)	5,598.30
Cash Generated from Operations	25,328.03	2,135.64
Direct Taxes Paid (Net of Refund)	-	(3,012.56)
Cash Flow before prior period Adjustments & Exceptional item	25,328.03	(876.92)
Prior Period Adjustments	-	-
Net Cash From / (Used In) Operating Activities (A)	25,328.03	(876.92)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(4,100.77)	(5,569.45)
Purchase of Investments	(9,710.15)	(100.00)
Sale of Fixed Assets	200.00	600.00
Interest on Fixed Deposits Received	613.71	491.38
Net Cash From / (Used In) Investing Activities (B)	(12,997.22)	(4,578.07)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Secured Borrowings (Net)	(2,795.91)	(2,804.18)
Proceeds from Unsecured Borrowings (Net)	(5,205.86)	23,263.04
Interest and Finance Charges Paid	(5,637.13)	(5,649.28)
Net Cash From / (Used In) Financing Activities (C)	(13,638.90)	14,809.58
Net Increase / (Decrease) in Cash and Cash equivalents (A)+(B)+(C)	(1,308.09)	9,354.59
Cash and Cash equivalents at the beginning of the year	14,115.71	4,761.12
Cash and Cash equivalents at the end of the year	12,807.62	14,115.71

NOTES:	
1	Above statement has been prepared by the indirect method as set out in the Accounting Standard 3 on Cash Flow Statement as specified in the Companies (Accounting Standards) Rules, 2006.
2	Cash and Cash equivalent at the end of the year includes earmarked balance with Bank towards unpaid dividend.
3	Figures for the previous year are re-classified / re-arranged / re-grouped, wherever necessary.

As per our report of even date attached

FOR BHATTER & CO.
Chartered Accountants
Firm Reg. No. 131092W

D.H. Bhattar
Proprietor
Mem. No. 16937
Place : Mumbai
Date : 29.05.2014

For and on behalf of the Board

Ashok Ajmera Managing Director
Narayan Atal Director
Ankit Ajmera Executive Director
Anuj Ajmera Executive Director

Shailendra Pathak Company Secretary

Note 1: Significant Accounting Policies & Notes to Accounts
a) Basis of Accounting:

The financial statements have been prepared as a going concern basis under historical cost convention; on an accrual basis and in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956. Accounting policies, not stated explicitly otherwise, are consistent with generally accepted accounting principles.

b) Use of Estimates :

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

c) Fixed Assets :

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

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

d) Depreciation:

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

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

e) Non Current Investments:

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

f) Inventories/Current Investments:

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

g) Equity Index/Stock Futures/Currency Futures:

- i. "Initial Margin- Equity Derivative Instrument", representing the initial margin paid for entering into contracts for Equity Index/Stock Futures/Currency Futures which are released on final settlement/squaring-up of underlying contracts, are disclosed under Loans and Advances.
- ii. Equity index/Stock Futures/Currency Futures for arbitrage purposes are Marked-to-Market on a daily basis. Debit or credit balance disclosed under Loans and Advances or Current Liabilities, respectively, in the "Mark-to-Market Margin- Equity Index/Stock Futures/Currency Futures Account", represents the net amount paid or received on the basis of movement in the prices of Index/Stock Futures/Currency Futures till the Balance Sheet date.
- iii. As on the Balance Sheet date, profit/loss on open positions in Equity index/Stock Futures/Currency Futures are accounted for as follows:
 - a) Credit balance in the "Mark-to Market Margin- Equity index/Stock Futures/Currency Futures Account, being the anticipated profit, is ignored and no credit for the same is taken in the statement of Profit and Loss Account.
 - b) Debit balance in the "Mark-to-Market Margin- Equity index/Stock Futures/Currency Futures", being anticipated loss, is adjusted in the statement of Profit and Loss Account.

- iv. On final settlement or squaring-up of contracts for Equity index/Stock Futures/Currency Futures, the profit or loss is calculated as the difference between the settlement/squaring-up price and the contract price. Accordingly, debit or credit balance pertaining to the settled/squared-up contract in "Mark-to-Market Margin- Equity index/Stock Futures/Currency Futures Account" after adjustment of provision for anticipated losses is recognized in the statement of Profit and Loss Account.
- v. When more than one contract in respect of the relevant series of Equity index/Stock Futures/Currency Futures contract to which the squared-up contract pertains is outstanding at the time of the squaring-up of the contract, the contract price of the contract so squared-up is determined using the weighted average cost method for calculating the profit/loss on squaring-up.
- h) Revenue Recognition:**
- i. Revenue is recognized where there is reasonable certainty of its ultimate realization.
 - ii. Consultancy and Advisory fees are accounted on accrual basis depending on the progress of the assignment.
 - iii. Brokerage on stock market operations is recognized on completion of settlement period of respective segments & Stock Exchanges.
 - iv. Dividend income has been treated as stipulated in AS-13 issued by ICAI. The same has not been treated as exempted income for the purpose of calculating taxable income.
 - v. The Annual Maintenance charges in respect of depository account holders are accounted at the time of opening the account or on completion of the year irrespective of the period they pertain to.
 - vi. Interest income is recognized on time proportionate basis taking into account the amount outstanding and the rate applicable.
 - vii. Income other than above is accounted on accrual basis.
 - viii. Service tax is accounted on the basis of services provided and in line with the point of taxation rules 2012 under service tax law.
- i) Retirement Benefits:**
The Company's contribution towards Provident Fund is charged against revenue on actual basis. The Provisions for liability on account of other benefits including Gratuity & Leave encashment are made on accrual basis.
- j) Segment Reporting:**
The Company operates in single business segment i.e. financial services and therefore segment information as per Accounting Standard 17 is not required to be disclosed.
- k) Earnings Per Share (E.P.S.):**
The Company reports Basic and Diluted Earnings per Share in accordance with Accounting Standard 20 issued by The Institute of Chartered Accountants of India.
The basic earnings per share are computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of Equity Shares outstanding during the reporting year. Diluted earning per share is computed using the weighted average number of equity share and dilute potential equity share outstanding during the period.
- l) Provision for Taxation:**
- ❖ **Current Tax**
Provision for current year taxation is determined as the tax payable in respect of taxable income for the year and is computed in accordance with provisions of Income Tax Act, 1961.
- ❖ **Deferred Tax**
The Company provides for deferred tax liability in accordance with Accounting Standard 22 - "Accounting for Taxes on Income" issued by The Institute of Chartered Accountants of India and Companies (Accounting Standard) Rules, 2006. In accordance with transition provision of AS-22, the Company has adjusted the opening deferred tax liability against opening revenue reserves.
Deferred tax resulting from timing difference between book profit and tax profit is accounted for at the current tax rate/substantively enacted tax rate, as applicable, to the extent that the timing differences are expected to crystallize.
- m) Impairment of Assets.**
Impairment of Assets, if any, is recognized in accordance with AS-28.

ii) Provisions, Contingent Liabilities and Contingent Assets.

