



**AJCON GLOBAL**  
YOUR FRENDRY FINANCIAL ADVISOR

To,  
**The Manager (Listing)**  
BSE Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort  
Mumbai – 400 001

Date: 08.09.2020

Dear Sir/ Madam,

Ref.: Security Code: 511692

Subject: Submission of Notice of 33<sup>rd</sup> AGM and Annual Report of the Company for the Financial Year 31<sup>st</sup> March, 2020.

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Notice of 33<sup>rd</sup> AGM and Annual Report of the Company for the Financial Year ended 31st March, 2020.

Please take the same in your records.

Thanking you,  
Yours faithfully,

For **Ajcon Global Services Ltd.**

**Ankit Ajmera**  
(Executive Director)  
Encl. : As above

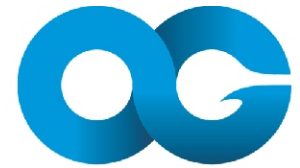
  
Ajcon Global Services Ltd.

Regd. & Corporate Office : 408, A- Wing, Express Zone, Near Patels, Western Express Highway, Goregaon (East), Mumbai - 400063.

CIN : L74140MH1986PLC041941  022 - 67160400 / 28722062  [ajcon@ajcon.net](mailto:ajcon@ajcon.net)



| [www.ajconglobal.com](http://www.ajconglobal.com)



**AJCON GLOBAL**  
YOUR FRIENDLY FINANCIAL ADVISORS



# **ANNUAL REPORT**

**2019-2020**

**WITH THE RIGHT COMPANY  
THERE IS ONLY ONE WAY  
TO GO**





**AJCON GLOBAL**  
YOUR FRIENDLY FINANCIAL ADVISORS

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**CA Dr. Ashok Ajmera**  
Chairman, Managing Director & CEO  
DIN : 00812092

**CA Samir Biswas**  
Independent Director  
DIN : 02559909

**CA Rajendra Bakiwal**  
Independent Director  
DIN : 02909100

**Mr. Ankit Ajmera**  
Executive Director & CF  
DIN : 00200434



**CA Narayan Atal**  
Independent Director  
DIN : 00237626

**CS. Ragini Chokshi**  
Independent Director  
DIN : 06743306

**Mr. Anuj Ajmera**  
Executive Director  
DIN : 01838428

### KEY MANAGERIAL PERSONNEL

**CA. Dr. Ashok Ajmera**  
Managing Director & CEO

**Mr. Ankit Ajmera**  
Executive Director & CFO

**Mr. Anuj Ajmera**  
Executive Director

**Mr. Shailendra Pathak**  
Company Secretary  
Membership No. : 27386



### STATUTORY AUDITORS

**Chaturvedi Sohan & Co.**  
Chartered Accountants  
Mumbai

### INTERNAL AUDITORS

**Atul Donda & Co.**  
Chartered Accountants  
Thane

### 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.**

1st Floor, Bharat TIN Works Building,  
Opp. Vasant Oasis Apartments  
(Next to Keys Hotel),  
Marol Maroshi Road, Andheri - East,  
Mumbai 400059.

Tel.: 022-62638294, Fax: 022-62638299

Email: [info@bigshareonline.com](mailto:info@bigshareonline.com)

**Demat ISIN No.**

INE759C01019

**CIN No.**

L74140MH1986PLC041941

**Investor Grievance Email**

[investorgrievance@ajcon.net](mailto:investorgrievance@ajcon.net)

**Web Sites**

[www.ajcononline.com](http://www.ajcononline.com)  
[www.pyarapaisa.com](http://www.pyarapaisa.com)



## AJCON GLOBAL SERVICES LIMITED

An ISO 9001:2015 Certified Company

**REGISTERED & CORPORATE OFFICE : 408, A-Wing, Express Zone, Near Patel 's W.E. Highway, Goregaon(E), Mumbai- 400 063.**

**Tel : 022 - 67160400 / 28722061. Email : [ajcon@ajcon.net](mailto:ajcon@ajcon.net)**

Regd. Off. :408, A-Wing, Express Zone  
Near Patel 's W.E. Highway, Goregaon(E), Mumbai- 400 063.  
CIN: L74140MH1986PLC041941

**NOTICE**

**Notice** is hereby given that the 33<sup>rd</sup> Annual General Meeting of the Members of Ajcon Global Services Limited will be held on Wednesday, 30<sup>th</sup> September, 2020 at 11.00 am through Video Conferencing (VC)/other Audio-Visual Means (OAVM) to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited financial statements including audited consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March 2020 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.

**SPECIAL BUSINESS:**

3. To consider and if thought fit, to pass with or without modification, the following Resolution as Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149,150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Ragini Chokshi (DIN:06743306) Non-Executive Independent Director of the Company who has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for re-appointment, be and is hereby re-appointed as Non-Executive Independent Director of the Company to hold office for second term of five consecutive years with effect from 14<sup>th</sup> February, 2020 to 13<sup>th</sup> February, 2025 and whose office shall not be liable to retire by rotation”.

4. To consider and if thought fit, to pass with or without modification, the following Resolution as Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or reenactment(s) thereof for the time being in force), the approval of Members of the Company be and is hereby accorded to the reappointment of Mr. Ashok Ajmera, as Managing Director & Chief Executive Officer (CEO) of the Company for a period of 3(Three) years commencing from 01<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2023, being not liable to retire by rotation, up on terms and conditions including remuneration as recommended by nomination and remuneration committee and approved by the Board as set out in the Explanatory Statement annexed to the notice.

**RESOLVED FURTHER THAT** notwithstanding anything herein above stated where in any financial year, during the tenure of Mr. Ashok Ajmera as Managing Director & CEO of the Company, the Company incurs a loss or its profits are inadequate or in case of absence of profits, the Company shall pay to Mr. Ashok Ajmera the said remuneration as mentioned in the explanatory statement, pursuant to the provision of and ceiling limits as prescribed under First Proviso to Section II(A) of Part II of Schedule V to the Companies Act, 2013, or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

**RESOLVED FURTHER THAT** the Board and/or Nomination and Remuneration Committee of Directors of the Company be and is hereby authorized to alter, vary and/or revise the terms and condition of reappointment of Mr. Ashok Ajmera as Managing Director & CEO, with mutual consent, subject to and in accordance with the applicable provisions of Companies Act, 2013 and schedule V thereto, and approval of Authorities may be obtained as required, if any.

**RESOLVED FURTHER THAT** any of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above Resolution."

5. To Consider and, if thought fit, to pass the following resolution, with or without Modifications as a Special Resolution:

**"RESOLVED THAT** pursuant to Section 185 and all other applicable provisions of the Companies Act, 2013 read with Companies (Amendment) Act, 2017 and Rules made there under as amended from time to time, the consent of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any entity which is a subsidiary or associate or Group Company of the Company, (in which any director is deemed to be interested) up to an aggregate sum of Rs. 10.00 Crores (Rupees Ten Crore Only) which in their absolute discretion deem beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities."

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company."

6. To Consider and, if thought fit, to pass the following resolution, with or without Modifications as a Special Resolution:

**"RESOLVED THAT** pursuant to Section 186(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time), and in terms of Articles of Association of the Company and subject to such approvals, consents, sanctions and permissions as may be necessary, the consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose or any person(s) authorized by the Board) for making investment(s) in excess of limits specified under section 186 of Companies Act, 2013 from time to time in acquisition of securities of any other body corporate or for giving loans, guarantees or providing securities to any other body corporate or other person / entity whether in India or outside India, as may be considered appropriate for an amount not exceeding Rs.10.00 Crore (Rupees Ten Crore Only), notwithstanding that such investment and acquisition together with the Company's existing investments in all other bodies corporate, loans and guarantees given and securities provided shall be in excess of the limits prescribed under section 186(3), of the Companies Act, 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board of Directors of the Company be and is hereby authorized to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental thereto as they may in their absolute discretion deem fit to give effect to this resolution."

7. To Consider and, if thought fit, to pass the following resolution, with or without Modifications as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), and also pursuant to the consent of the Audit Committee and the Board of Directors, and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, consent of the Members be and is

hereby accorded to the Company to approve all contracts/ arrangements/ agreements/ transactions (including any modifications, alterations, amendments or renewal thereto), with ‘Related Parties’ within the definition of the Companies Act, 2013 and Listing Regulations, as more particularly enumerated in the explanatory statement to the Notice and on such terms and conditions as may be agreed between the Company and such related parties.

**RESOLVED FURTHER THAT** in this regard, the Board (hereinafter referred to as “the Board” which term shall include any Committee thereof) is hereby authorized to negotiate, finalize, vary, amend, renew and revise the terms and conditions of the transactions and enter into, sign, execute, renew, modify and amend all agreements, documents and letters thereof, from time to time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things and execute all such deeds, documents and writings on an ongoing basis, as may be necessary, proper or expedient for the purpose of giving effect to the above resolution.”

**By Order of the Board**

**Place: Mumbai**  
**Date: 04.09.2020**

**Ashok Ajmera**  
**Chairman & Managing Director**  
**DIN: 00812092**

**Notes:**

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide its circular dated May 05, 2020 read with circulars dated April 08, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide circular dated May 12, 2020 (“SEBI Circular”) permitted the holding of the Annual General Meeting (“the AGM”) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members (also referred as “Shareholders”) at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), MCA Circulars and SEBI Circular (amended from time to time), the AGM of the Company is being held through VC / OAVM and Members can attend and participate in the ensuing AGM through VC / OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the

authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations and MCA Circulars, the Company is providing facility of Remote e-voting (E-voting from a place other than venue of the Meeting) and E-voting during AGM, to its Members in respect of the businesses to be transacted at the AGM.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. Pursuant to Section 105 of the Act and Rule 19 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time), a member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote, instead of himself / herself and the proxy need not be a Member of the Company. However, pursuant to MCA Circulars and SEBI Circular, since the AGM will be held through VC / OAVM, the physical attendance of Members in any case has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form is not annexed to this Notice.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to Section 113 of the Act, representatives of Corporate Members may be appointed for the purpose of voting through Remote e-voting or for participation and voting in the AGM to be conducted through VC / OAVM. Corporate Members intending to attend the AGM through their authorised representatives are requested to send a Certified True Copy of the Board Resolution and Power of Attorney, (PDF / JPG Format), authorizing its representative to attend and vote on their behalf at the AGM. The said Resolution / Authorisation shall be sent to the Company by e-mail through its registered e-mail address at [cs@ajcon.net](mailto:cs@ajcon.net) with a copy marked to [investor@bigshareonline.com](mailto:investor@bigshareonline.com).
8. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report for FY 2019-20 is being sent only through electronic mode to those Members whose name appear in the Register of Members / Beneficial Owners maintained by the Depositories as on benpos date i.e. Friday, August 28, 2020 and whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report for FY 2019-20 will also be available on website of the Company, i.e. [www.ajcononline.com](http://www.ajcononline.com), website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com).
9. The Relevant documents referred to in the accompanying Notice and the Explanatory Statement, Registers and all other documents will be available for inspection in electronic mode. Members can inspect the same up to the date of AGM, by sending an e-mail to the Company at [cs@ajcon.net](mailto:cs@ajcon.net)
10. The Member whose name appears on the Register of Members / Beneficial Owners maintained by the Depositories as on cutoff date i.e. Friday, September 25, 2020 will only be considered for the purpose of Remote e-voting and E-voting.
11. Voting rights shall be reckoned on the paid-up value of shares registered in the name of Members / Beneficial Owners maintained by the Depositories as on the cut-off date i.e. Friday, September 25, 2020.
12. 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.
13. The Members attending the AGM should note that those who are entitled to vote but have not exercised their right to vote by Remote e-voting, may vote during the AGM through E-voting for all businesses specified in the

accompanying Notice. The Members who have exercised their right to vote by Remote e-voting may attend the AGM but shall not vote at the AGM.

14. The Register of Members and Share Transfer Books of the Company will remain closed from **26.09.2020 to 30.09.2020** (both days inclusive).
15. 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 no., DPID/ Client ID, Members are also requested to send their email address to the company's Registrar.
16. 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.
17. Shareholders who are still holding physical share certificate(s) are advised to dematerialize their shareholding to avail the benefits of dematerialization.
18. Members holding shares in physical form are requested to notify/send the following to the Company's Registrar and Transfer Agents to facilitate better service:
  - i. Any change in their address
  - ii. Particulars of their bank accounts in case the same have not been sent earlier, for dividend payment through ECS mode and
  - iii. Share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of the names for consolidation of such holdings into one account.

Members may note that as per Securities Exchange Board of India (SEBI) Gazette notification dated June 8, 2018, any member who is desirous of transferring shares (which are held in physical form) after April 01, 2019 can do so only after the shares are dematerialized. However, currently this restriction shall not be applicable for transmission or transposition of physical shares. It was clarified by SEBI that the said notification does not prohibit the members from holding shares in physical form and they would still have the option of holding shares in physical form even after April 01, 2019.

19. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit details to the Registrar and Transfer Agents of the Company, in the prescribed Form SH.13 for this purpose. Voting through electronic means.

## **INSTRUCTIONS FOR REMOTE E-VOTING AND E-VOTING DURING AGM**

### **I. INSTRUCTIONS FOR REMOTE E-VOTING:**

The instructions for shareholders voting electronically are as under:

- I. The voting period begins on 27<sup>th</sup> September, 2020 (9.30 am) and ends on 29<sup>th</sup> September, 2020 (5.00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 25<sup>th</sup> September, 2020, 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](http://www.evotingindia.com).
- III. Click on Shareholders/Member
- IV. 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 or Alternatively, if you are registered for CDSL’s EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL’s EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

V. Next enter the Image Verification as displayed and Click on “Login”.

VI. If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

VII. 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"> <li>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 (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</li> <li>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. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field</li> </ul>
Dividend Bank Details Or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or date of birth (in DD/MM/YYYY format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or Company please enter the member id/folio number in the dividend bank details filed as mentioned in instruction.</li> </ul>

VIII. After entering these details appropriately, click on “SUBMIT” tab.

IX. 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.

X. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

XI. Click on the EVSN of Ajcon Global Services Limited on which you choose to vote.

XII. 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.

XIII. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

XIV. 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.

XV. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

- XVI. 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.
- XVII. If Demat account holder has forgotten the changed login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XVIII. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- XIX. Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- XX. Note for Non – Individual Shareholders& Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) 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](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a 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.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - 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.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@ajcon.net](mailto:cs@ajcon.net) (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- XXI. 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.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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 25<sup>th</sup> September, 2020 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.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@ajcon.net](mailto:cs@ajcon.net).

2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@ajcon.net](mailto:cs@ajcon.net).

## II. INSTRUCTIONS FOR E-VOTING DURING THE AGM:

1. The procedure for E-voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those Members, who are present in the AGM through VC / OAVM and have not casted their vote on the Resolutions through Remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through E-voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Members who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

### Instructions for attending the AGM through VC / OAVM:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
3. Members are encouraged to join the AGM through Laptops / IPads for better experience.
4. Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the AGM.
5. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to Fluctuation in their respective network. It is therefore recommended to use StableWi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. The Members who would like to express their views / ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail Id mentioning their name, demat account number / folio number, email id, mobile number at [cs@ajcon.net](mailto:cs@ajcon.net) up to **September 25, 2020 (IST 5.00 p.m.)**. Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM.
7. The Members who do not wish to speak during the AGM but have queries may send their queries from their registered e-mail Id mentioning their name, demat account number / folio number, email id, mobile number at [cs@ajcon.net](mailto:cs@ajcon.net) up to **September 25, 2020 (IST 5.00 p.m.)**. These queries will be replied by the Company appropriately during the AGM.
8. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
9. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**ANNEXURE TO ITEM NO. 2, 3 & 4 OF THE NOTICE CONVENING THE 33<sup>rd</sup> ANNUAL GENERAL MEETING OF THE COMPANY**  
The Statement of disclosures pursuant to Secretarial Standard-2 on General Meetings and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is as under:

Name of Director	Mr. Ashok Ajmera	Mr. Ankit Ajmera	Mrs. RaginiChokshi
Date of Birth	20/05/1953	04/01/1978	29/04/1953
Qualification	B. Com, F.C.A.	B.Com , MBA (U.K.)	BA, FCS
Brief Resume and expertise in specific functional area	Mr. Ashok Kumar Ajmera is a well known Chartered Accountant and a capital market expert. He has garnered a rare expertise in the entire gamut of financial services, gained from a wealth of experience of over 38 years	Mr. Ankit Ajmera has experience of over 18 years in Capital Markets. Mr. Ajmera handles day to day operations, accounting and financial activities of the Company.	Mrs. RaginiChokshi is a founder partner of the firm "RaginiChokshi & Co." and associated with many listed and unlisted Companies. She is a practicing Company Secretary in Mumbai since more than two decade & having Specialization in Corporate law matters.
Date of first appointment in the current designation	0/04/1993	18/01/2005	14/02/2015
Shareholding in the Company	7,50,000 equity shares	3,86,900 equity shares	NIL
List of directorships in other companies	Kanchanmanik Securities Private Limited, Ajcon Finance Limited, AjconComtrade Private Limited, Reach Ajcon Financial Advisors Private Limited, Ajcon Consultants P Ltd, Ajcon Communications Private Limited, Reach Ajcon Technologies Private Limited, E3 Zone Edutrain Private Limited	Ajcon Infra Projects Private Limited, Surge Impex Private Limited, Kanchanmanik Securities Private Limited, Ajcon Finance Limited, AjconComtrade Private Limited, Reach Ajcon Financial Advisors Private Limited, Ajcon It Com Limited, Ajcon Consultants P Ltd, Ajcon Communications Private Limited, Reach Ajcon Technologies Private Limited	Matix Fertilisers and Chemicals Limited
Memberships/ Chairmanship of Committees of other companies	NIL	NIL	Nil
Inter-se relationship between Directors and other Key Managerial Personnel	Mr. Ashok Ajmera is the Father of Mr. Ankit Ajmera & Mr. Anuj Ajmera	Mr. Ankit Ajmera is son of Mr. Ashok Ajmera (Managing Director) and Elder brother of Mr. Anuj Ajmera (Executive Director)	NIL
Number of Meetings of the Board attended	5	5	5
Details of remuneration last drawn	₹2.00 Lacs per month	₹1.50 Lacs per month	Only sitting fees were paid

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**ITEM NO. 3**

Mrs. RaginiChokshi is a practicing Company Secretary having vast experience in the field of corporate laws & Legal matters.

Mrs. Chokshi is Non-Executive Independent Director of the company. She has been on the Board of the Company since February 14, 2015. She is also member of Audit Committee of the Board of Directors of the Company.

As per Section 149(10) of the Companies Act, 2013 (“Act”), an Independent Director shall hold office for a term of up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a Special Resolution by the Company for a second term of up to five consecutive years on the Board of a Company.

In terms of SEBI( Listing Obligations & Disclosure Requirements) Regulations, 2015 and section 149,150 ,152 197 read with Companies ( Appointment and Qualification of Director) Rule, 2014 and 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 Mrs. RaginiChokshi being eligible and seeking re-appointment, is proposed to be appointed an Independent Director of the Company for a term of five consecutive years from February 14, 2020 to February 13, 2025.

In the opinion of the Board, Mrs. Chokshi, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the rules made thereunder and she is independent from the management. A Copy of draft letter for the re-appointment of Mrs. Chokshi as an independent director setting out the terms and conditions is available for inspection without any fees by the members, at the Registered Office during normal business on working day up to the date of AGM.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail her services as an Independent Directors.

Except Mrs. Chokshi being appointees, none of your Directors or key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the resolution as per the item No. 3of the notice.