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

Note: 2 Share Capital

	As at 31.03.2014 (₹ '000)	As at 31.03.2013 (₹ '000)
Authorised Share Capital 10,000,000 (10,000,000) Equity Shares of ₹ 10 each	1,00,000.00	1,00,000.00
Issued, Subscribed & Paid Up 6,116,200 (6,116,200) Equity Shares of ₹ 10 each fully paid up.	61,162.00	61,162.00
Total	61,162.00	61,162.00

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

Name of Shareholders	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	% held	No. of Shares	% held
Ashok Ajmera	7,50,000	12.26%	7,50,000	12.26%
Ajcon Consultants Pvt. Ltd.	7,19,900	11.77%	7,19,900	11.77%
Pragati Ajmera	5,00,000	8.18%	5,00,000	8.18%
Ankit Ajmera	3,86,900	6.33%	3,25,000	5.31%
Anuj Ajmera	3,85,000	6.29%	3,25,000	5.31%

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

Particulars	As at 31.03.2014	As at 31.03.2013
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	61,16,200	61,16,200
Add: Shares issued during the year	-	-
Less: Shares cancelled/ buy back during the year	-	-
Equity Shares at the end of the year	61,16,200	61,16,200

2.3 Face Value of Shares

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

2.4 Rights, Preferences and Restrictions attached to Shares :

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

Note: 3 Reserves and Surplus

	As at 31.03.2014	As at 31.03.2013
	(₹ '000)	(₹ '000)
<u>Securities Premium</u>		
Balance at the beginning of the year	20,475.00	20,475.00
Additions during the year	-	-
Utilization during the year	-	-
Balance at the end of the year	20,475.00	20,475.00
<u>General Reserve</u>		
Balance at the beginning of the year	10,737.50	10,737.50
Additions during the year	-	-
Utilization during the year	-	-
Balance at the end of the year	10,737.50	10,737.50
<u>Profit and Loss Account</u>		
Balance at the beginning of the year	40,840.06	33,878.30
Profit/(Loss) during the year	2,601.48	6,961.76
Balance at the end of the year	43,441.55	40,840.06
Total	74,654.05	72,052.56

Note: 4 Long Term Borrowings

<u>Secured Loans</u>		
Vehicle Loan From Bank (Secured against vehicles. Payment of principal and interest thereon is in line with the stipulated terms of the loan)	1,287.77	1,919.15
Total	1,287.77	1,919.15

Note: 5 Deferred Tax Liability

Deferred Tax Liability : (Opening)	2,296.58	2,435.62
Add: Deferred Tax Liability/ (Asset) for timing difference on depreciation	(533.29)	(139.04)
Net Deferred Tax Liability : (Closing)	1,763.29	2,296.58

Note: 6 Short Term Borrowings

<u>Secured Loans</u>		
Secured Overdraft from Banks (OD-EQM)	36,389.72	37,510.57
Secured Loans from Bank Repayable on Demand (OD-Shares)	-	1,043.68
<u>Unsecured</u>		
Temporary Bank Overdraft	794.14	-
<u>Others</u>		
Security/Margin Deposit	30,000.00	36,000.00
Total	67,183.86	74,554.25

■ Secured overdraft (OD-EQM) from Bank of India is secured by equitable mortgage of office premises owned by the company and equitable mortgage of a plot of land owned by Ajcon Infra Projects Pvt. Ltd., an associate company and personal guarantee of the Managing Director of the Company

■ Secured Loans (OD-Shares) from Bank of India is payable on demand and is secured by pledge of shares with 50% margin.

■ Payment of principal and interest thereon is in line with the stipulated terms of the loan.

Note: 7 Trade Payables

		As at 31.03.2014	As at 31.03.2013
		(₹ '000)	(₹ '000)
Creditors for Trade	[Refer note below]	9,675.20	11,983.07
Creditors for Expenses	[Refer note below]	1,544.92	2,963.44
Total		11,220.12	14,946.51

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

Note: 8 Other Current Liabilities

Creditors for Others		488.76	1,895.95
Unclaimed Dividend		135.33	135.33
Total		624.09	2,031.28

Note: 9 Short Term Provisions

Provision for Taxation		9,395.81	7,337.44
Total		9,395.81	7,337.44

Note : 10 Fixed Assets : Tangible Assets

(₹ '000)

	Gross block				Depreciation				Net Block	
	01/04/2013			31/03/2014	01/04/2013			31/03/2014	31/03/2014	31/03/2013
Name of the Assets	Opening	Addition	Sale	Balance	Opening	for the year	Deduction	Balance		
<u>Tangible Assets</u>										
Office Premises	6,159.86	-	-	6,159.86	809.03	100.41	-	909.43	5,250.43	5,350.83
Furniture Fixtures	5,800.25	2,626.28	-	8,426.53	2,239.57	405.17	-	2,644.75	5,781.79	3,560.68
Computers	17,555.72	91.16	-	17,646.88	11,912.56	2,851.93	-	14,764.49	2,882.39	5,643.16
Motor Vehicle	4,976.85	645.24	466.98	5,155.11	1,977.69	476.73	185.44	2,268.98	2,886.12	2,999.16
Air - Conditioner	1,524.43	422.72	-	1,947.15	477.53	117.44	-	594.97	1,352.18	1,046.90
Electrical Installation	1,987.29	197.69	-	2,184.98	1,076.89	150.22	-	1,227.11	957.87	910.40
Office Equipments	1,603.05	117.69	-	1,720.73	751.67	102.99	-	854.66	866.07	851.37
Total	39,607.45	4,100.77	466.98	43,241.24	19,244.94	4,204.89	185.44	23,264.39	19,976.85	20,362.50
Previous Year	35,118.71	5,569.45	1,080.71	39,607.45	15,557.19	4,003.63	315.88	19,244.94	20,362.51	19,561.52