Mrs. Chokshidoesn’t hold any shares of the Company.

This explanation, together with the accompanied notice is and should be treated as an abstract under section 189 and 190 of the Companies Act, 2013 and rules made there under, in respect of the re-appointment of Mrs. Chokshi, as an independent director.

Accordingly, the Board recommends the Resolutions at Item No. 3 of the accompanying notice for re-appointment of Mrs. Chokshi as Independent Directors by passing the Special Resolutions by the members of the Company

#### ITEM NO. 4

The tenure of Mr. Ashok Ajmera was expired on 31<sup>st</sup> March, 2020. The Directors are of opinion that Mr. Ajmera’s vast knowledge and experience in the capital market will be immense beneficial for the growth and overall development of the Company, therefore based on the recommendation of Nomination and Remuneration Committee, the Board of Directors, at its meeting held on 12<sup>th</sup> February, 2020, re-appointed Mr. Ashok Ajmera as a Managing Director & CEO of the Company for a period of 3 (Three) years commencing from 01<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2023, subject to the approval of members at the ensuing Annual General Meeting. The principal terms and conditions of re- appointment as follows:

1. Period of Appointment: The re-appointment shall be effective from 01.04.2020 and shall extend to a period of three years.
2. Remuneration:
  - (a) Salary: ₹2,00,000/- (Rupees Two Lacs Only) per month with such annual increments as may be decided by the Board, not exceeding a sum of ₹4,00,000/- (Rupees Four Lacs Only) per month during the tenure of his appointment.
  - (b) Perquisites/Allowance: Not exceeding the monthly salary. In addition to the salary, the following perquisites shall be paid to Mr. Ashok Ajmera:
    - i. House Rent Allowance: To the extent of actual rent payable by him or in case of owned house, a sum not exceeding 50% of the salary.
    - ii. Medical Expenses: Reimbursement of medical expenses including hospitalizing and surgical charges of self and family, or direct payment by the Company against actual medical bills, receipts and/or cash memos up to a total of 8.33% of basic annual salary.

- iii. Leave Travel Assistance: Entitlement for Leave Travel Assistance for self and family equivalent to one month's basic salary.
- iv. Medical Policy: Coverage under the Company's Group Medclaim Policy and Personal Accident Insurance Policy for which the entire premium will be paid by the Company. The premium under this head shall not exceed ₹25,000/- per annum.
- v. Club Fees: Entitlement for reimbursement of fees and expenses for membership of two clubs other than life membership fees.
- vi. Leave: Leave with full pay or encashment, as per the rules of the Company.
- vii. Provident Fund, Superannuation Fund and Annuity Fund: Company's contribution to Provident Fund, Superannuation Fund and Annuity Fund shall be as per the Schemes of the Company to the extent these, either singly or put together, do not exceeds 27% of the consolidated salary as not taxable under the Income Tax Act, 1961, or any amendments thereto.
- viii. Gratuity: Entitlement to gratuity equivalent to half month's salary for each completed year of service as per the rules of the Gratuity Scheme in operation for the Management Group Personnel.

(c) Amenities :

- i. Provision of Car: The Company shall provide car(s) with chauffeur for official as well as personal purpose.
- ii. Communication Facilities: Telephone/Telefax/Cell phone and other suitable communication facilities at residence.

(d) Remuneration

In the event of loss or inadequacy of profits in any financial year, during the currency of tenure of Managing Director & CEO, the above remuneration be paid to the Managing Director & CEO subject to the applicable provisions of the Act, or any statutory modification(s) or re-enactment thereof but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013, or such other limits as may be prescribed by the Central Government from time to time.

Other Terms and Conditions:

As long as Mr. Ashok Ajmera functions as a Managing Director & CEO of the Company, no sitting fees will be paid to him for attending meetings of the Board of Directors or Committee thereof.

- i. Mr. Ashok Ajmera shall be entitled to reimbursement of entertainment expenses actually and properly incurred by him in the course of the legitimate business of the Company and travelling, hotel and other expenses incurred by him in India and abroad, exclusively for the business of the Company, as per the rules and regulations of the Company or as approved by the Board of Directors.
- ii. As long as Mr. Ashok Ajmera functions as a Managing Director & CEO, he shall not be interested or otherwise concerned directly or through his spouse and sons in any selling agency of the Company in future without the prior approval of the appropriate Authority.
- iii. Mr. Ashok Ajmera shall not during the continuation of his employment with the Company or at any time thereafter divulge or disclose to any person whomsoever or to make any use whatsoever for his own purpose or for any purpose other than that of the Company, any information or knowledge obtained by him during his employment as to the business or affairs of the Company or its methods or as to any trade secrets or secrets processes of the Company and shall use his best endeavors to prevent any other person from doing so. However, such divulgence or disclosure by him to officers and employee of the Company for the purpose of business of the Company shall not be deemed to be a contravention of this clause.
- iv. He is not liable to retire by rotation.

The Company or Mr. Ashok Ajmera shall be entitled to terminate the Agreement by giving to the other party 180 days notice in writing.

There is no contract of service in writing with Mr. Ashok Ajmera. The terms set out in the resolution may be treated in compliance of Section 190 of the Companies Act, 2013.

Pursuant to the provisions of Section 196, 197, 203 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013, including Schedule V to the said Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the appointment and remuneration payable to the Mr. Ashok Ajmera as Managing Director & CEO is now being placed before the members in the 33rd Annual General Meeting for their approval by way of a Special Resolution.

Except Mr. Ashok Ajmera, Mr. Ankit Ajmera, & Mr. Anuj Ajmera none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the Resolution.

#### Disclosure pursuant to Section II of Part II of Schedule V of the Companies Act, 2013 (For Item no. 5)

##### I. GENERAL INFORMATION

1.	Nature of Industry	Stock Broking & Corporate Advisory Services	
2.	Date or expected date of commencement of production	The Company is a financial service provider Company, providing the services of Stock Broking, Consultancy & Advisory Services and as such there is no date of commencement of commercial production.	
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus.	Not Applicable.	
4.	Financial performance based on given indicator	Particulars	₹ in Lacs FY 2019-20
		Paid up Capital	611.62
		Reserve & Surplus	720.49
		Income from Operations	2671.00
		EBIDTA	(52.41)
		PBT	(156.31)
		PAT	(157.71)
5.	Foreign investment or collaborations, if any.	NIL	

##### II. INFORMATION ABOUT THE MANAGERIAL PERSONNEL:

1.	Background	CA. Ashok Kumar Ajmera, aged about 66 years, is a well known Chartered Accountant and a capital market expert. He has garnered a rare expertise in the entire gamut of financial services, gained from a wealth of experience of over 38 years
2.	Present Remuneration	₹ 2,00,000/- per month
3.	Recognition or awards	Mr. Ajmera has received many awards and accolades; a few of them are Management Man of the Year Award at the hands of Governor of Maharashtra, International Award for Excellence in the field of Management by IES. Presently he is on the Board of BSE and is a member of SME working group constituted by BSE Ltd.
4.	Job profile and his suitability	He is the Chairman and Managing Director of Ajcon Global Services

		Ltd with over 38 years of experience, Mr. Ajmera has emerged as a reputed advisor in the field of Investment Banking, Corporate Advisory, Equity Research, Merchant Banking and Capital Markets. He currently spearheads the consultancy and advisory services division of the Company.
5	Proposed Remuneration	Not exceeding ₹ 4,00,000/- per month
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.	The remuneration is paid keeping in the mind of industry trend, profile, position, responsibilities, capabilities and the involvement of Mr. Ashok Ajmera in the Company, the proposed remuneration is reasonable and in line with the remuneration level in the industry across the Country.
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Mr. Ashok Ajmera is the promoter shareholder and Managing Director & CEO of the Company. Mr. Ashok Ajmera is the father of Executive Directors namely Mr. Ankit Ajmera & Mr. Anuj Ajmera

### III. Other Information:

Reason of loss or inadequate profits	As on 31 <sup>st</sup> March, 2020 the Company posted net Loss of ₹ 157.71 Lacs. As per provisions of Sections 196 & 197 read with Schedule V of the Companies Act, 2013, these would be inadequate for payment of remuneration to the Managing Director and Executive Directors. The main reason for losses was fall in the market due to COVID-19 Lockdown. And restriction in the movements of staff.
Steps taken or proposed to be taken for improvement	Post COVID -19, The Management is striving to explore various avenues for increase in revenue of the Company along with reduction in the cost of operations
Expected increase in productivity and profits in measurable terms	The Company expects that improvement in business environment and result of several steps being taken to enhance revenue and reduce costs, may yield better profitability in the years to come, though the same is difficult to quantify.

### ITEM NO. 5

The Company, being the flagship Company of the group, is expected to render support for the business requirements of other companies in the group, from time to time. However, owing to certain restrictive provisions contained in the Section 185 of the Companies Act, 2013, the Company is unable to extend financial assistance by way of loan, guarantee or security to other entities in the Group. In the light of amendments notified effective May 7, 2018, inter-alia replacing the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan to other entities in the group or give guarantee or provide security in respect of loans taken by such entities, for their principal business activities.

The members may note that board of directors would carefully evaluate proposals and provide such loan, guarantee or security proposals through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time, only for principal business activities of the entities in the Group.

Hence, in order to enable the company to advance loan to Subsidiaries / associates/ other group Companies/ Firms in which Directors are interested directly or indirectly under section 185 of the Companies Act, 2013 requires approval of members by a Special Resolution.

The Board of Directors Recommend the Special Resolution for approval by the members.



Except Mr. Ashok Ajmera , Chairman & Managing Director , Mr. Ankit Ajmera- Whole Time Director and Mr. Anuj Ajmera- Whole -Time Director and their relatives, none of other Directors, Key Managerial Personnel or their relatives are, in anyway concerned or interested in the resolution set out at Item No 5.

#### ITEM NO. 6

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate or as and when required.

Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account.

Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution for an amount not exceeding Rs. 10.00 Crore (Rupees Ten Crore Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

The Directors therefore, recommend the Special Resolution for approval of the shareholders.

None of the Directors of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution except if the said transaction are done with the Companies in which they are interested.

#### ITEM NO. 7

Pursuant to Regulations 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (the 'Listing Regulations') approval of the members through Ordinary Resolutions is required for all material related party transactions, even if they are entered in to in the ordinary course of business and on arm's length basis. For this purpose, a transaction is considered material, if the transaction/transactions to be entered into individually or taken together with previous transactions during financial year exceed 10% of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company.

The Company may likely to enter into contracts/arrangements with related parties as mentioned below, which are in the ordinary course of business. Further, the estimated value of the proposed transaction is likely to exceeds 10% of the annual consolidated turnover of the Company for the financial year ended on 31st March 2020 and therefore may exceeds the materiality threshold as prescribed under Regulation 23 of the Listing Regulations. Thus, these transactions would require the approval of the Members by way of Ordinary Resolutions.

Approval of the Members is sought to enable the Board for entering into contracts/arrangements/agreements/transactions (including any modifications, alterations, amendments or renewal thereto) with the said parties' subject to the limits mentioned in the table below:

Sr. No.	Name of Related Party	Nature of Relation ship	Nature of Transaction	Amount
1.	Ajcon Finance Ltd.	Subsidiary Company	Loans & Advances, Secured or unsecured, short term or long term	Upto ₹500 lacs

Regulations 23 (7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that all entities falling under the definition of related parties shall not vote to approve any related party transactions, irrespective of whether the entity is a party to the transactions or not. Therefore, none of the promoter group entities holding share (s) will vote on the above Resolution.

The Board considers that the proposed arrangements with the related parties, are in the ordinary course of business.

Except Mr. Ashok Ajmera , Chairman & Managing Director , Mr. Ankit Ajmera- Whole Time Director and Mr. Anuj Ajmera- Whole -Time Director and their relatives being related parties, none of other Directors, Key Managerial Personnel or their relatives are, in anyway concerned or interested in the resolution set out at Item No 7

The Board recommends the Ordinary Resolution as set out in Item No.7 of this Notice for approval of the Members

**Place: Mumbai**  
**Date:04.09.2020**

**By Order of the Board**

**Ashok Ajmera**  
**Chairman & Managing Director**  
**DIN: 00812092**

## BOARD'S REPORT

To

**The Members,**

Your Directors have great pleasure in presenting the 33<sup>rd</sup> Annual Report and the Company's audited financial statement for the financial year ended 31<sup>st</sup> March, 2020.

**FINANCIAL RESULTS**

(₹ in 'lacs)

Particulars	Standalone		Consolidated	
	Year Ended 31.03.2020	Year Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019
Income from Operations and Other Income	2684.83	3128.48	2842.39	3329.54
Profit /(Loss) before Interest & Depreciation	(52.41)	92.64	11.71	235.83
Less: Interest & Bank charges	63.49	63.76	123.10	189.56
Less: Depreciation & Amortization Expenses	40.41	40.59	40.41	40.59
Profit/(loss) before Tax	(156.31)	(11.71)	(151.80)	5.68
Less: Provision for Taxation	0.00	0.00	1.21	2.40
Less: Deferred Tax Expenses/(Savings)	1.40	(2.39)	1.40	(2.30)
Less: Short / (Excess) Tax Provision of Tax in Earlier Years	0.00	0.04	0.00	0.04
Profit /(Loss) after Tax Carried to Balance Sheet	(157.71)	(9.35)	(154.42)	5.54
Surplus brought forward	566.08	575.43	594.58	595.53
<b>Balance carried to Balance Sheet</b>	<b>408.37</b>	<b>566.08</b>	<b>439.12</b>	<b>594.58</b>

**OPERATIONS****Standalone**

The operations of the Company for the year under review have resulted in the gross loss of ₹52.41lacs as against profit ₹92.64 lacs in the previous year. After providing for interest, depreciation and taxes, the Company has recorded a net loss of ₹157.71lacs as against ₹9.35 lacs in the previous year. The gross revenue stood at ₹2684.83 lacs as against ₹3128.48 lacs during the previous year. The main reason for the losses was the fall in the market price of inventory held by the Company as on 31<sup>st</sup> March, 2020 due to COVID-19 lockdown.

**Consolidated**

The operations of the Company alongwith its subsidiaries on consolidated basis for the year under review have resulted in the gross profit of ₹11.71lacs as against ₹ 235.83 lacs in the previous year. After providing for interest, depreciation and taxes, the Company has recorded a net loss of ₹154.42 as against profit ₹ 5.54 lacs in the previous year. The gross revenue stood at ₹2842.39 lacs as against ₹3329.54 lacs during the previous year. The main reason for the losses was the fall in the market price of inventory held by the Company as on 31<sup>st</sup> March, 2020 due to COVID-19 lockdown.

**DIVIDEND**

In view of the losses, your Directors do not recommend any dividend.

**SHARE CAPITAL**

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2020 was ₹6,11,62,000 divided into 61,16,200 equity shares of ₹ 10/- each. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

**RESPONSE TO COVID -19 CHALLENGES**

As per guidelines of Ministry of home affairs, Capital markets have been declared as one of essential services. Accordingly, the Company has been continuing the operation of stock broking activities with minimal staff and the other employees were encouraged to work from home. All operation and servicing of clients were smoothly ensured without any interruptions as the activities of trading, settlements, Stock Exchanges and Depositories function have been fully automated and under is seamless process. The activities other than the stock broking like Corporate Advisory Services etc. which were majorly affected have been started again after the partial lifting of lockdown in Mumbai and restoration of partial operations.

Your Company has taken several steps to fight against COVID-19 and to ensure business continuity as under:

- Following social distancing norms.
- Sanitization facility to all staff.
- Mandatory for all employees to download Arogya Setu App.
- Conducting temperature checks of staffs at entry of office.
- Conducting Virtual Meetings.
- Issued passes to our essential staff for commuting from home to office and back.
- Provided Work from Home' facility for employees.

**CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the Companies Act, 2013 ("the Act") and Ind AS - 110 on Consolidated Financial Statements, the audited Consolidated Financial Statements are provided in the Annual Report.

**SUBSIDIARY COMPANIES**

The Company has three subsidiaries as on March 31, 2020. There are no associate companies or joint venture within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiaries.

A separate statement containing the salient features of the financial statements of all the subsidiary companies of your Company forms part of consolidated financial statements in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013.

Pursuant to the provisions of section 136 (1) of the Act, the financial statements including the consolidated financial statements, financial statements of the subsidiary companies and all other documents required to be attached to this report have been uploaded on the website of your Company ([www.ajcononline.com](http://www.ajcononline.com)).

The financial performance of the subsidiary companies included in the consolidated financial statements of your Company is set out in the note No. 39 of the Notes to Accounts in Consolidated Financial Statements.

**PUBLIC DEPOSITS**

During the financial year 2019-20, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

**PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS**

The details of loans and investments are given in the Notes to the Financial Statement forming part of Annual Report of the Company.

**CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company yet. Therefore Company has not constituted a Corporate Social Responsibility Committee. The provisions of a Corporate Social Responsibility shall be complied by the Company as and when applicable.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN 31<sup>ST</sup> MARCH, 2020 AND 04<sup>TH</sup> SEPTEMBER, 2020 (date of Report).**

There were no material changes and commitments affecting the financial position of the Company between the end of financial year (31<sup>st</sup> March, 2020) and the date of the Report (04<sup>th</sup> September, 2020).

**DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL**

The Board has, on the recommendation of the Nomination & Remuneration Committee of the Company framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration. The salient aspects of the said policy, covering in the Nomination and Remuneration Policy, covering the policy on appointment and remuneration of Directors and other matters have been outlined in the Corporate Governance Report of the Company which forms part of this Report.

The Managing Director and Whole-Time Directors of the Company do not receive any remuneration from any of the subsidiary companies of the Company.

**PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES**

The ratio of remuneration of each director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as Annexure - A.

In accordance with the provisions of Section 197(12) of the Act and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees are available with the Company. In terms of provisions of Section 136(1) of the Act, this report is being sent to the members without this annexure. Any member interested in obtaining such information may write to the Company Secretary of the Company and the same will be furnished on request.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL****a) Appointments & Reappointments**

The Board of Directors of the Company at their meeting held on 12th February, 2020, re-appointed Mr. Ashok Ajmera (DIN:00812092) as Managing Director and CEO of the Company for a period of three years commencing from 01st April 2020 to 31st March, 2023, subject to the approval of members at the ensuing Annual General Meeting.

In accordance with the provisions of Companies Act, 2013 Mr. Ankit Ashok Ajmera (DIN: 00200434), Executive Director retires by rotation and being eligible has offered himself for re-appointment.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Mrs. Ragini Chokshi were appointed as Non Executive Independent Directors to hold office for five consecutive years for a term upto 13<sup>th</sup> February, 2020 by the Members of the Company at 28th Annual General Meeting held on 18<sup>th</sup> September, 2015. She is eligible for reappointment as Independent Directors for another term of five consecutive years.

Pursuant to the provisions of the Act, based on the recommendation of the Nomination and Remuneration Committee, the Board recommends for the approval of the Members through Special Resolution at the ensuing Annual General Meeting for reappointment of Mrs. Ragini Chokshi as an Independent Directors for another five consecutive years from 14th February, 2020 up to 13th February, 2025.

Profile and other information of the aforesaid Directors, as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 forms part of the notice convening the ensuing Annual General Meeting.

**b) Key Managerial Personnel**

Mr. Ashok Ajmera, Chairman, Managing Director & CEO, Mr. Ankit Ajmera, Whole -Time Director & CFO, Mr. Anuj Ajmera, Whole -Time Director and Mr. Shailendra Pathak, Company Secretary are the Key Managerial Personnel of the Company in accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**DECLARATIONS GIVEN BY INDEPENDENT DIRECTORS**

All the Independent Directors have confirmed to the Board that they meet the criteria of independence as specified under Section 149(6) of the Act and that they qualify to be independent directors pursuant to the Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. They have also confirmed that they meet the requirements of 'Independent Director' as mentioned under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The confirmations were placed before and noted by the Board.

**ANNUAL EVALUATION OF BOARD'S PERFORMANCE**

Pursuant to the provisions of companies Act, 2013 and in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out annual performance evaluation of its own performance, the Directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration, Stakeholder Relationship Committee and Risk Management Committee. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. During the year under review, the Independent Directors of your Company carried out the performance evaluation of Non- Independent Directors and Chairperson at a separate meeting of Independent Director.

The directors expressed their satisfaction with the evaluation process.

**FAMILIARISATION PROGRAMME**

Whenever any person joins the Board of the Company as a Director, an induction program is arranged for the new appointee, wherein the appointee is familiarized with the Company, his/her roles, rights and responsibilities in the Company, the Code of Conduct of the Company to be adhered, nature of the industry in which the Company operates, and business model of the Company.

The detail of such familiarization programs has been disclosed on the Company's website at [www.ajcononline.com](http://www.ajcononline.com).

**BUSINESS RISK MANAGEMENT**

Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adhered to the principles of sound risk management and has a Risk Management Policy in Place.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter-alia are Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities.

Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk.

As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

#### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the Listing Regulations, the Company has a whistle blower policy in place for its Directors and Employees to report concern about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The functioning of the vigil mechanism is reviewed by the Audit Committee from time to time. None of the Directors or employees have been denied access to the Audit Committee of the Board. The Whistle Blower Policy is available on the website of the Company i.e [www.ajcononline.com](http://www.ajcononline.com).

During the year, under review, the Company did not receive any compliant under the said Mechanism.

#### **BOARD COMMITTEES**

The Board of Directors has constituted four committees, viz;

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholder's Relationship Committee
- d) Risk Management Committee

Details of all the Committees along with their composition, terms of reference and meetings held during the year are provided in Report on Corporate Governance.

#### **BOARD MEETINGS**

During the year five Board Meetings and one Separate Meeting of Independent Directors was held. The details of which are given in Corporate Governance Report. The provisions of Companies Act, 2013 and listing agreement were adhered to while considering the time gap between the two meetings.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section on 134(3)(c) read with Section 134(5) of the Companies Act, 2013, your Directors confirms that:

- a) that in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the Loss of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### **RELATED PARTY TRANSACTIONS**

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

All Related Party Transactions are placed before the Audit Committee & Board for their approval.

The policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website <http://www.ajcononline.com/policies.asp> None of the Directors has any pecuniary relationships or transactions vis-a-vis the Company.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

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

### **AUDITORS**

Pursuant to provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Chaturvedi Sohan & Co., Chartered Accountant (Firm Registration No. 118424W) were appointed as Statutory Auditors of the Company for a term of five years to hold office from the conclusion of the 30th Annual General Meeting till the conclusion of the 35th Annual General Meeting of the Company.

The requirement of seeking ratification of the members for continuance of Statutory Auditors appointment has been withdrawn consequent to changes in the Companies (Amendment) Act, 2017 w.e.f. May 7, 2018. Hence, the resolution seeking ratification of the members for their appointment is not being placed at the ensuing Annual General Meeting.

#### **Statutory Audit and other fees paid to Statutory Auditors:**

During FY 2019-20, the total fees for the statutory audit and other services rendered by the Statutory Auditors are given below:

<b>Auditors' Remuneration</b>		₹ In Lacs
<b>Particulars</b>	<b>FY2019-20</b>	<b>FY2018-19</b>
Audit Fees	0.80	0.80
Tax Audit Fees	0.10	0.10
Total	0.90	0.90

### **AUDITORS' REPORT**

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, 2020 are self-explanatory and therefore do not call for any further comments. There is no qualified or modified opinion on any matters by the Auditors.

### **SECRETARIAL & INTERNAL AUDITOR**

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of M/s. Kothari H. & Associates, Company Secretary in Practice, Mumbai to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2020.

The Secretarial Audit Report (in Form No. MR. 3) is attached as "**Annexure- B**" to this Report.

M/s Atul Donde & Co., Chartered Accountants, Mumbai have conducted the internal audit periodically and submitted their reports to the Audit Committee and their reports were reviewed by Audit Committee from time to time and found to be satisfactory.



### **REPORTS ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS**

The reports on Corporate Governance and Management Discussion and Analysis for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 form part of this Report.

### **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The prescribed particulars of conservation of energy, technology absorption as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are not applicable to your company as we are neither a manufacturing company nor the operation of your Company are energy intensive. However, the disclosure regarding the same are set-forth below:

- a) Conservation of Energy: Adequate measure has been taken for conservation of energy and efficient use of resources. Company follows principles of “Green IT”.
- b) Technology Absorption: The Company is vigil on technology absorption as per the requirement of its business operations. However, during the year there was no acquisition of new technology.
- c) Foreign Exchange Earning & Outgo: During the year foreign exchange earnings were ₹ NIL (P.Y. ₹ Nil). The expenditure in foreign currency amounted to ₹ NIL (P.Y. ₹ 3.05lacs).

### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT- 9 is annexed herewith as “*Annexure -C*”.

### **TRANSFER OF EQUITY SHARES/DIVIDEND TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF).**

Pursuant to the provisions of Section 124(5) and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. During the year, the Company was not required to transferred the unpaid or unclaimed dividends/shares to the Investor Education and Protection Fund (IEPF) established by the Central Government since the Company has not declared any dividend in the financial year 2010-11.

The Company has also uploaded the details of the shareholders whose shares/dividend were transferred to IEPF on its website viz., [www.ajcononline.com](http://www.ajcononline.com)

Claim from IEPF Authority Members/Claimants whose shares, unclaimed dividend, have been transferred to the IEPF Demat Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in e-Form IEPF- 5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) along with requisite fee as decided by the IEPF Authority from time to time. The Member/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules. No claim shall lie against the Company in respect of the dividend/shares so transferred

### **CREDIT RATING**

ACUITE Ratings& Research Limited (Acuite) – creditrating agency, has re-affirmed following credit ratings to the Company vide their letter dated October 22, 2019.:

Total Bank facilities Rated	Rs. 9.95 Cr.
Long Term Rating	ACUITE B+/ Outlook:Stable
Short Term Rating	ACUITE A4

### **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.

**DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

The Company has zero tolerance for sexual harassment at work place and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

Your Directors further state that as on date there is no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.

**ACKNOWLEDGEMENTS.**

Your Directors wish to place on record their thanks and gratitude to Company's bankers, clients and customers, Regulators, Exchanges 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 executives and staffs at all the levels and hopes that they would continue their dedicated efforts in the future also.

**By Order of the Board**

**Place: Mumbai**  
**Date: 04.09.2020**

**Ashok Ajmera**  
**Chairman & Managing Director**  
**DIN: 00812092**

**Annexure - A to the Board Report**

Disclosure u/s 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20.	Name of Director/ KMP and Designation	% increase in Remuneration in the Financial Year 2019-20	Ratio of remuneration of each Director/ to median remuneration of employees
		Mr. Ashok Ajmera (Managing Director)	NIL	7.23
		Mr. Ankit Ajmera (Executive Director & CFO)	NIL	5.42
		Mr. Anuj Ajmera (Executive Director)	NIL	5.42
		Mr. Samir Biswas (Independent Director)	NA	NA
		Mr. Rajendra Bakiwala (Independent Director)	NA	NA
		Mr. Narayan Atal (Independent Director)	NA	NA
		Mrs. Ragini Chokshi (Independent Director)	NA	NA
		Shailendra Pathak (Company Secretary)	2.64	NA
2	The % increase in the median remuneration of employees in the financial year.	NIL		
3	The number of permanent employees on the rolls of Company.	25 employees		
4.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The percentage increase in the salaries of the employees other than the managerial personnel in the last financial year 2.47% where as no increase in remuneration of managerial personnel during last financial year.		
5.	Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration is as per the remuneration policy of the Company.		

By Order of the Board

Place: Mumbai  
Date: 04.09.2020Ashok Ajmera  
Chairman & Managing Director  
DIN: 00812092

**Annexure - B to the Board Report**  
**Form No. MR.3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies**  
**(Appointment and Remuneration Personnel) Rules, 2014]**

To,  
The Members,  
**Ajcon Global Services Limited**  
408, A Wing, Express Zone,  
Near Patels, W.E. Highway,  
Goregaon (E), Mumbai, Maharashtra - 400063

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Ajcon Global Services Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2020 ('Audit period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- We have examined the books, papers, minute books, forms and returns filed and other records maintained by Ajcon Global Services Limited for the financial year ended on March 31, 2020 according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
    - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the company during the Audit Period)**
    - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the SEBI (Share Based Employee Benefits) Regulations 2014; **(Not applicable to the company during the Audit Period)**
    - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the company during the Audit Period)**

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the company during the Audit Period)** and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the company during the Audit Period)**
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other Acts, Laws and Regulations as applicable specifically to the company. The list of major head/groups of Acts, Laws and Regulations as applicable specifically to the Company is:
    1. The Securities and Exchange Board of India (Stock Brokers and Sub-brokers) Regulations, 1992.
    2. Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
    3. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
    4. Securities and Exchange Board of India (Research Analysts) Regulations, 2014.
    5. Guidelines for Market Making on SME Platform issued by SEBI from time to time.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period the Company has not passed any resolution for:

- i. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- ii. Redemption / buy-back of securities.
- iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- iv. Merger / amalgamation / reconstruction, etc.
- v. Foreign technical collaborations.

For Kothari H. & Associates  
Company Secretaries

Sonam Jain  
(Partner)  
Membership No.: 9871  
CP No.: 12402  
Place: Mumbai  
Date: 04.09.2020  
UDIN:F009871B000662655

This report is to be read with our letter of even date which is annexed as **"Annexure-B1"** and forms an integral part of this report.

\* **Due to the Covid - 19** Pandemic and the restrictions faced due to the same, physical verification of documents / records have been impacted and hence reliance has been placed on the scanned / soft copies of various documents / records which were provided by the Company.

**Annexure- B1**

To,  
The Members  
Ajcon Global Services Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Kothari H. & Associates  
Company Secretaries

Sonam Jain  
(Partner)  
Membership No.: 9871  
CP No.: 12402  
Place: Mumbai  
Date: 04.09.2020

**Annexure - C to the Board Report**  
**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31<sup>st</sup> March 2020**  
**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS:**

CIN	L74140MH1986PLC041941
Registration Date	19 <sup>th</sup> December, 1986
Name of the Company	Ajcon Global Services Limited
Category / Sub-Category of the Company	Limited by shares / Indian Non-Government Company
Address of the Registered office and contact details	408, A-Wing , Express Zone, Near Patel's, W.E. Highway, Goregaon East, Mumbai-400063
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	Bigshare Services Private Limited 1 <sup>ST</sup> Floor, Bharat Tin works Building, opp. Vasant Oasis Apartments (next to Keys Hotel), Marol Maroshi Road, Andheri East, Mumbai 400059. Tel.: 022-62638294, Fax: 022-62638299

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

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Stock Broking and providing financial services and solutions like Merchant banking, investment banking, corporate advisory, institutional equities, private client broking & Depository participant Services.	67120 and 67190	100%



**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and address of the Company	CIN / GLN	Status of Company: Holding / subsidiary / associate	% of shares held	Applicable section of Companies Act 2013
1	Ajcon Finance Limited 408, A-Wing, Express Zone, Near Oberoi Mall on W.E. Highway, Goregaon (E), Mumbai-400063	U65920MH1994PLC080780	Subsidiary	79.33 %	2(87)
2	AjconComtrade Private Limited 408, A-Wing, Express Zone, Near Oberoi Mall on W.E. Highway, Goregaon (E), Mumbai-400063	U65990MH2013PTC239557	Subsidiary	100.00%	2(87)
3	Kanchanmanik Securities Private Limited 101, Samarth, Lt. PN Kotnis Road, Off. Hinduja Hospital, Mahim(W), Mumbai-400016	U65100MH2011PTC225146	Subsidiary	100.00%	2(87)

**IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK-UP AS PERCENTAGE OF TOTAL EQUITY)****a) Category- wise shareholding.**

Category of Shareholders	No. of Shares held at the beginning of the year As on 01/04/2019				No. Shares held at the end of the year As on 31/03/2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	24,36,900	-	24,36,900	39.84	24,36,900	-	24,36,900	39.84	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	16,90,200	-	16,90,200	27.63	16,90,200	-	16,90,200	27.63	--
e) Bank/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(1)</b>	<b>41,27,100</b>	<b>-</b>	<b>41,27,100</b>	<b>67.48</b>	<b>41,27,100</b>	<b>-</b>	<b>41,27,100</b>	<b>67.48</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRIs-	-	-	-	-	-	-	-	-	-
b) Other-	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of promoter (A)=(A)(1) +(A) (2)</b>	<b>41,27,100</b>	<b>-</b>	<b>41,27,100</b>	<b>67.48</b>	<b>41,27,100</b>	<b>-</b>	<b>41,27,100</b>	<b>67.48</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	52,100	52,100	0.85	-	52,100	52,100	0.85	-
b) bank/FI	-	-	-	-	-	-	-	-	-
C) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital	-	-	-	-	-	-	-	-	-
f) Insurance	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub -total (B) (1)</b>	<b>-</b>	<b>52,100</b>	<b>52,100</b>	<b>0.85</b>	<b>-</b>	<b>52,100</b>	<b>52,100</b>	<b>0.85</b>	<b>-</b>
<b>2) Non- Institutions</b>									
(a) Bodies Corp.									
(i) Indian	2,00,918	300	2,01,218	3.29	1,84,353	300	1,84,653	3.02	(0.27)

(ii) Overseas									-
(b) Individuals									-
(i) Individual Shareholders holding nominal share capital upto Rs. 1.00 lakh	4,13,058	2,14,105	6,27,163	10.25	4,15,908	2,10,905	6,26,813	10.25	(0.01)
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1.00lakh	8,49,847	24,000	8,73,847	14.29	8,69,133	24,000	8,93,133	14.60	0.32
(c) Others (Specify)									-
(i)Hindu Undivided Family	25611	0	25611	0.42	25606	0	25606	0.42	(0.00)
(ii) Clearing Member	6,956	-	6,956	0.11	10,884	-	10,884	0.18	0.06
(iii) Non Resident Indian (NRI) (Repat)	3,000	-	3,000	0.05	3,000	-	3,000	0.05	-
(iv)Non Resident Indian (NRI) (Non Repat)	500	-	500	0.01	500	-	500	0.01	-
(vi) Investor Education & Protection Fund Account	1,98,705	-	1,98,705	3.25	1,92,411	-	1,92,411	3.15	(0.10)
<b>Sub -total(B)(2)</b>	<b>16,98,595</b>	<b>2,38,405</b>	<b>19,37,000</b>	<b>31.67</b>	<b>17,01,795</b>	<b>2,35,205</b>	<b>19,37,000</b>	<b>31.67</b>	<b>(0.00)</b>
<b>Total Public Shareholding B= (B)(1)+(B)(2)</b>	<b>16,98,595</b>	<b>2,90,505</b>	<b>19,89,100</b>	<b>32.52</b>	<b>17,01,795</b>	<b>2,87,305</b>	<b>19,89,100</b>	<b>32.52</b>	<b>(0.00)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>58,25,695</b>	<b>2,90,505</b>	<b>61,16,200</b>	<b>100.00</b>	<b>58,28,895</b>	<b>2,87,305</b>	<b>61,16,200</b>	<b>100.00</b>	<b>(0.00)</b>

## b) Shareholding of Promoters'

Sr. No.	Shareholder's name	Shareholding at the beginning of the year As on 01/04/2019			Shareholding at the end of the year As on 31/03/2020		
		No. of Shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares
1	Ashok Kumar Ajmera	7,50,000	12.26	-	7,50,000	12.26	-
2	Pragati Ajmera	5,00,000	8.18	-	5,00,000	8.18	-
3	Ankit Ajmera	3,86,900	6.33	-	3,86,900	6.33	-
4	Anuj Ajmera	3,85,000	6.29	-	3,85,000	6.29	-
5	Pallavi Ajmera	2,00,000	3.27	-	2,00,000	3.27	-
6	Shikha Ajmera	2,00,000	3.27	-	2,00,000	3.27	-
7	Ajcon Consultants Pvt. Ltd.	7,19,900	11.77	-	7,19,900	11.77	-
8	Ajcon Communications Pvt. Ltd.	3,00,000	4.91	-	3,00,000	4.91	-
9	Ajcon Infra Projects Pvt. Ltd.	2,83,200	4.63	-	2,83,200	4.63	-
10	Abhinandan Ajmera	15,000	0.25	-	15,000	0.25	-
11	Dhakad Metals Pvt. Ltd.	60,000	0.98	-	60,000	0.98	-
12	RHJ Industries Pvt. Ltd.	40,000	0.65	-	40,000	0.65	-
13	Heartbeat Communications Pvt. Ltd.	2,000	0.03	-	2,000	0.03	-
14	GoodmorningInvestradePvt. Ltd.	1,36,300	2.23	-	1,36,300	2.23	-
15	Pride Shelters Pvt. Ltd.	1,48,800	2.43	-	1,48,800	2.43	-
	<b>Total</b>	<b>41,27,100</b>	<b>67.48</b>	<b>-</b>	<b>41,27,100</b>	<b>67.48</b>	<b>-</b>

## c) Change in Promoters' shareholding

Sr. No.	Particulars	Shareholding at the beginning of the year 01/04/2019		Cumulative Shareholding during the year 31/03/2020	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the Company
1	At the beginning of the year (01/04/2019)	41,27,100	67.48	41,27,100	67.48
2	Date wise Increase/ (Decrease) in Promoters Shareholding during the year specifying the reasons for Increase/ (Decrease) (e.g. allotment/transfer/bonus/ sweat equity etc.)	NIL			
3	At the End of the year(31/03/2020)	41,27,100	67.48	41,27,100	67.48

## d) Shareholding pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs &amp; ADRs)

SR NO	Name	Shareholding		Date	Increase /Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (01/04/2019)/ end of the year (31/03/2020)	% total Shares of the Company				No of Shares	% total Shares of the Company
1	NARAYANAN SURYANARAYANAN ARAKONIMADOM	100000	1.64	30-Mar-2019	0		100000	1.64
			2.01	06-Mar-2020	23000	Buy	123000	2.01
		123000	2.01	31-Mar-2020	0		123000	2.01
2	SANDEEP KANORIA	100000	1.64	30-Mar-2019	0		100000	1.64
		100000	1.64	31-Mar-2020	0		100000	1.64
3	HEMAN POKERDAS TILOKANI	94839	1.55	30-Mar-2019	0		94839	1.55
			1.55	05-Apr-2019	100	Buy	94939	1.55
			1.53	17-May-2019	-1400	Sell	93539	1.53
			1.51	24-May-2019	-1300	Sell	92239	1.51
		92239	1.51	31-Mar-2020	0		92239	1.51
4	PUSHPANJALI TIE-UP PRIVATE LIMITED	89279	1.46	30-Mar-2019	0		89279	1.46
			1.45	05-Apr-2019	-500	Sell	88779	1.45
			1.45	12-Jul-2019	-50	Sell	88729	1.45
		88729	1.45	31-Mar-2020	0		88729	1.45
5	GYANA TEJPRAKASH DALMIA	78706	1.29	30-Mar-2019	0		78706	1.29
		78706	1.29	31-Mar-2020	0		78706	1.29
6	RHYME TRADINVEST PVT. LTD.	73074	1.19	30-Mar-2019	0		73074	1.19
			0.82	06-Mar-2020	-23000	Sell	50074	0.82
		50074	0.82	31-Mar-2020	0		50074	0.82
7	VIDYA TILOKANI	68105	1.11	30-Mar-2019	0		68105	1.11
			1.13	31-May-2019	1100	Buy	69205	1.13
			1.12	02-Aug-2019	-600	Sell	68605	1.12
			1.12	25-Oct-2019	50	Buy	68655	1.12
		68655	1.12	31-Mar-2020	0		68655	1.12