Note: 11 Non Current Investments

	As at 31.03.2014	As at 31.03.2013
	(₹'000)	(₹'000)
Other Investments		
Investment in Equity Instruments- Strategic		
Unquoted Equity Shares (at Cost)		
a) In Subsidiary Companies		
♦ 1,775,000 (1,775,000) Equity shares of ₹ 10 each at par of M/s Ajcon Commodity Brokers Ltd.	17,750.00	17,750.00
♦ 100,000 (100,000) Equity Shares of ₹ 10 each at par of M/s Kanchanmanik Securities Pvt. Ltd.	1,000.00	1,000.00
♦ 8,10,000 (10,000) Equity Shares of ₹ 10 each at par of M/s Ajcon Comtrade Pvt. Ltd.	8,100.00	100.00
b) In Associate Companies		
♦ 25,000 (25,000) Equity shares of ₹ 10 each of M/s Ajcon IT.Com Ltd	4,000.00	4,000.00
♦ 3,335 (3,335) Equity shares of ₹ 10 each of M/s Ajcon Infra Projects Pvt. Ltd.	667.00	667.00
c) Others		
♦ 10,000 (10,000) Equity shares of ₹ 1 each at par of Madhya Pradesh Stock Exchange Ltd.	10.00	10.00
♦ 11,401 (NIL) Equity shares of ₹ 10 each of BSE Limited.	1,710.15	-
Total	33,237.15	23,527.00

Note: 12 Inventories

<u>Stock of Shares and Securities (At Cost)</u>	73,366.15	82,794.38
Total	73,366.15	82,794.38

Note: 13 Trade Receivable

Sundry Debtors (Unsecured, considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	2,515.23	2,260.25
Others	35,084.74	34,153.24
Total	37,599.97	36,413.49

Note: 14 Cash & Cash Equivalents

	As at 31.03.2014 (₹'000)	As at 31.03.2013 (₹'000)
Cash on Hand	2,742.22	2,046.31
Balances with Bank		
- In current accounts	2,609.41	4,777.50
- Earmarked balances - Unpaid dividend account	135.33	135.33
Bank Fixed Term Deposits (Original maturity is more than 12 months)	7,320.66	7,156.57
Total	12,807.62	14,115.71

♦ Fixed Deposits are margin given against Bank Guarantees for ₹ 12,375 Thousands (P.Y. ₹ 13,875 Thousands) issued by the bankers of the Company in favour of the Clearing Corporation / Clearing Member / Stock Exchanges.

Note: 15 Short Term Loans & Advances

<u>Unsecured, considered good</u>		
Advances to staff	2,435.50	2,428.50
Other advances recoverable in cash or in kind or for value, to be considered good	19,947.88	29,054.06
<u>Deposits</u>		
Deposits with Stock Exchanges & Other Miscellaneous Deposits	27,919.88	27,604.12
Total	50,303.25	59,086.68

Notes forming Integral Part of Statement of Profit & Loss for the year ended 31st March 2014

Note: 16 Revenue from Operations

	For the Year 31.03.2014 (₹'000)	For the Year 31.03.2013 (₹'000)
Income from Stock Market Operations	14,001.00	12,452.46
Income from Consultancy and Advisory Services	27,666.65	52,653.41
Profit/ (Loss) from Prop. Trading	9,367.51	436.47
Total	51,035.16	65,542.34

Note: 17 Other Income

Interest on Bank Fixed Deposit	613.71	491.38
Profit/ (Loss) on sale of Assets	(81.54)	(164.83)
Miscellaneous Income	20.66	632.76
Total	552.82	959.31

Note: 18 Employee Benefit Expenses

	For the Year 31.03.2014	For the Year 31.03.2013
	(₹'000)	(₹'000)
Salaries and Retainer-ship Fees	13,679.28	11,076.57
Directors' Remuneration	4,525.00	3,660.00
Staff Welfare Expenses	746.10	576.48
Total	18,950.37	15,313.05

Note: 19 Financial Cost

Interest Expenses	5,263.58	5,168.87
Bank Charges & Commission	373.54	480.41
Total	5,637.13	5,649.28

Note: 20 Other Expenses

Auditors' Remuneration		
<i>Statutory Audit Fees</i>	60.00	60.00
<i>Tax Audit Fees</i>	10.00	10.00
Advertisement & Business Development Expenses	933.05	1,211.81
Connectivity & Communication	831.17	668.98
Depository Charges	105.32	91.37
Electricity Charges & Expenses	1,005.77	1,142.67
Insurance Premium	145.62	240.12
Legal & Professional Fees	4,977.58	15,768.34
Postage, Courier and Telegram	129.82	177.68
Printing & Stationery	256.60	247.20
Rent, Rates & Taxes	3,644.83	2,663.13
Repairs & Maintenance	909.74	760.59
Software and AMC charges	823.35	517.64
Subscription and Membership Fees	1,357.17	2,258.86
Sundry Expenses	1,236.31	1,373.01
Telephone Expenses	556.75	841.10
Transaction Charges	150.74	187.35
Travelling & Conveyance Expenses	1,535.20	2,843.13
Total	18,669.03	31,062.96

Note: 21**Contingent Liabilities and Commitments**

- i) Counter Guarantees given for the Bank Guarantees for ₹ 12,375 thousand (margin by way of Bank fixed deposits of ₹ 7174.48 thousand given) issued by the bankers of the Company in favour of the Clearing Corporation/Clearing Member/Stock Exchanges.
- ii) In consideration with concept of prudence, no contingent assets are recognized.

Note: 22

Securities received from clients as Collaterals for margins are held by the Company in its own name in fiduciary Capacity. A part of these securities are pledged with the clearing Member for Futures & Options segments. Securities which are not registered in the name of the Company are held by the Company with valid transfer documents.