8	STOCK HOLDING CORP.OF INDIA LTD	52000	0.85	30-Mar-2019	0		52000	0.85
		52000	0.85	31-Mar-2020	0		52000	0.85
9	DEEPAK TEJPRAKASH DALMIA	62275	1.02	30-Mar-2019	0		62275	1.02
			1.02	17-May-2019	65	Buy	62340	1.02
		62340	1.02	31-Mar-2020	0		62340	1.02
10	AMIT CHAUDHARY	50500	0.83	30-Mar-2019	0		50500	0.83
		50500	0.83	31-Mar-2020	0		50500	0.83

e) Shareholding of Director's and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	<b>Mr. Ashok Kumar Ajmera</b>				
	At the beginning of the year	7,50,000	12.26	7,50,000	12.26
	At the End of the year	7,50,000	12.26	7,50,000	12.26
2	<b>Mr. Ankit Ashok Ajmera</b>				
	At the beginning of the year	3,86,900	6.33	3,86,900	6.33
	At the End of the year	3,86,900	6.33	3,86,900	6.33
3	<b>Mr. Anuj Ashok Ajmera</b>				
	At the beginning of the year	3,85,000	6.29	3,85,000	6.29
	At the End of the year	3,85,000	6.29	3,85,000	6.29
4	<b>Mr. Samir Biswas</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL
5	<b>Mr. Narayan Atal</b>				
	At the beginning of the year	2,000	0.03	2,000	0.03
	At the End of the year	2,000	0.03	2,000	0.03
6	<b>Mr. Rajendra Bakiwala</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL
7	<b>Mrs. RaginiChokshi</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL
8	<b>Mr. Shailendra Pathak</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL

**V. INDEBTENESS:**

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

(₹ in lacs)

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	368.53	16.47	-	385.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	368.53	16.47	-	385.00
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
• Addition	76.58	-	-	76.58
• Reduction	7.81	1.47	-	9.28
Net Change	68.77	(1.47)	-	67.30
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	437.30	15.00	-	452.30
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	437.30	15.00	-	452.30

**VI. Remuneration of Directors and Key Managerial Personnel****A. Remuneration to Managing Director, Whole-Time Director and/ or Manager.**

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name and Designation			Total Amount
		Mr. Ashok Ajmera (MD)	Mr. Ankit (WTD)	Mr. Anuj Ajmera (WTD)	
1	Gross salary	24,00,000	18,00,000	18,00,000	60,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	28,800	21,600	21,600	72,000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	<b>24,28,800</b>	<b>18,21,600</b>	<b>18,21,600</b>	<b>60,72,000</b>
	Ceiling as per the Act	As per Part II, section II (A) Proviso of Schedule V as prescribed under Companies Act 2013.			

**B. Remuneration to Other Directors**

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Samir Biswas	Mr. Narayan Atal	Mr. Rajendra Bakiwala	Mrs. RaginiChokshi	
1	Independent Directors	10,000	33,000	12,000	33,000	88,000
	· Fee for attending board / committee meetings					
	· Commission	-	-	-		
	· Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	<b>Other Non-Executive Directors</b>	-	-	-	-	-
	· Fee for attending board / committee meetings	-	-	-	-	-
	· Commission					
	· Others, please specify	-	-	-	-	-
	Total (2)					
	Total (B)=(1+2)	-	-	-	-	-
	<b>Total Managerial Remuneration</b>	10,000	33,000	12,000	33,000	88,000
	Overall Ceiling as per the Act	No Commission or other remuneration apart from sitting fees is being paid to Non-Executive Independent Directors.				

**C. Remuneration to Key Managerial Personnel other than Managing Director, Manager & Whole-Time Director:**

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	Total
		Company Secretary	
1	Gross salary	8,62,200	8,62,200
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- others, specify		
5	Others, please specify		
	<b>Total</b>	8,62,200	8,62,200



**VII Penalties / Punishment/ Compounding of offences :**

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

### REPORT ON CORPORATE GOVERNANCE

As per Regulation 34 (3) read along with Schedule V (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that Corporate Governance is a set of processes, customs, policies, rules, regulation and laws for ensuring transparency, professionalism and accountability in its dealings with its customers, principal, employees, shareholders and with every individual who comes in contact with the Company. The Company's philosophy on Corporate Governance is bounded upon a rich legacy of fair ethical governance practices which has been in practice since the beginning. In fact the company has long been a staunch supporter of this code even before it became mandatory. Integrity, transparency, accountability and compliance with laws which are columns of good governance have always been the hallmark of company. The Company is in full compliance with the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in this regard, submits a report on the matters mentioned in the said clause and also the practices followed by the Company as stated below:

#### 2. BOARD OF DIRECTORS

##### i. 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:

As on 31st March, 2020 the Board of Directors comprised the Managing Director, two Executive Directors and four Non Executive Independent Directors which includes one Woman Director, who brings in a wide range of skill and experience to the Board. The composition of the Board is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CATEGORY OF DIRECTORSHIP	NAMES OF THE DIRECTOR	ATTENDANCE DETAILS		OTHER DIRECTOR SHIPS*	#OTHER BOARD COMMITTEE	
		BOARD MEETINGS	LAST AGM 30.09.2019		MEMBER -SHIPS	CHAIR-MAN SHIPS
Executive Chairman & Managing Director	Mr. Ashok Ajmera	5	Yes	9	-	-
Executive Director	Mr. Ankit Ajmera	5	Yes	11	-	-
	Mr. Anuj Ajmera	5	Yes	13	-	-
Non-Executive Independent Directors	Mr. Narayan Atal	5	Yes	7	1	3
	Mr. Rajendra Bakiwala	2	No	Nil	-	-
	Mr. Samir Biswas	2	No	Nil	-	-
	Mrs. Ragini Chokshi	5	Yes	1	NIL	NIL

\*Excluding Directorship in Ajcon Global Services Ltd.

#Membership/ Chairmanship in Audit Committee, Stakeholder Relationship Committee and Nomination and Remuneration Committee excluding those in Ajcon Global Services Ltd.

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

SR.NO.	DATE	SR.NO.	DATE
1 <sup>st</sup>	29.05.2019	2 <sup>nd</sup>	08.08.2019
3 <sup>rd</sup>	12.09.2019	4 <sup>th</sup>	13.12.2019
5 <sup>th</sup>	12.02.2020	-	-

Independent Directors' Meeting: In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a meeting of the Independent Directors of the Company was held on 12<sup>th</sup> February 2020, without the attendance of Non-Independent Directors and members of the management.

- iii. 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.
- iv. None of other Directors are related to each other except Mr. Ashok Ajmera, Mr. Ankit Ajmera and Mr. Anuj Ajmera. Mr. Ashok Ajmera is the father of Mr. Anuj Ajmera & Mr. Ankit Ajmera.

### 3. Audit Committee:

#### a) Composition, Meetings and Attendance:

The Audit Committee Comprises of three Non Executive Independent Director and One Executive Director. All the members of Audit Committee are financially literate. Mr. Narayan Atal continues to be the Chairman of the committee.

During the Financial Year 2019-20, four meetings were held on 29<sup>th</sup> May, 2019, 12<sup>th</sup> September, 2019, 13<sup>th</sup> December, 2019 and 12<sup>th</sup> February, 2020. The time gap between the two meetings was less than 120 days. The attendance of the members was as follows:

NAME	NO. OF MEETINGS ATTENDED
Mr. Narayan Atal	4
Mr. Rajendra Bakiwala	1
Mr. Ankit Ajmera	4
Mrs. Ragini Chokshi	4

Company Secretary of the Company acts as the Secretary of the Committee.

The Chairman of the Audit Committee attended last Annual General Meeting to answer shareholders queries

#### b) Term of reference:

The brief terms of reference, inter-alia, includes the following:

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;
  - g) Disclosure of any related party transaction;
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 nonpayment 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 functioning of the whistle blower mechanism;
  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.

#### 4. Nomination and Remuneration Committee

##### a) Composition:

The Nomination and Remuneration comprise of three Non-Executive Independent Directors namely Mr. Narayan Atal (Chairman), Mr. Rajendra Bakiwala (Member), and Mr. Samir Biswas (Member). There was One Committee meetings held during the year.e 12th February, 2020

The details of the Remunerations paid to the Directors for the financial year 2019-2020 is given below:

(Amount in ₹)

DIRECTORS	REMUNERATION (INCLUDING PERQUISITES)	COMMISSION	COMMITTEE MEETING FEES	BOARD MEETING FEES	TOTAL
Mr. Ashok Ajmera	24,28,800	-	-	-	24,28,800
Mr. Ankit Ajmera	18,21,600	-	-	-	18,21,600
Mr. Anuj Ajmera	18,21,600	-	-	-	18,21,600
Mr. Narayan Atal	-	-	8,000	25,000	33,000
Mr. Rajendra Bakiwala	-	-	2,000	10,000	12,000
Mr. Samir Biswas	-	-	-	10,000	10,000
Mrs. RaginiChokshi	-	-	8,000	25,000	33,000
<b>TOTAL (₹)</b>	<b>60,72,000</b>	<b>-</b>	<b>18,000</b>	<b>70,000</b>	<b>61,60,000</b>

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

##### b) Terms of reference:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial.
- personnel and other employees;
- 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.

##### c) Policy on selection and appointment of Directors and their remuneration.

###### (a) Criteria of selection of Non-executive Directors

The Non-executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively.

The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

In case of re-appointment of Non-executive Directors, the Board shall take into consideration the performance evaluation of the Director and his / her engagement level.

**Remuneration:** The Non- Executive / Independent Directors shall be entitled to receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time and reimbursement of expenses for participation in the Board Meeting. An Independent Director shall not be entitled to any stock option of the Company.

**(b) Managing Director & Whole-Time Director - Criteria for selection / appointment.**

For the purpose of selection of the Managing Director or Whole-Time Director the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

**Remuneration:** At the time of appointment or re-appointment, the Managing Director or Whole-Time Director may be paid such remuneration as may be mutually agreed between the Companies (which includes the nomination & Remuneration Committee and the Board of Directors) and the Managing Director or Whole-Time Director within the overall limits prescribed under the Companies Act, 2013.

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

**(c) Remuneration policy for senior Management Employees**

In determining the remuneration of the Senior Management Employees the Committee shall ensure the relationship of remuneration and performance benchmark is clear.

**5. Stakeholder Relationship Committee:**

**A. Composition :**

The Stakeholder Relationship 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 met as and when required during the year.

**B. Terms of reference:**

- a) 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;

- b) Giving effect to all transfer/transmission of shares and debentures, dematerialization of shares and rematerialization of shares, split and issue of duplicate/ consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- c) Carrying out such other functions as may be specified by the Board from time to time.

**C. Details of Complaints received and resolved during the year ended on 31.03.2020:**

Number of complaints pending at the beginning of the year	Nil
Number of complaints received from shareholders	2
Number of complaints redressed	2
Number of complaints pending share transfers	Nil

**D. Compliance officer:**

The Board has designated Mr. Shailendra Pathak Company Secretary and Compliance Officer of the Company.

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

Risk Management Committee comprises of 3 Directors out of which 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.

**7. General Body Meetings:**

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

YEAR	LOCATION	DATE	TIME
2018-19	Classic Comfort hotel, Shivaji Nagar, Kanyachipada, Film City Road, Gokuldham Colony, Goregaon East, Mumbai-400063.	30.09.2019	11.00 a.m.
2017-18	Classic Comfort hotel, Shivaji Nagar, Kanyachipada, Film City Road, Gokuldham Colony, Goregaon East, Mumbai-400063.	26.09.2018	11.00 a.m.
2016-17	01 <sup>st</sup> Floor, Jayaleela banquets, Jay Prakash Nagar, Goregaon East, Mumbai-400047	25.09.2017	11.00 a.m.

**B. Special Resolutions passed in previous three Annual General Meetings:**

Date of Annual General Meeting	Particulars of Special Resolutions
30 <sup>th</sup> September, 2019	No such Special Resolution was passed.
26 <sup>th</sup> September, 2018	Three Special Resolutions were passed in respect of re-appointment of Mr. Samir Biswas, Mr. Narayan Atal and Mr. Rajendra Bakiwala as an Independent Directors of the Company to hold office for second term of five consecutive years.
25 <sup>th</sup> September, 2017	No such Special Resolution was passed.

**C. Resolution passed by postal ballot during 2019-2020:**

No resolution was passed by postal ballot during the year 2019-2020. At present, the Company does not have any resolution to be decided by members by postal ballot.

**8. Disclosures:**

- a. None of the transactions with any of the related parties were in conflict with the interest of the Company. Details of the related party transactions are given in Note no. 30 of notes on Financial Statement.
- b. During the previous three years while no stricture was passed, financial penalties aggregating to ₹25,188/- was levied by some stock exchanges and CDSL for delay in /noncompliance of certain provisions/regulations relating to Capital Market and depository participant activities observed mainly during the regular inspection.
- c. None of the Directors of the company are disqualified for being appointed as Directors as stipulated under section 164(2) and rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014 of the Companies Act, 2013.
- d. The Company promotes ethical behavior in its operations and has a Vigil mechanism which is overseen through the Audit Committee. Under the Vigil Mechanism, employees are free to report violations of applicable laws and regulations and the Code of Conduct. During the year under review, no employee was denied access to the Audit Committee.
- e. The Company has complied with the mandatory requirements on Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- f. Your Company having one material subsidiary company in terms of Regulation 16 (c) of the SEBI (listing Obligation & Disclosure Requirements) Regulations, 2015. The Board of Directors of the Company formulated a policy for determining “material” subsidiaries. The said policy has been placed on the website of the Company and can be accessed through the following link <http://www.ajcononline.com/policies.asp>.
- g. The Board of Directors of the Company formulated a policy for determining “related party on material listed”. The said policy has been placed on the website of the Company and can be accessed through the following link <http://www.ajcononline.com/policies.asp>.
- h. Compliance with Non-mandatory requirements is furnished separately under the heading “Non-mandatory Requirements”.

**9. Means of Communication:**

- a. The quarterly results and annual audited results are published in Business Standard & Mumbai Laksdeep respectively.
- b. These results are also displayed on the Company’s Website viz. [www.ajcononline.com](http://www.ajcononline.com) .
- c. These results are also submitted to BSE for display on their website [www.bseindia.com](http://www.bseindia.com) .
- d. The Management Discussion and Analysis report forms part of this Annual Report.
- e. The Shareholding Pattern of the Company also submitted to BSE & it available at [www.ajcononline.com](http://www.ajcononline.com).



**10. General Shareholders Information:****a) ANNUAL GENERAL MEETING**

Day, Date & Time	Wednesday, 30 <sup>th</sup> September, 2020 at 11.00 am through Video Conferencing (VC)/other Audio-Visual Means (OAVM)
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**b) FINANCIAL CALENDER (Tentative and subject to change)**

First quarter results ending 30.06.2020	: 15 <sup>th</sup> September, 2020
Second quarter results ending 30.09.2020	: 14 <sup>th</sup> November, 2020
Third quarter results ending 31.12.2020	: 13 <sup>th</sup> February, 2021
Last quarter/audited annual results ending 31.03.2021	: 30 <sup>th</sup> May, 2021
Annual General Meeting for the Year ended 31.03.2021	: 30 <sup>th</sup> September, 2021
Venue of AGM	: Mumbai

**c) BOOK CLOSURE** : Saturday, 26th September, 2020 to Wednesday, 30th September, 2020 (Both days inclusive)**d) LISTING ON STOCK EXCHANGES**

BSE Ltd., PhirozeJeejeebhoy Towers, Dalal Street, Mumbai 400 001.

Annual Listing Fees, as prescribed has been paid to the Stock Exchange for the year 2020-21.

**e) STOCK EXCHANGE CODE: 511692 (BSE)****f) CORPORATE IDENTIFICATION NUMBER: L74140MH1986PLC041941****g) DEMAT ISIN No: INE759C01019****h) SHARE TRANSFERS AND OTHER COMMUNICATIONS SHOULD BE ADDRESSED TO:**

BIGSHARE SERVICES PVT. LTD.

1<sup>st</sup> Floor, Bharat TIN works building, opp. Vasant Oasis Apartments (next to Keys Hotel), Marol Maroshi Road, Andheri East, Mumbai 400059.

Tel.: 022-62638294, Fax: 022-62638299 Email: [lawoo@bigshareonline.com](mailto:lawoo@bigshareonline.com).

**i) INVESTORS' COMPLAINTS MAY BE ADDRESSED TO:**

**Compliance Officer**

**Ajcon Global Services Limited**

Registered Office 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](mailto:investorgrievance@ajcon.net) / [cs@ajcon.net](mailto:cs@ajcon.net)

**j) STOCKMARKET 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 2019	31.50	31.25	1,100	2	Oct. 2019	27.40	27.00	2,918	12
May 2019	31.90	29.40	11,001	17	Nov. 2019	27.30	26.80	2,003	2
June 2019	29.00	29.00	2	1	Dec. 2019	25.50	25.40	10,000	3
July 2019	29.00	28.80	6,805	11	Jan. 2020	25.30	23.50	62	7
Aug. 2019	28.80	28.80	450	1	Feb. 2020	24.00	22.10	1,437	10
Sept. 2019	27.40	27.35	3,300	2	Mar. 2020	22.50	22.50	23,000	1

**k) REGISTRAR AND SHARE TRANSFER AGENTS**

The Company has appointed Bigshare Services Pvt. Ltd. 1<sup>st</sup> Floor, Bharat TIN works building, Opp. Vasant Oasis Apartments (next to Keys Hotel), Marol Maroshi Road, Andheri East, Mumbai 400059 as Registrar and Share Transfer Agents of the Company.

**l) DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2020**

SR. NO.	RANGE (IN ₹)	NO. OF HOLDERS	% TO TOTAL SHAREHOLDERS	SHARES	% TO TOTAL EQUITY
1	1 – 500	2040	87.93	2,61,468	4.26
2	501- 1000	132	5.69	1,13,319	1.85
3	1001- 2000	60	2.58	91,641	1.50
4	2001- 3000	19	0.82	50,908	0.83
5	3001- 4000	5	0.22	17,751	0.29
6	4001- 5000	7	0.30	33,972	0.55
7	5001- 10000	12	0.52	85,136	1.39
8	10001 and above	45	1.94	54,62,005	89.30
<b>TOTAL</b>		<b>2,320</b>	<b>100.00</b>	<b>61,16,200</b>	<b>100.00</b>

## m) SHAREHOLDING PATTERN AS ON 31.03.2020

	CATEGORY	NO. OF SHARES HELD	% OF SHARE HOLDING
<b>A.</b>	<b><u>PROMOTERS HOLDING</u></b>		
<b>1.</b>	<b>PROMOTERS</b>		
a.	Indian promoters *	41,27,100	67.48
b.	Foreign promoters	-	-
<b>2.</b>	<b>PERSONS ACTING IN CONCERT</b>	-	-
	<b>Total</b>	<b>41,27,100</b>	<b>67.48</b>
<b>B.</b>	<b><u>NON PROMOTERS HOLDING</u></b>		
<b>1.</b>	<b>INSTITUTIONAL INVESTORS</b>		
a.	Mutual funds	52,100	0.85
b.	Banks, financial institutions	-	-
c.	FII's	-	-
	<b>Sub Total</b>	<b>52,100</b>	<b>0.85</b>
<b>2.</b>	<b>OTHERS</b>		
a.	Bodies Corporate		
b.	Indian public	1,84,653	3.02
`		15,45,552	25.27
c.	NRI / OCB	3500	0.06
d.	Any other – Clearing Members	10,884	0.18
e.	Investor Education & Protection Fund(IEPF)	1,92,411	3.15
	<b>Sub total</b>	<b>19,37,000</b>	<b>31.67</b>
	<b>Total</b>	<b>19,89,100</b>	<b>32.52</b>
	<b>GRAND TOTAL</b>	<b>61,16,200</b>	<b>100.00</b>

\* Includes Body Corporate also.

## n) DEMATERIALISATION OF SHARES

The shares of the Company are traded in compulsorily dematerialized form 58,28,895 Equity shares (95.30%) have been dematerialized as on 31.03.2020

## o) OUTSTANDING GDR/WARRANTS/CONVERTIBLE INSTRUMENTS.

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

## p) 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](mailto:ajcon@ajcon.net)

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

M/s Kothari H. & Associates, Company Secretaries, 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.

**12. CEO/ CFO Certification**

As required under Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO/CFO certificate for the financial year ended 31<sup>st</sup> March, 2020, signed by Mr. Ashok Ajmera, Managing Director & CEO and Mr. Ankit Ajmera, Executive Director & Chief Financial Officer of the Company. The CEO/ CFO certificate is annexed and form part of this Report.

**13. A certificate on non-disqualification of Directors**

A Certificate from the Practicing Company Secretary has been received by the Company stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or to continue as Directors.

**14. NON-MANDATORY REQUIREMENTS**

**a) 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.

**b) Shareholders' Rights:**

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

**c) Audit Qualification:**

During the year under review, there was no audit qualification on the Company's financial statements.

**d) Reporting of Internal Auditor:**

The internal auditor reports to the Managing Director & CFO and he has direct access to the Audit Committee.

**e) Separate post of Chairman and CEO:**

The Company does not have separate posts for Chairman and CEO.

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## MANAGEMENT DISCUSSION AND ANALYSIS

### **INDUSTRY STRUCTURE AND DEVELOPMENTS:**

Your company is primarily engaged in Stock Broking, Corporate Advisory, Merchant Banking and providing Depository participant Services. All these activities are facing competitive, taxation, regulatory headwinds and game changing structural changes. Your company is gearing up to face such developments and re-engineer business strategy as required, including giving major thrust to Stock Broking and Corporate Advisory Services.

The ongoing COVID-19 crisis severely impacted the Company's Corporate Advisory business during the lockdown period but this segment would pick up as Corporates would require Company's services for additional fund requirements amidst tough times. The RBI Governor had announced that KV Kamath-led panel will be declaring financial parameters for resolution of corporate loans in a month. The panel will recommend and notify rules to the RBI. The central bank has constituted an expert committee under the chairmanship of KV Kamath to make recommendations on the proposed resolution plan for stressed borrowers impacted by COVID-19. The panel will make recommendations on the required financial parameters to be factored in the resolution plans, with sector-specific benchmark ranges for such parameters. The above measures of RBI will present an opportunity to the Company's Corporate Advisory division to help MSMEs and Large Corporates restructure their loans.

However, there was a silver lining in COVID-19 crisis as the Broking division continued to do well and offset to some extent the impact of minimal activity in Corporate Advisory Business.

The crisis caused by COVID-19 has been very harsh and unimaginable as it is a once in a life time event. Threat to life and threat to livelihood have rattled people. This crisis has spared no one and affected every common man. The situation has become so scary that even after COVID-19 era people would be reluctant to move freely, meet people, travel in public transport and eat in restaurants etc. Naturally, the containment measures like the lockdown of the entire country to break the chain of virus will have significant effects on the global economy. While this current situation is unique in many ways, fear and greed are still the common denominators of every crisis. India is no exception as the economy has to come to a grinding halt amidst the ongoing lockdown. The lockdown to curb virus spread has forced permanent damage in exports markets for all the major economies except to some extent Indian Pharma. MSMEs would be the worst affected as there would no cashflow as income would be missing.

Bank advances growth in FY20 was the slowest since the fiscal ended March 1962, when loans had grown by 5.38 percent. In the week ended March 27, 2020, advances stood at Rs. 103.71 lakh crore as against Rs. 97.71 lakh crore as on March 29, 2019, according to Reserve Bank data. During FY20, bank deposits grew by 7.93 percent to Rs. 135.71 lakh crore as against Rs 125.73 lakh crore, the RBI data showed. The growth in deposits was slowest since FY18, when it had increased by 6.21 percent. In FY19, credit offtake was 13.29 percent while deposits grew by 10.04 percent.

The Government announced various measures in its 20 lakh crore plus package with RBI measures as well. The disappointment of no relief package for middle class who are also affected significantly in COVID-19 crisis will also remain an overhang. The announcements with regards to MSMEs in first tranche of Stimulus Package like Emergency Working Capital Facility for MSMEs and small businesses worth Rs. 3,00,000 crores + Subordinate debt for stressed SMEs worth Rs. 20,000 crores + Fund of Funds for MSME worth Rs. 50,000 crores was not implemented in a timely manner. The GDP growth for FY2019- 20 stood at 4.2 percent as against 6.1 percent in FY 2018-19. India's gross domestic product (GDP) witnessed s growth of 3.1 percent during January-March 2020. At

3.1 percent, India's "real" or inflation-adjusted GDP growth was the lowest in 44 quarters, national income data released by the Central Statistics Office (CSO) on May 29, 2020 showed. According to RBI, economic activity Q2FY21 may remain subdued due to social distancing measures and the temporary shortage of labour.

S&P Global Ratings had said Indian economy is in deep trouble with growth expected to contract by 5 per cent this fiscal. "India's economy is in deep trouble. Difficulties in containing the virus, an anemic policy response, and underlying vulnerabilities, especially across the financial sector, are leading us to expect growth to fall by 5 per cent this fiscal year before rebounding in 2021," S&P said in a report. In its report titled 'Asia-Pacific losses near USD 3 trillion as balance sheet recession looms', S&P projected the region's economy to shrink by 1.3 per cent in 2020, but grow by 6.9 per cent in 2021. This implies a loss nearing USD 3 trillion output over these two years.

#### **OPPORTUNITIES AND THREATS:**

##### **Opportunities:**

- Long-term economic outlook positive will lead to opportunity for financial services.
- Increasing flows in equity markets by FIIs and Domestic Institutions like Mutual Funds, Banks.
- Retail investor participation in both secondary and IPO market augurs well for Indian broking industry.
- Strong research cell.
- The stress accounts and loan restructuring scheme will provide great opportunity for the advisory services.

##### **Threats:**

- Low capital base as the business requires large funds to expand its network and increase its Net worth for empanelment with large Mutual Funds and FIIs for institutional broking (Internal).
- Fewer dealing branches & franchisee outlets (Internal).
- Competition in the Market place specially with discount brokerage firms. (External).
- Regulatory Challenges.(External).
- COVID-19 is the biggest external threat on which no one has any control and the future is absolutely unpredictable.(External).

#### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company's internal control systems are adequate ,operating effectively and are commensurate with the size of business and the same is provided through competent management, implementation of standard policies and processes, maintenance of an appropriate audit program with internal control environment, effective risk monitoring and management information systems. Moreover, the Company continuously upgrades these systems in line with the best available practices.

The Board of the Company has constituted an Audit Committee, which is headed by a Non-Executive Independent Director. The Audit Committee periodically reviews internal audit reports and brings to the notice of the Board any significant process deviations.

#### **SEGMENT –WISE OR PRODUCT WISE PERFORMANCE:**

Your company has only one segment and entire revenue is generated from financial activities only. Accordingly, segment reporting as required under Accounting Standard-17, issued by the Institute of Chartered Accountants of India, is not applicable.

**RISK AND CONCERN:**

The Company operates in the Challenging business environment and exposed with following risks which includes economic risk, competition risk, market risk, human resources risk and regulatory risk etc. Any unfavorable changes in the in the government policies and economic condition of the Indian & Global financial market impact the growth of the Company. In this competitive world, your Company faces competition from existing players and new entrants.

However, we have always considered competition as a favorable factor since it drives us further towards growth. The Company with its well diversified service offerings, nationwide reach, coupled with the latest technological infrastructure and strong risk management systems will facilitate continuous growth in the coming years. Availability of skilled man power is the most important factor for the growth of the Company, your Company try to retain its skilled man power.

**ANALYSIS OF FINANCIAL PERFORMANCE:**

Due to improvement in the markets coupled with a few good assignments for consultancy & Investment Banking, both the top & bottom-line of the Company improved as shown in the following table:-

FINANCIAL YEAR	TOTAL REVENUE	EBITDA
		(₹ in lacs)
F.Y. 2019-2020	2684.83	(52.41)
F.Y. 2018-2019	3128.48	92.64

**OUTLOOK :**

The Company expects the current financial year 2020-21 to be the year of good financial activities on both capital market front and corporate advisory front. Even the outlook for investment banking and capital markets seems to be brighter.

**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. The HR department is cordial with the employee and takes due care of their growth and professional credentials & abilities of 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 HARBOR 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.

**By Order of the Board**

**Ashok Ajmera**  
**Managing Director & CEO**  
**DIN: 00812092**

**Place: Mumbai**  
**Date: 04.09.2020**

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**DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT**

In accordance with Regulation 26 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Ashok Ajmera, Managing Director & CEO of the Company confirm that the Board Members and the senior Management Personnel of the Company have affirmed compliance with the Company's code of conduct for the financial year ended 31<sup>st</sup> March, 2020.

**For Ajcon Global Services Limited**

**Ashok Ajmera**  
**Managing Director & CEO**  
**DIN: 00812092**

**Place : Mumbai**  
**Date :04.09.2020**

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**CERTIFICATION BY CEO/CFO UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015**

**The Board of Directors**  
**Ajcon Global Services Ltd.**

**We hereby certify that -**

- a) We have reviewed financial statements and the Cash Flow Statements for the financial year ended on 31<sup>st</sup> March, 2020 and to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our 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) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we was aware and the steps we have taken or proposes to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that there is:
  - (i) significant change in internal control over financial reporting during the year;
  - (ii) significant change in accounting policies during the year under review and that the same have been disclosed in the notes to the financial statements.;
  - (iii) No instance of any fraud in the Company in which the management has any role.

**Ashok Ajmera**  
**Managing Director & CEO**  
**DIN: 00812092**

**Ankit Ajmera**  
**Executive Director& CFO**  
**DIN: 00200434**

**Place: Mumbai**  
**Date:30.07.2020**



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
 The Members,  
 Ajcon Global Services Limited  
 408, A Wing, Express Zone,  
 Near Patels, W.E. Highway,  
 Goregaon (E), Mumbai, Maharashtra, 400063

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Ajcon Global Services Limited** having L74140MH1986PLC041941 and having registered office at 408, A Wing, Express Zone, Near Patels, W.E. Highway, Goregaon (E), Mumbai, Maharashtra, 400063, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Ankit Ajmera Ashok	00200434	18/01/2005
2	Narayan Tulsiram Atal	00237626	18/01/2005
3.	Ashok Ajmera Kumar	00812092	01/04/1993
4.	Anuj Ajmera Ashok	01838428	22/11/2007
5.	Samir Biswas	02559909	22/01/2009
6.	Rajendra Kumar Bakiwala	02909100	18/01/2005
7.	Ragini Kamal Chokshi	06743306	14/02/2015

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion.

On these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For KOTHARI H. & ASSOCIATES  
 Company Secretaries

Sonam Jain  
 Membership No. 9871  
 Certificate of Practice No. 12402  
 UDIN:F009871B000662699

Place: Mumbai  
 Date:04.09.2020

## INDEPENDENT AUDITOR'S REPORT

To the MembersAjcon Global Services Ltd.

### REPORT ON THE AUDIT OF THE STANDALONE INDAS FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying Standalone Ind AS financial statements of Ajcon Global Services Limited (“the Company”), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss, (including Other Comprehensive Loss), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

#### Basis for opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing(SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Ind AS Financial Statements’ section of our report. We are independent of the Company in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

#### Emphasis of matter

We draw attention to Note No 33 to the financial statements, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Company’s financial performance as assessed by the Management. Our opinion is not modified in respect of the above matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
1.	Impact of COVID-19 pandemic on Going Concern Refer Note No.33 “Estimation related to COVID-19” of the financial statements. On 11 March 2020, the World Health Organisation declared the Novel Coronavirus (COVID-19) outbreak to be a pandemic. The Indian Government has imposed lock-downs across the country from 24 March 2020 up to 30 June 2020. These lockdowns and restrictions due to COVID-19 pandemic have posed significant	Our audit procedures included the following: <ul style="list-style-type: none"> <li>• Obtained an understanding of the key controls relating to the Company’s forecasting process</li> <li>• Compared the forecasted statement of profit and loss and cash flows with the Company’s business plan approved by the board of directors</li> <li>• Obtained an understanding of key assumptions adopted by the Company in preparing the</li> </ul>

	<p>challenges to the businesses of the Company. This required the Company to assess impact of COVID-19 on its operations. The Company has assessed the impact of COVID-19 on the future cash flow projections. The Company has also prepared a range of scenarios to estimate financing requirements. In view of the above, we identified impact of COVID-19 on going concern as a key audit matter.</p>	<p>forecasted statement of profit and loss and cash flow and assessed the consistency thereof with our expectations based on our understanding of the Company's business</p> <ul style="list-style-type: none"> <li>Assessed the forecasted statement of profit and loss and cash flow by considering plausible changes to the key assumptions adopted by the Company.</li> <li>Assessed impact of Government's announcement to lift the lockdown restrictions.</li> </ul> <p>Assessed disclosures made in the financial statements with regard to the above. Refer to note no. 33</p>
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### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises of the Annual Report but does not include the standalone Ind AS financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read such other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audited financial statements. We have nothing to report in this regard.

### Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease

operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that :-
  - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - iii. The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - iv. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - v. On the basis of written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone IND AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
  - vii. In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - viii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :-
    - i. The Company does not have any pending litigation which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Chaturvedi Sohan & Co.**

Chartered Accountants

FRN: 118424W

**Devanand Chaturvedi**

Partner

Mem. No.: 041898

Place: Mumbai

Date: 30.07.2020

UDIN: 20041898AAAABD6710

### “Annexure A” to the Independent Auditor’s Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended 31<sup>st</sup> March, 2020: -

1. In respect of Fixed Assets: -
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - b. The Fixed Assets have been physically verified by the management in a phased periodic manner, which in our opinion is reasonable, having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
  - c. The title deeds of immovable properties are held in the name of the company.
2. In respect of Inventory:-
  - a. The management has conducted the physical verification of inventory at reasonable intervals.
  - b. No discrepancies noticed on physical verification of the inventory as compared to book records. The Company’s inventory comprise only of shares and securities. The Management during the year has physically verified those stocks which were not in dematerialize form and the rest were verified through Demat Statements of Depositories. In our opinion, the procedure of such verification was reasonable and adequate, considering the size and nature of the business.
  - c. Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.
3. In respect of Loan, secured or unsecured, granted by the Companies to companies, firm or other related parties covered in the Register maintained under section 189 of the Companies Act, 2013.
  - a)The Company has granted loan to a Subsidiary & wholly owned subsidiary companies. The principal amount is repayable on demand at the discretion of the Company and no repayment schedule is stipulated.
  - b) In respect of the said loans and interest thereon, there are no overdue amounts.
  - c) The terms of the said loan are not prejudicial to the interest of the Company.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, in respect of loans, investments, guarantees, and security.
5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the Rules framed there under to the extent notified are not applicable to the Company.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
7. Information and explanation given to us in respect of statutory dues : -

According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods & Services Tax(GST), Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March, 2020 for a period of more than six months from the date on when they become payable.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**ForChaturvediSohan& Co.**

Chartered Accountants

FRN: 118424W

**Devanand Chaturvedi**

Partner

Mem. No.: 041898

Place: Mumbai

Date: 30.07.2020

UDIN: 20041898AAAABD6710

**“Annexure B” to the Independent Auditor’s Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the Standalone financial statements of the Company as of and for the year ended 31st March, 2020 we have audited the internal financial controls over financial reporting of AJCON GLOBAL SERVICES LIMITED (“the Company”) which is a Company incorporated in India, as of that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

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

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



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

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **ForChaturvediSohan& Co.**

Chartered Accountants  
FRN: 118424W

#### **Devanand Chaturvedi**

Partner  
Mem. No.: 041898  
Place: Mumbai  
Date: 30.07.2020  
UDIN: 20041898AAAABD6710

**AJCON GLOBAL SERVICES LIMITED**  
 STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

(₹ in Lacs)

Particulars	Note No	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<b>ASSETS</b>				
<b>1. Financial Assets</b>				
(a) Cash and cash equivalents	3	25.12	9.42	135.15
(b) Bank balance other than (a) above	4	61.64	74.07	73.51
(c) Receivables	5			
(I) Trade receivables		200.28	122.32	93.70
(II) Other receivables		0.00	0.00	0.00
(d) Loans	6	143.65	83.25	44.50
(e) Investments	7	315.27	315.27	315.27
(f) Other financial assets	8	204.48	223.29	332.27
Sub-total		<b>950.45</b>	<b>827.61</b>	<b>994.40</b>
<b>2. Non-Financial Assets</b>				
(a) Current tax assets (net)		0.00	0.00	0.00
(b) Deferred tax assets (net)		0.00	0.00	0.00
(c) Property, Plant and Equipment	9	126.93	142.49	150.64
(d) Right of use assets	10	49.92	70.94	91.96
(e) Intangible assets under development		0.00	0.00	0.00
(f) Other intangible assets		0.00	0.00	0.00
(g) Other non-financial assets	11	11.34	4.06	6.32
(h) Inventories		825.95	1029.26	982.71
Sub-total		<b>1014.15</b>	<b>1246.75</b>	<b>1231.63</b>
<b>Total</b>		<b>1,964.59</b>	<b>2,074.36</b>	<b>2,226.03</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>(1) Financial Liabilities</b>				
(a) Payables				
(I) Trade payables	12			
(i) Total outstanding dues of micro enterprises and small enterprises		0.00	0.00	0.00
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		59.45	60.16	156.07
(II) Other payables				
(i) Total outstanding dues of micro enterprises and small enterprises		0.00	0.00	0.00
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		24.49	19.76	22.26
(b) Borrowings (Other than debt securities)	13	452.29	385.01	405.77

(c) Other financial liabilities	14	76.89	91.65	95.84
Sub-total		<b>613.12</b>	<b>556.58</b>	<b>679.93</b>
<b>(2) Non-Financial Liabilities</b>				
(a) Current tax liabilities (net)		0.00	0.00	0.00
(b) Deferred tax liabilities (net)	15	5.09	3.69	6.08
(c) Provisions	16	0.00	11.29	11.29
(d) Other non-financial liabilities	17	14.27	12.98	29.55
Sub total		<b>19.36</b>	<b>27.96</b>	<b>46.92</b>
<b>(3) EQUITY</b>				
(a) Equity share capital	18	611.62	611.62	611.62
(b) Other equity	19	720.49	878.20	887.55
Sub total		<b>1,332.11</b>	<b>1,489.82</b>	<b>1,499.17</b>
<b>Total</b>		<b>1,964.59</b>	<b>2,074.36</b>	<b>2,226.03</b>