Note: 23

Bank fixed deposit of ₹ 50.00 thousand and shares worth ₹ 92.89 thousand as on 31.03.2014 are given to M.P. Stock Exchange towards Base Minimum Capital. Shares are also pledged against the secured Loans from Bank of India (OD against Shares).

Note: 24

In the opinion of the Board of Directors, the current assets, loans and advances are of the value as stated, if realised in the ordinary course of the business. The aggregate market value of inventory though considered at cost as per the practice followed since inception, was higher than the value stated as at the date of balance sheet. The Book Debts of ₹ 2,515.23 thousand (P.Y. ₹ 2,260.25 thousand) are outstanding for the period exceeding six months but, considered good by the Management and hence not provided for.

Note: 25

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

Note: 26 Related Party Disclosure:**Disclosure in accordance with Accounting Standard-18 – Related Party transactions during the year**

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

E. Significant transactions with related parties during the year					(₹ '000)
NATURE OF TRANSACTION	SUBSIDIARY COMPANIES	ASSOCIATE ENTERPRISES	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES	
Advance Given (Net) -during the year	Nil (2,776.38)	330 (Nil)	-	-	
Investment	8,000.00 (100.00)	Nil (Nil)			
Remuneration	-	-	4,500.00 (3,660.00)	-	
Asset Purchase	-	Nil (407.34)	-	-	
Income	234.15 (316.12)	44.98, (8.26)	2.82 (4.11)	4.54(10.32)	
Expenses/Fees	-	955.06 (1,317.02)	-	1824.62 (190.00)	

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

F. Outstanding balances as on 31.03.2014					(₹'000)
NATURE OF TRANSACTION	SUBSIDIARY COMPANIES	ASSOCIATES COMPANY	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES	
Advance given	750.00 (3,526.89)	-	-	-	
Investments	26,850.00 (18,850.00)	4,667.00 (4,677.00)	-	-	
Creditors	1280.00 (Nil)	-	Nil,(64.00)	115.76 (Nil)	
Debtors	-	-	Nil (560.28)	-	

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

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

Note: 27 Earnings per share (EPS) - AS20

(₹ '000 except share data)

Particulars	2013-2014	2012-2013
Profit attributable to Equity Shareholders	2,601.48	6,961.76
Outstanding Number of Shares as on Balance Sheet Date	6,116,200	6,116,200
Face Value per Equity Share (₹)	10	10
Earnings Per share - Basic & Diluted (₹)	0.43	1.14

Note: 28

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

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

Consultancy Fees Income: ₹ 1,040.14 (P.Y. ₹ Nil) thousand.

Foreign Travel Expenses: ₹ 525.46 (P.Y ₹ 343.47) thousand

Connectivity and Communication Expenses: ₹ 1,107.97 (P.Y. ₹ 1,469.32) thousand

b) Break up of Imported & Indigenous materials and components concerned –

Foreign Travel Expenses: Nil (P.Y. Nil)

Connectivity and Communication Expenses: Nil (P.Y. Nil)

Note: 29 previous year's figures have been re-grouped/re-classified to correspond with the current year's classification/disclosure.

As per our report of even date attached	For and on behalf of the Board	
FOR BHATTER & CO. Chartered Accountants Firm Reg. No. 131092W	Ashok Ajmera Narayan Atal Ankit Ajmera Anuj Ajmera	Managing Director Director Executive Director Executive Director
D.H. Bhattar Proprietor Mem. No. 16937 Place: Mumbai Date : 29.05.2014	Shailendra Pathak	Company Secretary

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

(All amounts in ₹ '000 except share data)

1	NAME OF SUBSIDIARY	AJCON COMMODITY BROKERS LTD.		KANCHANMANIK SECURITIES PVT. LTD.		AJCON COMTRADE PVT. LTD.	
2	Date from which it became subsidiary	18.01.1995		20.12.2011		11.01.2013	
3	Financial year of the Subsidiary ended on	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013
4	Extent of the interest of the Company in the Subsidiary at the end of the financial year of each						
	A. Face Value (₹) per share	10	10	10	10	10	10
	B. No. of Equity Shares held	1,775,000	1,775,000	1,00,000	1,00,000	8,10,000	10,000
	C. Extent of holding (%)	79.33	79.33	100.00	100.00	100.00	100.00
5	a) Net aggregate amount of profits less losses so far as they concern members of the Company and not dealt with, in the Company's account						
	b) For the financial year	₹ 264.70	₹ 153.88	₹ (4.40)	₹ (5.82)	₹ 21.27	₹ (1.28)
	c) For the previous years since it became a subsidiary	₹ 1066.79	₹ 912.92	₹ (6.97)	₹ (1.15)	₹ (1.28)	N.A.
	d) Net aggregate amount of profits less losses so far as they concern members of the Company and dealt with, in the Company's account						
	e) For the financial year	NIL	NIL	NIL	NIL	NIL	NIL
	f) For the previous years since it became a subsidiary	NIL	NIL	NIL	NIL	NIL	NIL

Statement regarding Subsidiary Companies:

(₹ '000)

No.	Particulars	Ajcon Commodity Brokers Ltd.		Kanchanmanik Securities Pvt. Ltd.		Ajcon Comtrade Pvt. Ltd.	
		Amounts 31.03.2014	Amounts 31.03.2013	Amounts 31.03.2014	Amounts 31.03.2013	Amounts 31.03.2014	Amounts 31.03.2013
1)	Issued, Subscribed & Paid up Share Capital	22,375	22,375	1,000	1,000	8,100	100
2)	Reserves	46,803	46,470	(11)	(7)	20	(1)
3)	Total Assets	2,01,982	2,53,817	1,740	1,756	8323	278
4)	Total Liabilities	2,01,982	2,53,817	1,740	1,756	8323	278
5)	Investments	1,100	1,100	NIL	NIL	NIL	NIL
6)	Turnover	27,048	25,044	NIL	NIL	397	NIL
7)	Profit/(loss) Before Tax	510	193	(4)	(6)	31	(1)
8)	Provision for Taxation	177	84	NIL	NIL	10	NIL
9)	Profit/(loss) After Tax	334	109	(4)	(6)	21	(1)
10)	Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL

As per our report of even date attached

FOR BHATTER & CO.
Chartered Accountants
Firm Reg. NO. 131092W

D.H. Bhattar
Proprietor
Mem. No. 16937
Place: Mumbai
Date : 29.05.2014

For and on behalf of the Board

Ashok Ajmera Managing Director
Narayan Atal Director
Ankit Ajmera Executive Director
Anuj Ajmera Executive Director

Shailendra Pathak Company Secretary

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

To
The Members of Ajcon Global Services Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of Ajcon Global Services Limited (the parent Co.), and its Subsidiaries (together group) which comprise of consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the Accounting Standards referred section 211(3C) of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13.09.2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (c) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (d) in the case of the consolidated Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (e) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

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

For BHATTER & CO.
Chartered Accountants
Firm Reg. No.131092W

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

Place: Mumbai
Date : 29.05.2014

AJCON GLOBAL SERVICES LIMITED			
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2014			
Particulars	Note No.	As at 31/03/2014 (₹ '000)	As at 31/03/2013 (₹ '000)
I EQUITY AND LIABILITIES			
1 <u>Share Holders' Fund</u>			
Share Capital	2	61,162.00	61,162.00
Reserves and Surplus	3	1,11,791.81	1,08,908.76
		1,72,953.81	1,70,070.76
2 Minority Interest	4	14,299.27	14,230.30
3 <u>Non-Current Liabilities</u>			
Long Term Borrowings	5	1,903.63	2,908.42
Deferred Tax Liability (Net)	6	1,829.79	2,400.52
		3,733.42	5,308.94
Short-Term Borrowings	7	1,94,225.51	2,48,667.56
Trade Payables	8	11,947.33	21,333.72
Other Current Liabilities	9	1,086.75	2,613.72
Short Term Provisions	10	9,709.47	7,518.39
		2,16,969.07	2,80,133.39
TOTAL		4,07,955.57	4,69,743.39
II ASSETS			
1 <u>Non Current Assets</u>			
Fixed Assets			
<i>Tangible Assets</i>			
		<i>Gross Block</i>	<i>48,206.23</i>
		<i>Depreciation</i>	<i>25,117.55</i>
		<i>Net Block</i>	<i>23,088.68</i>
Non Current Investments	12	7,487.15	5,777.00
Other Non Current Assets (<i>Unamortized Expenses</i>)		236.78	254.61
		30,812.61	29,926.27
2 <u>Current Assets</u>			
Inventories	13	2,56,273.15	3,28,339.40
Trade Receivables	14	38,892.31	36,735.58
Cash & Cash Equivalents	15	14,041.54	15,475.63
Short Term Loans & Advances	16	67,935.96	59,266.51
		3,77,142.96	4,39,817.12
TOTAL		4,07,955.57	4,69,743.39

As per our report of even date attached
FOR BHATTER & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.131092W
D. H. BHATTER
PROPRIETOR
M. No. 16937

For and on behalf of the Board

Ashok Ajmera
Narayan Atal
Ankit Ajmera
Anuj Ajmera

Managing Director
Director
Executive Director
Executive Director

Place: Mumbai
Date : 29.05.2014

Shailendra Pathak

Company Secretary

AJCON GLOBAL SERVICES LIMITED			
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014			
Particulars	Note No.	For the Year 31.03.2014	For the Year 31.03.2013
		(₹ '000)	(₹ '000)
I. Revenue from Operations	17	78,305.58	90,461.90
II. Other Income	18	727.97	1,083.45
III. Total Revenue (I+II)		79,033.55	91,545.35
IV Expenses			
Employee Benefit Expenses	19	19,762.72	16,460.79
Financial Cost	20	5,637.13	5,649.28
Depreciation & Amortization Expenses		4,643.06	4,356.82
Interest Expenses	20A	24,552.72	22,260.57
Other Expenses	21	19,774.57	32,159.50
Total Expenses		74,370.19	80,886.95
V Profit/(Loss) before Extra-ordinary items & Tax (III-IV)		4,663.36	10,658.40
VI Extra-ordinary items		-	-
VII Profit/(Loss) before Tax (V-VI)		4,663.36	10,658.40
VIII Tax Expenses			
i) Current Tax		2,017.99	3,687.00
ii) Deferred Tax Expenses/ (Savings)		(570.73)	(94.18)
iii) Short/ (Excess) Provision of Taxation in Earlier Years		264.09	1.89
IX Profit/(Loss) for the period		2,952.02	7,063.69
Balance carried to Balance Sheet		2,952.02	7,063.69
X Basic & Diluted EPS (in ₹)		0.48	1.15
Face Value ₹ 10/- per Share			

As per our report of even date attached
FOR BHATTER & CO.
CHARTERED ACCOUNTANTS
 Firm Reg. No.131092W
D. H. BHATTER
PROPRIETOR
 M. No. 16937