As per our report of even date attached

For and on behalf of the Board

**For Chaturvedi Sohan & Co.**

Chartered Accountants

FRN: 118424W

**Devanand Chaturvedi**

Partner

Mem. No.: 041898

**Place:** Mumbai**Date:** 30.07.2020

UDIN:20041898AAAABD6710

**Ashok Ajmera**

CEO &amp; Managing Director

DIN: 00812092

**Shailendra Pathak**

Company Secretary

M. No. 27386

**Ankit Ajmera**

CFO &amp; Executive Director

DIN: 00200434

<b>AJCON GLOBAL SERVICES LIMITED</b>			
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020			
(₹ in Lacs)			
Particulars	Note No	For the year ended March 31, 2020	For the year ended March 31, 2019
I. Revenue from Operations	20	2,671.00	3,112.22
II. Other Income	21	13.83	16.26
<b>III. Total Revenue (I+II)</b>		<b>2,684.83</b>	<b>3,128.48</b>
<b>IV Expenses</b>			
Cost of Sales		2,189.30	2,545.23
Net Loss on fair value change		222.30	92.01
Employee Benefit Expenses	22	204.17	233.13
Financial Cost	23	63.49	63.76
Depreciation & Amortization Expenses	24	40.41	40.59
Other Expenses	25	121.47	165.46
<b>Total Expenses</b>		<b>2,841.14</b>	<b>3,140.19</b>
<b>V Profit/(Loss) before Exceptional &amp; Extra-ordinary items &amp; Tax (III-IV)</b>		<b>(156.31)</b>	<b>(11.71)</b>
VI Exceptional item		-	-
<b>VII Profit/(Loss) before Extra-ordinary items &amp; Tax (V-VI)</b>		<b>(156.31)</b>	<b>(11.71)</b>
VIII Extraordinary Item		-	-
<b>IX Profit before Tax (VII-VIII)</b>		<b>(156.31)</b>	<b>(11.71)</b>
<b>X Tax Expenses</b>			
i) Current Tax			-
ii) Deferred Tax Expenses/ (Savings)		1.40	(2.39)
iii) Short / (Excess) Tax Provision of Tax in Earlier Years			0.04
<b>XI Profit/(Loss) for the period (IX - X)</b>		<b>(157.71)</b>	<b>(9.35)</b>
<b>XII Basic &amp; Diluted EPS (in ₹. )</b>		<b>(2.58)</b>	<b>(0.15)</b>

As per our report of even date attached

For and on behalf of the Board

**ForChaturvediSohan & Co.**

Chartered Accountants

FRN: 118424W

**Ashok Ajmera**

CEO &amp; Managing Director

DIN: 00812092

**Ankit Ajmera**

CFO &amp; Executive Director

DIN: 00200434

**Devanand Chaturvedi**

Partner

Mem. No.: 041898

**Shailendra Pathak**

Company Secretary

M. No. 27386

**Place:** Mumbai**Date:** 30.07.2020

UDIN:20041898AAAABD6710

**AJCON GLOBAL SERVICES LIMITED**  
 STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Cash Flows From Operating Activities</b>		
<b>Net Profit/(Loss) before taxation, and extraordinary item</b>	-156.31	-11.74
Adjustments for:		
Depreciation & Amortisation	40.41	40.59
Employee Stock Option Expenses	0.00	0.00
Provisions for Gratuity	0.00	0.00
Provisions for Leave Encashment	0.00	0.00
Interest Expenses	0.00	0.00
Capital Gain on Investments	0.00	0.00
Interest Income	0.00	0.00
Net Loss/(Gain) on Fair Value of Investments	0.00	0.00
Net Loss/(Gain) on sale of PPE & Intangible Assets	0.00	0.00
<b>Operating Profit](Loss) Before Working Capital Changes</b>	<b>-115.90</b>	<b>28.85</b>
(Increase)/Decrease in Trade Receivables	-77.97	-28.62
(Increase)/Decrease in Loans	-60.40	-38.75
(Increase)/Decrease in Other Financial Assets	18.81	108.98
Increase/(Decrease) in Inventory	203.32	-46.56
(Increase)/Decrease in Other Non-Financial Assets	-7.29	2.26
Increase/(Decrease) in Provisions	-11.29	0.00
Increase/(Decrease) in Trade Payables	-0.71	-95.91
Increase/(Decrease) in Other Payables	4.73	-2.49
(Increase)/Decrease in Other Financial Liabilities	-14.76	-4.19
Increase/(Decrease) in Other Non-Financial Liabilities	1.29	-16.57
<b>Cash Generated From Operations</b>	<b>-60.17</b>	<b>-92.99</b>
Taxes	0.00	0.00
<b>Net cash flow from](used in) operating activities (A)</b>	<b>-60.17</b>	<b>-92.99</b>
<b>Cash Flows from Investing Activities</b>		
(Purchase)/Sale of PPE & Intangible Assets (net)	-3.83	-11.42
(Purchase) / Sale Investments (Including in subsidiaries)	0.00	0.00
Capital Gain on Investment	0.00	0.00
Interest received	0.00	0.00
<b>Net cash flow from](used in) investing activities (B)</b>	<b>-3.83</b>	<b>-11.42</b>
<b>Cash Flows from Financing Activities</b>		
Decrease in Bank Deposits	0.00	0.00

Increase in Share Capital	0.00	0.00
Increase in Share Premium (Net of share Issue Expenses)	0.00	0.00
Borrowed/ Repayment of Borrowings (Net)	67.28	-20.76
Interest Expenses	0.00	0.00
<b>Net cash flow from](used in) financing activities (C)</b>	<b>67.28</b>	<b>-20.76</b>
<b>Net increase](decrease) in Gash and Gash Equivalentents (A+B+C)</b>	<b>3.28</b>	<b>-125.17</b>
<b>Cash and Cash Equivalentents at beginning of Year</b>	<b>83.48</b>	<b>208.66</b>
<b>Cash and Cash Equivalentents at end of Period</b>	<b>86.76</b>	<b>83.49</b>

As per our report of even date attached

**For Chaturvedi Sohan & Co.**

Chartered Accountants

FRN: 118424W

**Devanand Chaturvedi**

Partner

Mem. No.: 041898

**Place:** Mumbai**Date:** 30.07.2020

UDIN:20041898AAAABD6710

For and on behalf of the Board

**Ashok Ajmera***CEO & Managing Director*

DIN: 00812092

**Ankit Ajmera***CFO & Executive Director*

DIN: 00200434

**Shailendra Pathak**

Company Secretary

M. No. 27386

<b>AJCON GLOBAL SERVICES LIMITED</b>			
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020			
<b>Share Capital</b>			(₹ in Lacs)
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at April 01, 2018</b>
<b>Share Capital</b>			
<u>Authorised Share Capital</u>			
10,000,000 (10,000,000) Equity Shares of ₹ 10 each	1,000.00	1,000.00	1,000.00
<u>Issued, Subscribed &amp; Paid Up</u>			
6,116,200 (6,116,200) Equity Shares of ₹10 each fully paid up.	611.62	611.62	611.62
<b>Total</b>	<b>611.62</b>	<b>611.62</b>	<b>611.62</b>
<b>Other equity</b>			(₹ in Lacs)
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at April 01, 2018</b>
<b>Securities Premium</b>			
Balance at the beginning of the year	204.75	204.75	204.75
Additions/ (Utilization) during the year	-	-	-
Balance at the end of the year	204.75	204.75	204.75
<b>General Reserve</b>			
Balance at the beginning of the year	107.38	107.38	107.38
Additions/ (Utilization) during the year	-	-	-
Balance at the end of the year	107.38	107.38	107.38
<b>Profit and Loss Account</b>			
Balance at the beginning of the year	566.08	575.43	547.98
Profit/(Loss) during the year	(157.71)	(9.35)	31.32
Adjustments on account of transition to INDAS		-	(3.88)
Balance at the end of the year	408.37	566.08	575.43
<b>Total</b>	<b>720.49</b>	<b>878.20</b>	<b>887.55</b>

As per our report of even date attached

**ForChaturvediSohan& Co.**

Chartered Accountants

FRN: 118424W

**Devanand Chaturvedi**

Partner

Mem. No.: 041898

**Place:** Mumbai**Date:** 30.07.2020

UDIN:20041898AAAABD6710

For and on behalf of the Board

**Ashok Ajmera**

CEO &amp; Managing Director

DIN: 00812092

**Shailendra Pathak**

Company Secretary

M. No. 27386

**Ankit Ajmera**

CFO &amp; Executive Director

DIN: 00200434

**Note 1: Corporate Information**

Ajcon Global Services Limited (“the Company”) and its subsidiaries (collectively referred to as “the Group”) provide consulting-led integrated financial services. Stock Broking, Corporate Financial Advisory, Merchant Banking, and Investment Banking services are rendered through our Head Office located in Mumbai.

As at March 31, 2020, The Promoters Group owned 67.48 % of the Company’s equity share capital and has the ability to control its operating and financial policies. The Company’s registered office is in Mumbai and it has three subsidiaries in India.

**Note 2: Significant Accounting Policies & Notes To Accounts****a) Basis of Preparation of Financial Statements**

The accompanying financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended 31 March 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). These financial statements for the year ended 31 March 2020 are the first the Company has prepared in accordance with Ind AS. The financial statements have been prepared on a historical cost basis, except for derivative financial instruments and other financial assets held for trading all of which have been measured at fair value.

**b) Use of Estimates :**

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

**c) Property, plant and equipment:**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition and installation of the assets. Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred.

**d) Depreciation & Amortization:**

In respect of fixed assets (other than freehold land and capital work-in-progress) acquired during the year, depreciation/amortisation is charged on a straight line basis so as to write-off the cost of the assets over the useful lives and for the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life based on an evaluation.



Type of Asset	Life of asset
Office Premises	40 Years
Office Equipments	5 Years
Furniture Fixtures	10 Years
Motor Vehicles	8 Years
Air Conditioners	5 Years
Electronic Installations	10 Years
Computers & Peripherals	3 Years
Computer Servers & Peripherals	6 Years

**e) Non-Current Investments:**

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

**f) Inventories:**

Inventories are consisting of stocks and securities and the same are accounted at market value as per Ind AS 2.

**g) Cash and Cash Equivalents:**

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is 3 months or less and other short term highly liquid investments that are readily convertible into known amount of cash and which are subject to insignificant risk of change in value.

**h) Revenue Recognition:**

Revenue is measured at fair value of the consideration receivable or received. Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising contracts with customers.

The company recognise revenue from customers based on a five –step modal set out in Ind AS 115:

- I) Identify contact(s) with a customers.
- II) Identify performance obligation in the contract
- III) Determine the transaction price
- IV) Allocate the contract price to the performance obligations in the contract
- V) Revenue Recognise

Revenue includes the following:

- Brokerage fee income
- Advisory income
- Interest income
- Dividend income
- Rental income

**i) Employee Benefits:**

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

**j) Borrowing Cost:**

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

**k) Segment Reporting:**

The Company business is to provide stock broking services and corporate advisory services, to its clients, in the capital market in India. All other activities of the company are ancillary to the main business. As such, there are no reportable segments that need to be reported separately as defined in Ind AS 108, Operating Segment.

**l) Lease accounting:**

Ind AS 116 defines a lease as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Under Ind AS 116 lessees have to recognize a lease liability reflecting future lease payments and a 'right-of-use asset' for almost all lease contracts

**m) Earnings Per Share (E.P.S.):****- Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit for the period (excluding other comprehensive income) attributable to equity share holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

**- Diluted earnings per share**

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

**n) Provision for Taxation:**

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

**o) Provisions, Contingent Liabilities and Contingent Assets.**

A provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on best management estimate required to settle the obligation as on the date of balance sheet. These are reviewed at each balance sheet date and adjusted to reflect the current best management estimates. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

**NOTE 3 : CASH AND CASH EQUIVALENTS**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Cash & cash equivalents			
Cash in hand	3.22	3.65	2.84
Balances with bank:			
– in current accounts	21.89	5.77	132.31
<b>Total Cash &amp; cash equivalents</b>	<b>25.12</b>	<b>9.42</b>	<b>135.15</b>

**NOTE 4 : BANK BALANCE OTHER THAN ABOVE**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Fixed deposit with banks	61.64	74.07	73.51
<b>Total</b>	<b>61.64</b>	<b>74.07</b>	<b>73.51</b>

**NOTE 5 : RECEIVABLES**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
(i) Trade receivables			
– Receivables considered good – Unsecured	200.28	122.32	93.70
– Receivables which have significant increase in credit risk	0.00	0.00	0.00
– Receivables – credit impaired	0.00	0.00	0.00
(ii) Other receivables			
– Receivables considered good – Unsecured	0.00	0.00	0.00
<b>Total</b>	<b>200.28</b>	<b>122.32</b>	<b>93.70</b>

**NOTE 6 : LOANS**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<b><u>Unsecured, considered good</u></b>			
Other advances recoverable in cash or in kind or for value, to be considered good	143.65	83.25	44.50
<b>Total</b>	<b>143.65</b>	<b>83.25</b>	<b>44.50</b>

## NOTE 7: INVESTMENTS

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<b>Other Investments</b>			
<b>Investment in Equity Instruments- Strategic</b>			
<u>Unquoted Equity Shares at Cost</u>			
<u>a) In Subsidiary Companies</u>			
◆ 1,775,000 (P.Y. 1,775,000) Equity shares of ₹ 10 each at par of M/s Ajcon Finance Ltd.	177.50	177.50	177.50
◆ 100,000 (P. Y. 100,000) Equity Shares of ₹ 10 each at par of M/s Kanchanmanik Securities Pvt. Ltd.	10.00	10.00	10.00
◆ 8,10,000 (P.Y. 8,10,000) Equity Shares of ₹ 10 each at par of M/s AjconComtrade Pvt. Ltd.	81.00	81.00	81.00
<u>b) In Group Companies</u>			
◆ 25,000 (P.Y. 25,000) Equity shares of ₹ 10 each of M/s Ajcon IT.Com Ltd.	40.00	40.00	40.00
◆ 3,335 (P.Y. 3,335) Equity shares of ₹ 10 each of M/s Ajcon Infra Projects Pvt. Ltd.	6.67	6.67	6.67
<u>c) Others</u>			
◆ 10,000 (P.Y. 10,000) Equity shares of ₹ 1 each at par of Safal Capital (India) Ltd. (Formerly known as Madhya Pradesh Stock and capital market Ltd.)	0.10	0.10	0.10
<b>Total</b>	<b>315.27</b>	<b>315.27</b>	<b>315.27</b>

## NOTE 8 : OTHER FINANCIAL ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Deposit/Margin with exchange	136.64	146.81	211.41
Advance Receivable in Cash or Kind	67.84	76.48	120.85
<b>Total</b>	<b>204.48</b>	<b>223.29</b>	<b>332.27</b>

**Note : 9****Depreciation as per Companies Act****Fixed Assets : Tangible Assets**

(₹ in Lacs)

Name of the Assets	Gross block				Depreciation				Net Block	
	Opening Balance as on 01/04/2019	Addition	sale	Closing Balance as on 31/03/2020	Opening Balance as on 01/04/2019	For the year	Deduction/ Adjustments	Closing Balance as on 31/03/2020	3/31/2020	3/31/2019
<b>Tangible Assets</b>										
Office Premises	61.60	-	-	61.60	17.15	1.61	-	18.77	42.83	44.44
Furniture Fixtures	85.84	-	-	85.84	63.80	4.16	-	67.96	17.88	22.04
Computers-Servers	190.44	3.43	-	193.87	178.47	2.25	-	180.72	13.14	11.97
Motor Vehicle	85.12	-	-	85.12	28.40	10.11	-	38.51	46.61	56.72
Air - Conditioner	23.08	-	-	23.08	19.75	0.69	-	20.44	2.64	3.33
Electrical Installation	21.85	-	-	21.85	19.26	0.38	-	19.64	2.21	2.59
Office Equipments	18.08	0.41	-	18.48	16.68	0.19	-	16.87	1.62	1.40
<b>Total</b>	<b>486.01</b>	<b>3.83</b>	<b>-</b>	<b>489.85</b>	<b>343.52</b>	<b>19.39</b>	<b>-</b>	<b>362.91</b>	<b>126.93</b>	<b>142.49</b>

**NOTE 10 : RIGHT OF USE ASSETS**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Lease commitments	70.94	91.96	91.96
Add/(less): adjustments on account of extension/termination	21.02	21.02	0.00
<b>Lease liabilities</b>	<b>49.92</b>	<b>70.94</b>	<b>91.96</b>

**NOTE 11 : OTHER NON-FINANCIAL ASSETS**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Prepaid expenses	11.34	4.06	6.32
GST credit receivable	0.00	0.00	0.00
Capital advance	0.00	0.00	0.00
Other advances	0.00	0.00	0.00
<b>Total</b>	<b>11.34</b>	<b>4.06</b>	<b>6.32</b>

**NOTE 12 : PAYABLES**

(₹ in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
(I) Trade Payable			
(i) total outstanding dues of micro enterprises and small enterprises	0.00	0.00	0.00
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	59.45	60.16	156.07
Total (a)	59.45	60.16	156.07
(II) Other Payable			
(i) total outstanding dues of micro enterprises and small enterprises	0.00	0.00	0.00
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	24.49	19.76	22.26
Total (b)	24.49	19.76	22.26
<b>Total (a+b)</b>	<b>83.94</b>	<b>79.93</b>	<b>178.33</b>

**NOTE 13 : BORROWINGS (OTHER THAN DEBT SECURITIES)**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
At amortised cost			
(a) Loans repayable on demand (from banks) : Secured			
– Working capital demand loan	0.00	0.00	0.00
– Bank Overdraft	402.29	325.72	359.35
– Vehicle loan	35.00	42.81	46.42
(b) Other loans : Unsecured			
– Inter Corporate Deposits	15.00	15.00	0.00
– Temporary Bank Overdraft	0.00	1.47	0.00
Total (c) = (a)+ (b)	452.29	385.01	405.77
Borrowings in India	452.29	385.01	405.77
Borrowings outside India	0.00	0.00	0.00
<b>Total</b>	<b>452.29</b>	<b>385.01</b>	<b>405.77</b>

**NOTE 14 : OTHER FINANCIAL LIABILITIES**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Lease liability	59.19	78.62	95.84
Provision for gratuity (funded)	8.92	8.03	–
Deposit	8.78	5.00	–
<b>Total</b>	<b>76.89</b>	<b>91.65</b>	<b>95.84</b>

**NOTE 15 : DEFERRED TAX LIABILITIES (NET)**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Deferred Tax Liability on account of depreciation : (Opening)	3.69	6.08	8.03
Add: Deferred Tax Liability/ (Asset) for timing difference	1.40	(2.39)	1.95)
<b>Net Deferred Tax Liability : (Closing)</b>	<b>5.09</b>	<b>3.69</b>	<b>6.08</b>

**NOTE 16 : PROVISIONS**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Provision for Taxation	0.00	11.29	11.29
<b>Total</b>	<b>0.00</b>	<b>11.29</b>	<b>11.29</b>

**NOTE 17 : OTHER NON-FINANCIAL LIABILITIES**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
TDS,GST and Other Liabilities	14.27	12.98	29.55
<b>Total</b>	<b>14.27</b>	<b>12.98</b>	<b>29.55</b>

**Note: 18 Share Capital**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<u>Authorised Share Capital</u>			
10,000,000 (10,000,000) Equity Shares of ₹ 10 each	1,000.00	1,000.00	1,000.00
<u>Issued, Subscribed &amp; Paid Up</u>			
6,116,200 (6,116,200) Equity Shares of ₹ 10 each fully paid up.	611.62	611.62	611.62
<b>Total</b>	<b>611.62</b>	<b>611.62</b>	<b>611.62</b>

**18.1 Reconciliation of the number of Shares outstanding is setout below :**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
	No. of Shares	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	6,116,200	6,116,200	6,116,200
Add: Shares issued during the year	-	-	-
Less: Shares cancelled/ buy back during the year	-	-	-
Equity Shares at the end of the year	6,116,200	6,116,200	6,116,200

**18.2 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.

**18.3 Rights, Preferences and Restrictions attached to Shares :**

**Equity Shares:** The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. If any dividend is proposed by the Board of Directors, it shall be subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.



**18.4 Shares held by Holding Company or it's subsidiaries / associate companies.**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)
NIL	NIL	NIL	NIL

**18.5 Details of Shareholders' holding more than 5% Shares :**

Name of Shareholders	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% held	No. of Shares	% held
Ashok Ajmera	750,000	12.26%	750,000	12.26%
Ajcon Consultants Pvt. Ltd.	719,900	11.77%	719,900	11.77%
Pragati Ajmera	500,000	8.18%	500,000	8.18%
Ankit Ajmera	386,900	6.33%	386,900	6.33%
Anuj Ajmera	385,000	6.29%	385,000	6.29%

As per records of the Company, including its Register of Members and other declarations received from them regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**18.6 Other Disclosure**

Particulars		
Aggregate number of shares issued as fully paid up for consideration other than cash, bonus shares issued and shares bought back during the period of 5 years immediately preceding the reporting date.	NIL	NIL
Shares reserved for issue under options & contracts/ commitments for the sale of shares/disinvestment, including the terms and amounts.	NIL	NIL

**NOTE 19 : Other equity**

(₹ in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<b>Securities Premium</b>			
Balance at the beginning of the year	204.75	204.75	204.75
Additions/ (Utilization) during the year	-	-	-
Balance at the end of the year	204.75	204.75	204.75
<b>General Reserve</b>			
Balance at the beginning of the year	107.38	107.38	107.38
Additions/ (Utilization) during the year	-	-	-
Balance at the end of the year	107.38	107.38	107.38
<b>Profit and Loss Account</b>			
Balance at the beginning of the year	566.08	575.43	547.98
Profit/(Loss) during the year	(157.71)	(9.35)	31.32
Adjustments on account of transition to INDAS		-	(3.88)
Balance at the end of the year	408.37	566.08	575.43
<b>Total</b>	<b>720.49</b>	<b>878.20</b>	<b>887.55</b>

**NOTE 20 : Revenue from Operations**

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Income from Stock Market Operations	213.70	213.30
Income from Consultancy and Advisory Services	285.325	100.50
Profit/ (Loss) from Prop. Trading in Future and option	-29.61	-12.78
Sale of Product	2182.60	2672.64
Net Profit on fair value change	18.98	138.57
<b>Total</b>	<b>2671.00</b>	<b>3112.22</b>

**NOTE 21 : OTHER INCOME**

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Received	10.05	7.32
Other Income	3.78	8.94
<b>Total</b>	<b>13.83</b>	<b>16.26</b>

**NOTE 22 : EMPLOYEE BENEFIT EXPENSES****(₹ in Lacs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and Bonus	138.09	168.69
Directors' Remuneration	60.93	60.68
Staff Welfare Expenses	4.26	3.77
Gratuity	0.89	0.00
<b>Total</b>	<b>204.17</b>	<b>233.13</b>

**NOTE 23 : FINANCE COST MEASURED THROUGH AMOTISED COST****(₹ in Lacs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on borrowings	60.13	60.16
Bank Charges & Commission	3.37	3.59
<b>Total</b>	<b>63.49</b>	<b>63.76</b>

**NOTE 24 : DEPRECIATION, AMORTISATION AND IMPAIRMENT****(₹ in Lacs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on property, plant and equipment	19.39	19.57
Amortisation of intangible assets	21.02	21.02
<b>Total</b>	<b>40.41</b>	<b>40.59</b>

**NOTE 25 : OTHER EXPENSES****(₹ in Lacs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<i>Statutory Audit Fees</i>	0.80	0.80
<i>Tax Audit Fees</i>	0.10	0.10
<i>Internal Audit Fees</i>	0.20	0.20
Advertisement & Business Development Expenses	5.43	8.14
Bad Debts	20.62	2.37
Connectivity & Communication	7.49	9.70
Depository Charges	1.29	1.16
Electricity Charges & Expenses	7.33	7.87
Insurance Premium	1.45	3.75
Professional Fees	33.59	50.56
Postage, Courier and Telegram	0.70	1.85
Printing & Stationery	1.27	2.97
Rent, Rates & Taxes	6.53	10.05
Repairs & Maintenance	1.73	4.54
Software and AMC charges	6.86	9.99
Subscription and Membership Fees	6.27	4.76
Sundry Expenses	3.37	14.98
Telephone Expenses	3.27	4.48
Transaction Charges	5.92	6.38
Travelling & Conveyance Expenses	7.25	19.84
Profit/loss on sale of car	-	0.98
<b>TOTAL</b>	<b>121.47</b>	<b>165.46</b>

**Note: 26 Contingent Liabilities and Commitments**

i) Counter Guarantees given for the Bank Guarantees issued by the Bank Of India for ₹ 113.75 (P.Y. ₹ 138.75) lacs (margin by way of Bank fixed deposits of ₹ 61.64 (P.Y. ₹ 74.06) lacs given) issued by the bankers of the Company in favour of the Clearing Corporation, Clearing Member, Stock Exchanges etc.

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

**Note: 27** 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.

**Note: 28** . Shares (inventory) worth ₹ 30.93 (P.Y. ₹ 53.90.) lacs were lying with Clearing Member towards margins for Futures & Options segment.

**Note: 29** Some of the balances of Sundry Debtors, Creditors and Loans and Advances are subject to confirmation and reconciliation, if any.

**Note: 30 Related Party Disclosure:** – Related Party transactions during the year

Relationship (during the year)		Name of the Related Party		
<b>A. Related Parties where direct control exist:</b> Subsidiary Companies		M/s Ajcon Finance Limited M/s Kanchanmanik Securities Pvt. Ltd. M/s AjconComtradePvt. Ltd.		
<b>B. Group Companies &amp; Firms</b> Company in which KMP and/or their relatives are director / shareholders.		M/s Ajcon Communication Pvt. Ltd M/s Ajcon Consultants Pvt. Ltd. M/s Ajcon Infra Projects Pvt. Ltd. M/s AjconIT.Com Ltd. M/s A. Ajmera & Associates Reach Ajcon Financial Advisors Pvt Ltd E3 Zone Edutrain Pvt Ltd Reach Ajcon Technologies Pvt Ltd Heartbeat Communication Pvt. Ltd.		
<b>C. Key Management Personnel:</b>		Managing Director & CEO Executive Director & CFO Executive Director Company Secretary	Mr. Ashok Ajmera Mr. Ankit Ajmera Mr. Anuj Ajmera Shailendra Pathak	
<b>D. Other Related Parties</b> a)Relative of Directors		Mrs. Pragati Ajmera Mrs. Pallavi Ajmera Mrs. Shikha Ajmera Mr. Ajit Ajmera		
<b>E. Significant Transactions with related parties during the year</b>				<b>(₹ inLacs)</b>
NATURE OF TRANSACTION	SUBSIDIARY COMPANIES	GROUP COMPANIES	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES
Advance Given (Net) –during the year	69.15 (48.25)	-	-	-
Advances Taken (Net) – during the year	Nil (Nil)	-	-	-
Investment	-	-	-	-
Managerial Remuneration	-	-	60.72 (61.50)	-
Income/fees	0.05(0.27)	0.003 (0.01)	0.01 (0.03)	0.01 (15.18)
Expenses/Fees	-	-	-	24.22 (25.63)

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

<b>F. Outstanding balances as on 31.03.2020</b>				<b>(₹ In Lacs)</b>
NATURE OF TRANSACTION	SUBSIDIARY COMPANIES	GROUP COMPANIES	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES
Advance Given	117.40 (48.25)	-	-	-
Advance Taken	Nil (Nil)	-	-	-
Investment	268.50 (268.50)	46.67 (46.67)	-	-
Creditors	-	-	3.39 (2.44)	1.00 (1.75)

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

**Note: 31 Earnings per share (EPS)**

(` ₹ In Lacs except share data)

PARTICULARS	2019-20	2018-19
Loss attributable to Equity Shareholders	(157.71)	(9.35)
Outstanding Number of Shares as on Balance Sheet Date	61,16,200	61,16,200
Face Value per Equity Share ( ₹)	10	10
Earnings per share – Basic & Diluted ( `)	(2.58)	(0.15)
(before and after extra ordinary items)		

**Note: 32** Information about foreign currency earnings and outgo:-

CIF value of Imports, Expenditure &amp; Earning in foreign exchange: -

Consultancy Fees Income: ` ₹NIL (P.Y. ` ₹ NIL) Lacs.

Foreign Travel Expenses: ` ₹ NIL (P.Y. ` ₹ 3.05) Lacs

**Note: 33** WHO declared COVID -19 as Global pandemic during the second week of March, 2020 and the Govt. Of India has declared the complete lock down of whole Nation w.e.f. March 24, 2020 in order to control the spread of COVID-19 pandemic. Consequently, Ministry of Home Affairs has issued guidelines in order to operate the essential services with minor exemptions. Capital markets have been declared as one of essential services. Accordingly, the Company has been continuing the operation of stock broking activities with minimal staff and the other employees were encouraged to work from home. All operation and servicing of clients were smoothly ensured without any interruptions as the activities of trading , settlements ,banking, Stock Exchanges and Depositories function have been fully automated and under is seamless process. The activities other then the stock broking like Corporate Advisory Services etc. which were majorly affected have been started again after the partial lifting of lockdown in Mumbai and restoration of partial operations.

There has been no material change in the controls or processes followed in the closing of the financial statements of the Company.

As at 31 March, 2020, based on facts and circumstances existing as of that date, the Company does not anticipate any material uncertainties, which affect its liquidity position; and its ability to continue as a going concern. The ongoing COVID-19 situation may result in some changes in the overall economic and market conditions, which may in turn have an impact on the operations of the Company.

**Note: 34** previous year's figures have been re-grouped/re-classified/re-arranged to correspond with the current year's classification/disclosure.

As per our report of even date attached

**ForChaturvediSohan& Co.**

Chartered Accountants

FRN: 118424W

**Devanand Chaturvedi**

Partner

Mem. No.: 041898

**Place:** Mumbai**Date:** 30.07.2020

UDIN:20041898AAAABD6710

For and on behalf of the Board

**Ashok Ajmera**

CEO &amp; Managing Director

DIN: 00812092

**Shailendra Pathak**

Company Secretary

M. No. 27386

**Ankit Ajmera**

CFO &amp; Executive Director

DIN: 00200434

## INDEPENDENT AUDITOR'S REPORT

**To the Members Ajcon Global Services Ltd.**

### REPORT ON THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying consolidated Ind AS financial statements of Ajcon Global Services Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2020, the consolidated Statement of Profit and Loss, including other comprehensive loss, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Ind AS financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, their consolidated loss including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

#### Basis for opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

#### Emphasis of matter

We draw attention to Note No 40 to the financial statements, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the Management. Our opinion is not modified in respect of the above matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
1.	Impact of COVID-19 pandemic on Going Concern Refer Note No.40 "Estimation related to COVID-19" of the financial statements. On	Our audit procedures included the following: <ul style="list-style-type: none"> <li>• Obtained an understanding of the key controls</li> </ul>

	<p>11 March 2020, the World Health Organisation declared the Novel Coronavirus (COVID-19) outbreak to be a pandemic. The Indian Government has imposed lock-downs across the country from 24 March 2020 up to 30 June 2020. These lockdowns and restrictions due to COVID-19 pandemic have posed significant challenges to the businesses of the Company. This required the Company to assess impact of COVID-19 on its operations. The Company has assessed the impact of COVID-19 on the future cash flow projections. The Company has also prepared a range of scenarios to estimate financing requirements. In view of the above, we identified impact of COVID-19 on going concern as a key audit matter.</p>	<p>relating to the Company's forecasting process</p> <ul style="list-style-type: none"> <li>• Compared the forecasted statement of profit and loss and cash flows with the Company's business plan approved by the board of directors</li> <li>• Obtained an understanding of key assumptions adopted by the Company in preparing the forecasted statement of profit and loss and cash flow and assessed the consistency thereof with our expectations based on our understanding of the Company's business</li> <li>• Assessed the forecasted statement of profit and loss and cash flow by considering plausible changes to the key assumptions adopted by the Company.</li> <li>• Assessed impact of Government's announcement to lift the lockdown restrictions.</li> <li>• Assessed disclosures made in the financial statements with regard to the above. Refer to note no.40</li> </ul>
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#### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises of the Annual Report but does not include the Consolidated Ind AS financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read such other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audited financial statements. We have nothing to report in this regard.

#### Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive Loss, consolidated cashflows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS



financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

#### **Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease the to continue as going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other

auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other matter**

The consolidated Financial Results include the Audited Financial Results of three subsidiaries, whose financial results includes total assets of Rs. 2475.17 Lacs as at March, 2020, total revenue of Rs. 9.89 Lacs for the quarter and Rs. 157.57 Lacs for the year ended, total net loss after tax of Rs. 23.60 Lacs for the quarter and total net profit after tax of Rs. 3.29 Lacs for the year ended, and net cash inflow of Rs. 1.54 Lacs for the year ended March 31, 2020 as considered in the statement which have been audited by their respective independent auditors.

The independent auditors' reports on the financial statements of these entities have been furnished to us and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Board of Directors.

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

3. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate Ind AS financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
4. As required by section 143 (3) of the Act, we report that: -
  - i. We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
  - ii. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
  - iii. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Other Comprehensive loss, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements.
  - iv. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Accounting Standards) Amendment Rules, 2016;
  - v. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the

statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies , none of the directors of the Group’s companies incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

- vi. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, refer to our separate Report in “Annexure-A”to this report;
- vii. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the ‘Other matter’ paragraph:
  - The Group does not have any pending litigation which would impact its consolidated financial position
  - The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

**ForChaturvediSohan& Co.**

Chartered Accountants  
FRN: 118424W

**Devanand Chaturvedi**

Partner  
Mem. No.: 041898  
Place: Mumbai  
Date: 30.07.2020  
UDIN: :20041898AAAAABE7863

**“Annexure-A” to the Independent Auditor’s Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated Ind AS financial statements of Ajcon Global Services Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Ajcon Global Services Limited (hereinafter referred to as the “Holding Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company’s internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

**Meaning of Internal Financial Controls over Financial Reporting**

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

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

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to these Consolidated Ind As Financial Statements**

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

#### **Opinion**

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Other matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements insofar as it relates to these three subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India as specified under section 143(10) of the Act, the consolidated Ind AS financial statements of the Holding Company, which comprise the Consolidated Balance Sheet as at March 31, 2020, the consolidated Statement of Profit and Loss, including other comprehensive loss, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information, and our report dated July 30, 2020 expressed an unqualified opinion.

#### **For Chaturvedi Sohan & Co.**

Chartered Accountants  
FRN: 118424W

#### **Devanand Chaturvedi**

Partner  
Mem. No.: 041898  
Place: Mumbai  
Date: 30.07.2020  
UDIN: :20041898AAAABE7863

**AJCON GLOBAL SERVICES LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020**

(₹ in Lacs)

Particulars	Note No	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<b>ASSETS</b>				
<b>1. Financial Assets</b>				
(a) Cash and cash equivalents	3	26.66	11.47	138.73
(b) Bank balance other than (a) above	4	61.64	74.07	73.51
(c) Receivables	5			
(I) Trade receivables		203.28	126.46	94.85
(II) Other receivables		0.00	0.00	0.00
(d) Loans	6	2387.67	2289.16	2523.27
(e) Investments	7	141.72	141.72	141.72
(f) Other financial assets	8	215.62	252.97	355.53
Sub-total		<b>3,036.60</b>	<b>2,895.86</b>	<b>3,327.61</b>
<b>2. Non-Financial Assets</b>				
(a) Current tax assets (net)		0.00	0.00	0.00
(b) Deferred tax assets (net)		0.00	0.00	0.00
(c) Property, Plant and Equipment	9	127.11	142.67	150.82
(d) Right of use assets	10	49.92	70.94	91.96
(e) Intangible assets under development		0.00	0.00	0.00
(f) Other intangible assets		0.00	0.00	0.00
(g) Other non-financial assets	11	13.92	6.44	8.31
(h) Inventories		826.31	1031.18	995.24
Sub-total		<b>1017.26</b>	<b>1251.23</b>	<b>1246.32</b>
<b>Total</b>		<b>4,053.86</b>	<b>4,147.08</b>	<b>4,573.93</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>(1) Financial Liabilities</b>				
(a) Payables				
(I) Trade payables	12			
(i) Total outstanding dues of micro enterprises and small enterprises		0.00	0.00	0.00
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		59.45	60.16	156.07
(II) Other payables				
(i) Total outstanding dues of micro enterprises and small enterprises		0.00	0.00	0.00
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		100.91	83.63	95.86

(b) Borrowings (Other than debt securities)	13	1906.63	1827.68	2121.91
(c) Other financial liabilities	14	76.89	92.03	102.94
Sub-total		<b>2,143.87</b>	<b>2,063.50</b>	<b>2,476.79</b>
<b>(2) Non-Financial Liabilities</b>				
(a) Current tax liabilities (net)		0.00	0.00	0.00
(b) Deferred tax liabilities (net)	15	5.13	3.73	6.12
(c) Provisions	16	6.14	26.73	27.24
(d) Other non-financial liabilities	17	20.61	20.60	36.81
(e) Minority Interest	18	145.59	145.00	141.33
Sub total		<b>177.48</b>	<b>196.06</b>	<b>211.50</b>
<b>(3) EQUITY</b>				
(a) Equity share capital	19	611.62	611.62	611.62
(b) Other equity	20	1,120.90	1,275.90	1274.03
Sub total		<b>1,732.51</b>	<b>1,887.52</b>	<b>1,885.65</b>
<b>Total</b>		<b>4,053.86</b>	<b>4,147.08</b>	<b>4,573.94</b>

As per our report of even date attached

For and on behalf of the Board

**For Chaturvedi Sohan & Co.**

Chartered Accountants

FRN: 118424W

**Devanand Chaturvedi**

Partner

Mem. No.: 041898

Place: Mumbai

Date: 30.07.2020

UDIN: 20041898AAAABE7863

**Ashok Ajmera**

CEO &amp; Managing Director

DIN: 00812092

**Shailendra Pathak**

Company Secretary

M. No. 27386

**Ankit Ajmera**

CFO &amp; Executive Director

DIN: 00200434

## AJCON GLOBAL SERVICES LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lacs)

Particulars	Note No	For the year ended March 31, 2020	For the year ended March 31, 2019
I. Revenue from Operations	21	2,786.66	3,303.34
II. Other Income	22	55.73	26.20
<b>III. Total Revenue (I+II)</b>		<b>2,842.39</b>	<b>3,329.54</b>
<b>IV Expenses</b>			
Cost of Sales		2,189.30	2,545.23
Net Loss on fair value change		223.33	92.01
Employee Benefit Expenses	23	237.75	247.77
Financial Cost	24	123.10	189.56
Depreciation & Amortization Expenses	25	40.41	40.59
Other Expenses	26	180.31	208.70
<b>Total Expenses</b>		<b>2,994.20</b>	<b>3,323.87</b>
<b>V Profit/(Loss) before Exceptional &amp; Extra-ordinary items &amp; Tax (III-IV)</b>		<b>(151.81)</b>	<b>5.68</b>
VI Exceptional item		-	-
<b>VII Profit/(Loss) before Extra-ordinary items &amp; Tax (V-VI)</b>		<b>(151.81)</b>	<b>5.68</b>
VIII Extraordinary Item		-	-
<b>IX Profit before Tax (VII-VIII)</b>		<b>(151.81)</b>	<b>5.68</b>
<b>X Tax Expenses</b>			
i) Current Tax		1.21	2.40
ii) Deferred Tax Expenses/ (Savings)		1.40	(2.30)
iii) Short / (Excess) Tax Provision of Tax in Earlier Years		-	0.04
<b>XI Profit/(Loss) for the period (IX - X)</b>		<b>(154.42)</b>	<b>5.54</b>
XII Share of (Profit)/ Loss trf to Minority Interest		0.59	3.67
<b>XIII Balance carried to Balance Sheet(XI-XII)</b>		<b>(155.01)</b>	<b>1.87</b>
XIV Basic & Diluted EPS (in ₹.)		(2.53)	0.03