For and on behalf of the Board

Ashok Ajmera
 Narayan Atal
 Ankit Ajmera
 Anuj Ajmera

Managing Director
Director
Executive Director
Executive Director

Place: Mumbai
 Date : 29.05.2014

Shailendra Pathak

Company Secretary

AJCON GLOBAL SERVICES LIMITED			
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014			
	Particulars	Year Ended 31/03/2014	Year Ended 31/03/2013
A	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>	(₹ '000)	(₹ '000)
	Net Profit before Tax and Prior period Adjustment & exceptional item	4,663.36	10,658.40
	Adjustment for:		
	Depreciation and Amortisation	4,643.06	4,356.82
	Preliminary Expenses incurred for incorporation of Subsidiary Company	-	(178.30)
	(Profit)/Loss on Sale of Fixed Asset	81.54	164.83
	Provision for Loss on Options Trading	(142.06)	142.06
	Interest Received	(2,360.58)	(1,031.07)
	Provision against Standard Assets of NBFC	52.14	-
	Finance Cost	5,637.13	5,649.28
	Operating Profit Before Working Capital Changes	12,574.58	19,762.02
	Adjustment for:		
	Inventories	72,039.47	(78,871.27)
	Trade & Other Receivables	(10,799.39)	1,036.90
	Trade Payables & Other Current Liabilities	(10,913.36)	12,850.59
	Cash Generated from Operations	62,901.30	(45,221.76)
	Direct Taxes Paid (Net of Refund)	(1.08)	(3,352.73)
	Cash Flow before prior period Adjustments & Exceptional item	62,900.22	(48,574.49)
	Prior Period Adjustments	-	-
	Net Cash From/ (Used In) Operating Activities (A)	62,900.22	(48,574.49)
B	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
	Purchase of Fixed Assets / Capital work-in-progress	(4,100.78)	(7,529.76)
	Purchase of Non Current Investments	(1,710.15)	-
	Sale of Fixed Assets	200.00	600.00
	Interest on Fixed Deposits Received	663.86	538.93
	Net Cash From/ (Used In) Investing Activities (B)	(4,947.07)	(6,390.83)
C	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
	Proceeds from Secured Borrowings (Net)	(17,017.53)	13,984.87
	Proceeds from Unsecured Borrowings (Net)	(38,429.31)	57,072.25
	Interest and Finance Charges Paid	(5,637.13)	(5,649.28)
	Net Proceeds from Issue of Shares including Share Premium	-	12,500.00
	Share Application Money Received	-	(15,000.00)
	Interest Received	1,696.72	492.14
	Net Cash From/ (Used In) Financing Activities (C)	(59,387.24)	63,399.98
	Net Increase/ (Decrease) in Cash and Cash equivalents (A)+(B)+(C)	(1,434.09)	8,434.65
	Cash and Cash equivalents at the beginning of the year	15,475.63	7,040.98
	Cash and Cash equivalents at the end of the year	14,041.54	15,475.63
NOTES: 1.) Above statement has been prepared by the indirect method as set out in the Accounting Standard 3 on Cash Flow Statement as specified in the Companies (Accounting Standards) Rules, 2006. 2.) Cash and Cash equivalent at the end of the year includes earmarked balance with Bank towards unpaid dividend. 3.) Figures for the previous year are re-classified / re-arranged / re-grouped, wherever necessary.			

As per our report of even date attached

FOR BHATTER & CO.

CHARTERED ACCOUNTANTS

Firm Reg. No.131092W

D. H. BHATTER

PROPRIETOR

M. No. 16937

Place: Mumbai

Date : 29.05.2014

For and on behalf of the Board

Ashok Ajmera

Narayan Atal

Ankit Ajmera

Anuj Ajmera

Shailendra Pathak

Managing Director

Director

Executive Director

Executive Director

Company Secretary

Notes forming Integral Part of Consolidated Balance Sheet as at 31st March 2014

Note: 2 Share Capital

	As at 31.03.2014 (₹ '000)	As at 31.03.2013 (₹ '000)
Authorised Share Capital		
10,000,000 (10,000,000) Equity Shares of ₹ 10 each	1,00,000.00	1,00,000.00
Issued, Subscribed & Paid Up		
6,116,200 (6,116,200) Equity Shares of ₹ 10 each fully paid up.	61,162.00	61,162.00
Total	61,162.00	61,162.00

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

Name of Share holders	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	% held	No. of Shares	% held
Ashok Ajmera	7,50,000	12.26%	7,50,000	12.26%
Ajcon Consultants Pvt. Ltd.	7,19,900	11.77%	7,19,900	11.77%
Pragati Ajmera	5,00,000	8.18%	5,00,000	8.18%
Ankit Ajmera	3,86,900	6.33%	3,25,000	5.31%
Anuj Ajmera	3,85,000	6.29%	3,25,000	5.31%

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

Particulars	As at 31.03.2014	As at 31.03.2013
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	61,16,200	61,16,200
Add: Shares issued during the year	-	-
Less: Shares cancelled/ buy back during the year	-	-
Equity Shares at the end of the year	61,16,200	61,16,200

2.3 Face Value of Shares

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

2.4 Rights, Preferences and Restrictions attached to Shares :

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

Note: 3 Reserves and Surplus

	As at 31.03.2014 (₹ '000)	As at 31.03.2013 (₹ '000)
<u>Securities Premium</u>		
Balance at the beginning of the year	56,272.66	47,610.32
Additions during the year	-	9,420.44
Utilization during the year	-	(758.10)
Balance at the end of the year	56,272.66	56,272.66
<u>General Reserve</u>		
Balance at the beginning of the year	10,737.50	10,737.50
Additions during the year	-	-
Utilization during the year	-	-
Balance at the end of the year	10,737.50	10,737.50
<u>Profit and Loss Account</u>		
Balance at the beginning of the year	41,898.60	34,816.30
Profit/(Loss) during the year	2,883.05	7,082.30
Balance at the end of the year	44,781.65	41,898.60
Total	1,11,791.81	1,08,908.76

Note: 4 Minority Interest

Face Value of Shares Held by Minority	4,625.00	4,625.00
Appropriations of Reserve & Surplus	9,674.27	9,605.30
Total	14,299.27	14,230.30

Note: 5 Long Term Borrowings

<u>Secured Loans</u>		
Vehicle Loan From Bank	1,903.63	2,908.42
(Secured against vehicles. Payment of principal and interest thereon is in line with the stipulated terms of the loan)		
Total	1,903.63	2,908.42

Note: 6 Deferred Tax Liability

Deferred Tax Liability : (Opening)	2,400.52	2,494.70
Add: Deferred Tax Liability/ (Asset) for timing difference on depreciation	(570.73)	(94.18)
Net Deferred Tax Liability : (Closing)	1,829.79	2,400.52

Note: 7 Short Term Borrowings

	As at 31.03.2014 (₹ '000)	As at 31.03.2013 (₹ '000)
Secured Loans		
Secured Overdraft from Banks (OD-EQM)	36,389.72	37,510.57
Secured Loans from Bank Repayable on Demand (OD-Shares)	-	1,043.68
Inter Corporate Loans / Advances (Secured against shares, repayable on demand)	68,037.37	81,885.58
Unsecured		
Temporary Bank Overdraft	1,586.72	2,230.10
Others		
Security/Margin Deposit	30,000.00	36,050.00
Inter Corporate Deposits	58,211.70	89,947.63
Total	1,94,225.51	2,48,667.56

■ Secured overdraft (OD-EQM) from Bank of India is secured by equitable mortgage of office premises owned by the company and equitable mortgage of a plot of land owned by Ajcon Infra Projects Pvt. Ltd., an associate company and personal guarantee of the Managing Director of the Company

■ Secured Loans (OD-Shares) from Bank of India is payable on demand is secured by pledge of shares with 50% margin.

■ Payment of principal and interest thereon is in line with the stipulated terms of the loan.

Note: 8 Trade Payables

Creditors for Trade	[Refer note below]	10,121.28	17,765.16
Creditors for Expenses	[Refer note below]	1,826.05	3,568.57
Total		11,947.33	21,333.72

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

Note: 9 Other Current Liabilities

Creditors for Others	951.42	2,478.39
Unclaimed Dividend	135.33	135.33
Total	1,086.75	2,613.72

	As at 31.03.2014 (₹ '000)	As at 31.03.2013 (₹ '000)
--	---------------------------------	---------------------------------

Note: 10 Short Term Provisions

Provision for Taxation	9,657.33	7,376.33
Provision for Contingent Liability against Standard Assets	52.14	-
Provision for Loss on Options Trading	-	142.06
Total	9,709.47	7,518.39

Note : 11 Fixed Assets

(₹ '000)

Name of the Assets	Gross block				Depreciation				Net Block	
	01/04/2013			31/03/2014	01/04/2013			31/03/2014	31/03/2014	31/03/2013
	Opening	Addition	Sale	Balance	Opening	For the Year	Deduction	Balance		
Tangible Assets										
Office Premises	6,159.86	-	-	6,159.86	809.03	100.41	-	909.43	5,250.43	5,350.83
Furniture Fixtures	5,819.55	2,626.28	-	8,445.83	2,258.87	405.17	-	2,664.04	5,781.79	3,560.68
Computers	19,200.91	91.16	-	19,292.07	13,189.54	3,118.62	-	16,308.16	2,983.91	6,011.37
Motor Vehicle	6,581.81	645.24	466.98	6,760.07	2,080.87	629.20	185.44	2,524.63	4,235.44	4,500.94
Air - Conditioner	1,524.43	422.72	-	1,947.15	477.53	117.44	-	594.97	1,352.18	1,046.90
Electrical Installation	1,991.15	197.69	-	2,188.84	1,080.75	150.22	-	1,230.97	957.87	910.40
Office Equipments	1,633.72	117.69	-	1,751.41	781.17	104.17	-	885.34	866.07	852.55
Total	42,911.43	4,100.78	466.98	46,545.23	20,677.77	4,625.23	185.44	25,117.55	21,427.68	22,233.66
Intangible Assets										
Stock Exchange Card	1,661.00	-	-	1,661.00	-	-	-	-	1,661.00	1,661.00
Grand Total	44,572.43	4,100.78	466.98	48,206.23	20,677.77	4,625.23	185.44	25,117.55	23,088.68	23,894.66
Previous Year	38,123.38	7,529.76	1,080.71	44,572.43	16,636.83	4,356.82	315.88	20,677.77	23,894.66	21,486.55

Note: 12 Non Current Investments

	As at 31.03.2014 (₹ '000)	As at 31.03.2013 (₹ '000)
Other Investments		
Investment in Equity Instruments- Strategic		
a) In Associate Companies		
♦ 25,000 (25,000) Equity shares of ₹ 10 each of M/s Ajcon IT.Com Ltd.	5,100.00	5,100.00
♦ 3,335 (3,335) Equity shares of ₹ 10 each of M/s Ajcon Infra Projects Pvt. Ltd.	667.00	667.00
b) Others		
♦ 10,000 (10,000) Equity shares of ₹ 1 each at par of Madhya Pradesh Stock Exchange Ltd.	10.00	10.00
♦ 11,401 (NIL) Equity shares of ₹ 10 each of BSE Limited	1,710.15	-
Total	7,487.15	5,777.00

Note: 13 Inventories

Stock of Shares and Securities (At Cost)	2,56,273.15	3,28,339.40
Total	2,56,273.15	3,28,339.40

Note: 14 Trade Receivables

Sundry Debtors (Unsecured, considered good) Outstanding for a period exceeding six months from the date they are due for payment	2,515.23	2,304.78
Others	36,377.08	34,430.80
Total	38,892.31	36,735.58

Note: 15 Cash & Cash Equivalants

Cash on Hand	3,067.06	2,181.65
Balances with Bank		
- In current accounts	2,942.48	5,434.72
- Earmarked balances - Unpaid dividend account	135.33	135.33
Bank Fixed Term Deposits (Original maturity is more than 12 months)	7,896.67	7,723.94
Total	14,041.54	15,475.63

♦ Fixed Deposits are towards margin and Bank Guarantees for ₹ 12,575 Thousands (P.Y. ₹ 13,875 Thousands) issued by the bankers of the Company in favour of the Clearing Corporation / Clearing Member / Stock Exchanges.

	As at 31.03.2014 (₹ '000)	As at 31.03.2013 (₹ '000)
--	---------------------------------	---------------------------------

Note: 16 Short Term Loans & Advances

<u>Unsecured, considered good</u>		
Advances to staff	2,435.50	2,428.50
Other advances recoverable in cash or in kind or for value, to be considered good	37,236.44	27,858.45
<u>Deposits</u>		
Deposits with Stock Exchanges & Other Miscellaneous Deposits	28,264.02	28,979.56
Total	67,935.96	59,266.51

Notes forming Integral Part of Consolidated Statement of Profit & Loss for the year ended 31st March 2014

Note: 17 Revenue from Operations

	For the Year 31.03.2014 (₹ '000)	For the Year 31.03.2013 (₹ '000)
Income from Stock Market Operations	14,889.94	17,380.60
Income from Consultancy and Advisory Services	33,321.65	52,653.41
Profit/ (Loss) from Prop. Trading	28,397.26	19,935.75
Interest Income	1,696.72	492.14
Total	78,305.58	90,461.90

Note: 18 Other Income

Interest on FD	663.86	538.93
Profit/ (Loss) on sale of Assets	(81.54)	(164.83)
Miscellaneous Income	145.66	709.35
Total	727.97	1,083.45

Note: 19 Employee Benefit Expenses

Salaries and Retainer-ship Fees	14,488.62	12,155.81
Directors' Remuneration	4,525.00	3,660.00
Staff Welfare Expenses	749.10	644.98
Total	19,762.72	16,460.79

Note: 20 Financial Cost

Interest Expenses	5,263.58	5,168.87
Bank Charges & Commission	373.54	480.41
Total	5,637.13	5,649.28

	For the Year 31.03.2014 (₹ '000)	For the Year 31.03.2013 (₹ '000)
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Note: 20-A Interest Paid

Interest Paid By Subsidiary Company (NBFC)	24,552.72	22,260.57
Total	24,552.72	22,260.57

Note: 21 Other Expenses

Auditors' Remuneration		
<i>Statutory Audit Fees</i>	73.20	69.25
<i>Tax Audit Fees</i>	13.00	13.00
Advertisement & Business Development Expenses	933.05	1,211.81
Connectivity & Communication	1,054.53	745.73
Depository Charges	108.34	91.37
Electricity Charges & Expenses	1,016.09	1,142.67
Insurance Premium	170.62	285.46
Legal & Professional Fees	5,199.21	16,247.99
Provision Against Standard Assets of NBFC	52.14	-
Postage, Courier and Telegram	157.01	192.36
Printing & Stationery	291.73	261.90
Rent, Rates & Taxes	3,760.83	2,775.13
Repairs & Maintenance	946.85	787.02
Software and AMC charges	823.35	517.64
Subscription and Membership Fees	1,432.17	2,347.75
Sundry Expenses	1,333.09	1,407.58
Telephone Expenses	611.87	877.74
Transaction Charges	180.06	303.26
Travelling & Conveyance Expenses	1,617.51	2,881.85
Total	19,774.57	32,159.50

Note: 22 Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the Companies. Lack of homogeneity and other similar considerations makes it desirable to exclude some of them, which in the opinion of the Management could be better viewed, when referred from the individual financial statements. Recognizing this purpose, the Company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures.

Note: 23 Basis and principles of Presentation of Consolidated Financial Statements

- i) The financial statements of the parent Company and its subsidiaries have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, incomes and expenses after eliminating intra-group balances, intra group transactions and unrealized profits resulting there from as laid down in Accounting Standard (AS)-21 on "Consolidated Financial Statements".
- ii) The Financial Statements of the Subsidiaries used in the consolidation is drawn upto same reporting date as that of parent Company, i.e. year ended 31st March, 2014.

- iii) The Company follows mercantile method of accounting and recognizes income and expenditure on accrual basis. Financial Statements are prepared on historical cost basis and as a going concern.
- iv) The accounting policies of the parent are best viewed in its independent financial statements. The financial statements of the parent Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances.

Note: 24 In terms of AS 21 financial statement present the consolidated accounts of AJCON GLOBAL SERVICES LIMITED with its following subsidiaries:

SUBSIDIARY	COUNTRY OF INCORPORATION	2013-14 PROPORTION OF OWNERSHIP INTEREST %	2012-13 PROPORTION OF OWNERSHIP INTEREST %
Ajcon Commodity Brokers Limited	India	79.33%	79.33%
Kanchanmanik Securities Pvt. Ltd	India	100.00%	100.00%
Ajcon Comtrade Pvt. Ltd.	India	100.00%	100.00%

Note: 25 Figures pertaining to the subsidiary Companies have been reclassified/regrouped/recast wherever necessary to bring them in line with the parent Company's financial statements.

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

As per our report of even date attached
FOR BHATTER & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.131092W
D. H. BHATTER
PROPRIETOR
M. No. 16937

For and on behalf of the Board

Ashok Ajmera
Narayan Atal
Ankit Ajmera
Anuj Ajmera

Managing Director
Director
Executive Director
Executive Director

Place: Mumbai
Date : 29.05.2014

Shailendra Pathak

Company Secretary

Admission Slip

(To be handed over at the entrance of the Meeting Hall)

Folio No./ DP ID & Client ID: _____

No. of Shares held: _____

I certify that I am a registered Share holder / Proxy for the registered Share holder of the Ajcon Global Services Limited, I hereby record my presence at the Twenty Seventh Annual General Meeting of the Company being held at Kilachand Conference Room, 2nd Floor , IMC Building, IMC Marg, Churchgate, Mumbai-400020 at 4.00 pm.

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

(Member's/Proxy's Signature)

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]

CIN: L74140MH1986PLC041941

Name of the company: Ajcon Global Services Ltd.

Registered office: 101, Samarth Lt. P.N. Kotnis Road, Off. Hinduja Hospital, Mahim (W), Mumbai-400016.

Name of Shareholder: _____

Registered address: _____

Email ID: _____

Folio/No. /DPID & Client ID _____

I/We, being the member(s) of shares of the above named company, hereby appoint

- 1) _____ of _____ having e-mail id _____ or failing him
- 2) _____ of _____ having e-mail id _____ or failing him
- 3) _____ of _____ having e-mail id _____

and whose and whose signatures are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Seventh Annual General Meeting of the Company, to be held on the Thursday , the 14th day of August, 2014 at 4.00pm. at Kilachand Conference Room, 2nd Floor , IMC Building, IMC Marg, Churchgate, Mumbai-400020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Description	For	Against
	Ordinary Business:		
1.	The audited Financial Statements of the Company together with the reports of Board of Directors and the Auditors thereon.		
2.	Re-appointment of Mr. Ankit Ajmera as a Director.		
3.	Appointment of Statutory Auditors and authorising Board to fix their remuneration.		
	Special Business:		
4.	Appointment of Mr. Samir Biswas as an Independent Director.		
5.	Appointment of Mr. Narayan Atal as an Independent Director.		
6.	Appointment of Mr. Rajendra Bakiwala as an Independent Director.		
7.	Approval for borrowing powers of the Board of Directors of the Company		
8.	Approval for creation of mortgage/ charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings.		
9.	Approval for Adoption of new Articles of Association of the Company.		

Affix
Revenue
Stamp

Signature

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



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If Undelivered, please return to

AJCON GLOBAL SERVICES LTD.

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