As per our report of even date attached

**For Chaturvedi Sohan & Co.**

Chartered Accountants

FRN: 118424W

**Devanand Chaturvedi**

Partner

Mem. No.: 041898

Place: Mumbai

Date: 30.07.2020

UDIN:20041898AAAABE7863

For and on behalf of the Board

**Ashok Ajmera**

CEO &amp; Managing Director

DIN: 00812092

**Shailendra Pathak**

Company Secretary

M. No. 27386

**Ankit Ajmera**

CFO &amp; Executive Director

DIN: 00200434



**AJCON GLOBAL SERVICES LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020**

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Cash Flows From Operating Activities</b>		
<b>Net Profit/(Loss) before taxation, and extraordinary item</b>	-151.80	5.64
Adjustments for:		
Depreciation & Amortisation	40.41	40.59
Employee Stock Option Expenses	0.00	0.00
Provisions for Gratuity	0.00	0.00
Provisions for Leave Encashment	0.00	0.00
Interest Expenses	0.00	0.00
Capital Gain on Investments	0.00	0.00
Interest Income	0.00	0.00
Net Loss/(Gain) on Fair Value of Investments	0.00	0.00
Net Loss/(Gain) on sale of PPE & Intangible Assets	0.00	0.00
<b>Operating Profit](Loss) Before Working Capital Changes</b>	<b>-111.39</b>	<b>46.23</b>
(Increase)/Decrease in Trade Receivables	-77.97	-28.62
(Increase)/Decrease in Other Receivables	1.14	-2.99
(Increase)/Decrease in Loans	-98.50	234.10
(Increase)/Decrease in Other Financial Assets	37.35	102.56
Increase/(Decrease) in Inventory	204.86	-35.94
(Increase)/Decrease in Other Non-Financial Assets	-7.48	1.87
Increase/(Decrease) in Provisions	-20.58	-0.51
Increase/(Decrease) in Trade Payable	-0.71	-95.91
Increase/(Decrease) in Other Payable	17.28	-12.23
(Increase)/Decrease in Other Financial Liabilities	-15.14	-10.91
Increase/(Decrease) in Other Non-Financial Liabilities	0.01	-16.21
<b>Cash Generated From Operations</b>	<b>-71.14</b>	<b>181.44</b>
Taxes	1.21	2.49
<b>Net cash flow from](used in) operating activities (A)</b>	<b>-72.35</b>	<b>178.95</b>
<b>Cash Flows From Investing Activities</b>		
(Purchase)/Sale of PPE & Intangible Assets (net)	-3.83	-11.42
(Purchase) / Sale Investments (Including in subsidiaries)	0.00	0.00
Capital Gain on Investment	0.00	0.00
Interest received	0.00	0.00
<b>Net cash flow from](used in) investing activities (B)</b>	<b>-3.83</b>	<b>-11.42</b>

<b>Cash Flows From Financing Activities</b>		
Decrease in Bank Deposits	0.00	0.00
Increase in Share Capital	0.00	0.00
Increase in Share Premium (Net of share Issue Expenses)	0.00	0.00
Borrowed/ Repayment of Borrowings (Net)	78.95	-294.23
Interest Expenses		
<b>Net cash flow from](used in) financing activities (C)</b>	<b>78.95</b>	<b>-294.23</b>
<b>Net increase](decrease) in Gash and Gash Equivalents (A+B+C)</b>	<b>2.76</b>	<b>-126.70</b>
<b>Cash and Cash Equivalents at beginning of Year</b>	<b>85.54</b>	<b>212.24</b>
<b>Cash and Cash Equivalents at end of Period</b>	<b>88.30</b>	<b>85.54</b>

As per our report of even date attached

**For Chaturvedi Sohan & Co.**

Chartered Accountants

FRN: 118424W

**Devanand Chaturvedi**

Partner

Mem. No.: 041898

**Place:** Mumbai**Date:** 30.07.2020

UDIN:20041898AAAABE7863

For and on behalf of the Board

**Ashok Ajmera***CEO & Managing Director*

DIN: 00812092

**Shailendra Pathak**

Company Secretary

M. No. 27386

**Ankit Ajmera***CFO & Executive Director*

DIN: 00200434

<b>AJCON GLOBAL SERVICES LIMITED</b>			
<b>CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020</b>			
<b>Share Capital</b>			<b>(₹ in Lacs)</b>
<b>Particulars`</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at April 01, 2018</b>
<u>Authorised Share Capital</u>			
10,000,000 (10,000,000) Equity Shares of ₹ 10 each	1,000.00	1,000.00	1,000.00
<u>Issued, Subscribed &amp; Paid Up</u>			
6,116,200 (6,116,200) Equity Shares of ₹ 10 each fully paid up.	611.62	611.62	611.62
<b>Total</b>	<b>611.62</b>	<b>611.62</b>	<b>611.62</b>
<b>Other equity</b>			<b>(₹ in Lacs)</b>
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at April 01, 2018</b>
<u>Securities Premium</u>			
Balance at the beginning of the year	562.73	562.73	562.73
Additions/ (Utilization) during the year	-	-	-
Balance at the end of the year	562.73	562.73	562.73
<u>Special Reserve u/s 45-IC of RBI Act,1934</u>			
Balance at the beginning of the year	11.23	8.41	6.22
Additions during the year	0.45	2.82	2.19
Balance at the end of the year c/f to Balance Sheet	11.68	11.23	8.41
<u>General Reserve</u>			
Balance at the beginning of the year	107.38	107.38	107.38
Additions/ (Utilization) during the year	-	-	-
Balance at the end of the year	107.38	107.38	107.38
<u>Profit and Loss Account</u>			
Balance at the beginning of the year	594.58	595.53	531.20
Profit/(Loss) during the year	(155.01)	1.87	66.52
Profit available for appropriation	439.57	597.39	597.72
Less: Trf to Special Reserve u/s 45-IC of RBI Act,1934	0.45	2.82	2.19
Balance at the end of the year	439.12	594.58	595.53
<b>Total</b>	<b>1,120.90</b>	<b>1,275.90</b>	<b>1,274.04</b>

As per our report of even date attached

**For Chaturvedi Sohan & Co.**

Chartered Accountants

FRN: 118424W

**Devanand Chaturvedi**

Partner

Mem. No.: 041898

Place: Mumbai

Date: 30.07.2020

UDIN:20041898AAAABE7863

For and on behalf of the Board

**Ashok Ajmera**

CEO &amp; Managing Director

DIN: 00812092

**Shailendra Pathak**

Company Secretary

M. No. 27386

**Ankit Ajmera**

CFO &amp; Executive Director

DIN: 00200434

**Note 1: Corporate Information**

Ajcon Global Services Limited (“the Company”) and its subsidiaries (collectively referred to as “the Group”) provide consulting-led integrated financial services. Stock Broking, Corporate Financial Advisory, Merchant Banking, and Investment Banking services are rendered through our Head Office located in Mumbai.

As at March 31, 2020, The Promoters Group owned 67.48 % of the Company’s equity share capital and has the ability to control its operating and financial policies. The Company’s registered office is in Mumbai and it has three subsidiaries in India.

**Note 2: Significant Accounting Policies & Notes To Accounts****a) Basis & Principles of consolidation**

i) These financial statements have been prepared to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis, unless otherwise expressly mentioned in the notes.

ii) The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as of the Company. The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Inter-company balances and transactions and unrealised profits or losses have been fully eliminated.

b) Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments in the subsidiary companies are made and further movements in their share in the equity, subsequent to the dates of investments.

c) The Financial Statements of the Subsidiaries used in the consolidation is drawn up to same reporting date as that of parent Company, i.e. year ended 31st March, 2020 and on same revenue recognition basis as of the Parent Company.

d) 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. Accounting for fixed assets, depreciation and impairment, employee benefit plans, provisions for taxation and deferred tax calculation are uniform to the principles followed by the Parent Company.

e) Valuation of inventory and provisions, contingent liabilities and contingent assets are also based on uniform principles as are followed by the parent company.

iii) 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.

**b) Use of Estimates :**

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. The estimates and assumptions used in the accompanying financial statements are based on management’s evaluation of the relevant facts and circumstances as of the date of the financial statements. Future results could

differ due to changes in these estimates and the difference between the actual result and the estimates are recognised in the period in which the results are known / materialised.

**c) Property, plant and equipment:**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition and installation of the assets. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred.

**d) Depreciation & Amortization:**

In respect of fixed assets (other than freehold land and capital work-in-progress) acquired during the year, depreciation/amortisation is charged on a straight line basis so as to write-off the cost of the assets over the useful lives and for the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life based on an evaluation.

Type of Asset	Life of asset
Office Premises	40 Years
Office Equipments	5 Years
Furniture Fixtures	10 Years
Motor Vehicles	8 Years
Air Conditioners	5 Years
Electronic Installations	10 Years
Computers & Peripherals	3 Years
Computer Servers & Peripherals	6 Years

**e) Non-Current Investments:**

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

**f) Inventories:**

Inventories are consisting of stocks and securities and the same are accounted at market value as per Ind AS 2.

**g) Cash and Cash Equivalents:**

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is 3 months or less and other short term highly liquid investments that are readily convertible into known amount of cash and which are subject to insignificant risk of change in value.

**h) Revenue Recognition:**

Revenue is measured at fair value of the consideration receivable or received. Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising contracts with customers.

The company recognise revenue from customers based on a five –step modal set out in Ind AS 115:

- I. Identify contact(s) with a customers.
- II. Identify performance obligation in the contract

- III. Determine the transaction price
- IV. Allocate the contract price to the performance obligations in the contract
- V. Revenue Recognise

Revenue includes the following:

- Brokerage fee income
- Advisory income
- Interest income
- Dividend income
- Rental income

**i) Employee Benefits:**

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

**j) Borrowing Cost:**

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

**k) Segment Reporting:**

The Company business is to provide stock broking services and corporate advisory services, to its clients, in the capital market in India. All other activities of the company are ancillary the main business. As such, there are no reportable segments that need to be reported separately as defined in Ind AS 108, Operating Segment.

**l) Lease accounting:**

Ind AS 116 defines a lease as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Under Ind AS 116 lessees have to recognize a lease liability reflecting future lease payments and a 'right-of-use asset' for almost all lease contracts

**m) Earnings Per Share (E.P.S.):**

**- Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit for the period (excluding other comprehensive income) attributable to equity share holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

**- Diluted earnings per share**

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

**n) Provision for Taxation:**

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

**o) Provisions, Contingent Liabilities and Contingent Assets.**

A provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on best management estimate required to settle the obligation as on the date of balance sheet. These are reviewed at each balance sheet date and adjusted to reflect the current best management estimates. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

**NOTE 3 : CASH AND CASH EQUIVALENTS**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Cash & cash equivalents			
Cash in hand	4.12	5.02	5.23
Balances with bank:			
– in current accounts	22.54	6.45	133.50
<b>Total Cash &amp; cash equivalents</b>	<b>26.66</b>	<b>11.47</b>	<b>138.73</b>

**NOTE 4 : BANK BALANCE OTHER THAN ABOVE**

(₹ in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Fixed deposit with banks	61.64	74.07	73.51
<b>Total</b>	<b>61.64</b>	<b>74.07</b>	<b>73.51</b>

**NOTE 5 : RECEIVABLES**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
(i) Trade receivables			
– Receivables considered good – Unsecured	200.28	122.32	93.70
– Receivables which have significant increase in credit risk	0.00	0.00	0.00
– Receivables – credit impaired	0.00	0.00	0.00
(ii) Other receivables			
– Receivables considered good – Unsecured	3.00	4.14	1.15
<b>Total</b>	<b>203.28</b>	<b>126.46</b>	<b>94.85</b>



## NOTE 6 : LOANS

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<b><u>Unsecured, considered good</u></b>			
Other advances recoverable in cash or in kind or for value, to be considered good	2387.67	2289.16	2523.27
<b>Total</b>	<b>2387.67</b>	<b>2289.16</b>	<b>2523.27</b>

## NOTE 7: INVESTMENTS

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<b><u>Other Investments</u></b>			
<b><u>Investment in Equity Instruments- Strategic</u></b>			
<u>Unquoted Equity Shares at Cost</u>			
<u>a) In Associate Companies</u>			
◆ 31,875(31,875) Equity shares of ₹ 10 each of M/s Ajcon IT.Com Ltd.	51.00	51.00	51.00
◆ BD Ecordial Pvt. Ltd. ₹10 each	32.20	32.20	32.20
◆ Reach Ajcon Technologies Pvt. Ltd. ₹10 each	51.75	51.75	51.75
◆ 3,335 (3,335) Equity shares of ₹10 each of M/s Ajcon Infra Projects Pvt. Ltd.	6.67	6.67	6.67
<u>b) Others</u>			
◆ 10,000 (P.Y. 10,000) Equity shares of ₹ 1 each at par of Safal Capital (India) Ltd. (Formerly known as Madhya Pradesh Stock and capital market Ltd.)	0.10	0.10	0.10
<b>Total</b>	<b>141.72</b>	<b>141.72</b>	<b>141.72</b>

## NOTE 8 : OTHER FINANCIAL ASSETS

('₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Deposit/Margin with exchange	137.17	147.34	211.94
Advance Receivable in Cash or Kind	78.45	105.63	143.59
<b>Total</b>	<b>215.62</b>	<b>252.97</b>	<b>355.53</b>

## Note : 9

**Depreciation as per Companies Act****Fixed Assets : Tangible****Assets**

('₹ in Lacs)

Name of the Assets	Gross block				Depreciation				Net Block	
	Opening Balance as on 01/04/2019	Addition	sale	Closing Balance as on 31/03/2020	Opening Balance as on 01/04/2019	For the year	Deduction/ Adjustments	Closing Balance as on 31/03/2020	3/31/2020	3/31/2019
<b>Tangible Assets</b>										
Office Premises	61.60	-	-	61.60	17.15	1.61	-	18.77	42.83	44.44
Furniture Fixtures	86.04	-	-	86.04	63.99	4.16	-	68.15	17.88	22.04
Computers-Servers	206.89	3.43	-	210.32	194.74	2.25	-	197.00	13.32	12.15
Motor Vehicle	85.12	-	-	85.12	28.40	10.11	-	38.51	46.61	56.72
Air - Conditioner	23.08	-	-	23.08	19.75	0.69	-	20.44	2.64	3.33
Electrical Installation	21.89	-	-	21.89	19.30	0.38	-	19.68	2.21	2.59
Office Equipments	18.38	0.41	-	18.79	16.98	0.19	-	17.17	1.62	1.40
<b>Total</b>	<b>503.00</b>	<b>3.83</b>	<b>-</b>	<b>506.84</b>	<b>360.34</b>	<b>19.39</b>	<b>-</b>	<b>379.73</b>	<b>127.11</b>	<b>142.67</b>

**NOTE 10 : RIGHT OF USE ASSETS**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Lease commitments	70.94	91.96	91.96
Add/(less): adjustments on account of extension/termination	21.02	21.02	0.00
<b>Lease liabilities</b>	<b>49.92</b>	<b>70.94</b>	<b>91.96</b>

**NOTE 11 : OTHER NON-FINANCIAL ASSETS**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Prepaid expenses	11.34	4.06	6.32
GST credit receivable	2.57	2.38	1.99
Capital advance	0.00	0.00	0.00
Other advances	0.00	0.00	0.00
<b>Total</b>	<b>13.92</b>	<b>6.44</b>	<b>8.31</b>

**NOTE 12 : PAYABLES**

(₹ In Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
(I) Trade Payable			
(i) total outstanding dues of micro enterprises and small enterprises	0.00	0.00	0.00
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	59.45	60.16	156.07
Total (a)	59.45	60.16	156.07
(II) Other Payable			
(i) total outstanding dues of micro enterprises and small enterprises	0.00	0.00	0.00
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	100.91	83.63	95.86
Total (b)	100.91	83.63	95.86
Total (a+b)	<b>160.36</b>	<b>143.79</b>	<b>251.93</b>

**NOTE 13 : BORROWINGS (OTHER THAN DEBT SECURITIES)**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
At amortised cost			
(a) Loans repayable on demand (from banks) : Secured			
– Inter Corporate Loans/ Advances	0.00	0.00	0.00
– Bank Overdraft	402.29	325.72	359.35
– Vehicle loan	35.00	42.81	46.42
(b) Other loans : Unsecured			
– Inter Corporate Deposits	1469.34	1451.59	1508.06
– Temporary Bank Overdraft	0.00	7.56	83.74
–Advances received against Strategic Investment	0.00	0.00	124.34
Total ( c) = (a)+ (b)	1906.63	1827.68	2121.91
Borrowings in India	1906.63	1827.68	2121.91
Borrowings outside India	0.00	0.00	0.00
<b>Total</b>	<b>1906.63</b>	<b>1827.68</b>	<b>2121.91</b>

**NOTE 14 : OTHER FINANCIAL LIABILITIES**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Lease liability	59.19	78.62	95.84
Provision for gratuity (funded)	8.92	8.03	0.00
Deposit	8.78	5.00	0.00
Other Liabilities	0.00	0.38	7.11
<b>Total</b>	<b>76.89</b>	<b>92.03</b>	<b>102.94</b>

**NOTE 15 : DEFERRED TAX LIABILITIES (NET)**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Deferred Tax Liability on account of depreciation : (Opening)	3.73	6.12	8.07
Add: Deferred Tax Liability/ (Asset) for timing difference	1.40	(2.39)	(1.95)
<b>Net Deferred Tax Liability : (Closing)</b>	<b>5.13</b>	<b>3.73</b>	<b>6.12</b>

**NOTE 16 : PROVISIONS**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Provision for Taxation	6.14	26.73	27.24
<b>Total</b>	<b>6.14</b>	<b>26.73</b>	<b>27.24</b>

**NOTE 17 : OTHER NON-FINANCIAL LIABILITIES**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
TDS,GST and Other Liabilities	20.61	20.60	36.81
<b>Total</b>	<b>20.61</b>	<b>20.60</b>	<b>36.81</b>

**NOTE 18 : MINORITY INTEREST**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Face Value of Shares Held by Minority	46.25	46.25	46.25
Appropriations of Reserve & Surplus	99.34	98.75	95.08
<b>Total</b>	<b>145.59</b>	<b>145.00</b>	<b>141.33</b>

**Note: 19 Share Capital**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<u>Authorised Share Capital</u> 10,000,000 (10,000,000) Equity Shares of ₹ 10 each	1,000.00	1,000.00	1,000.00
<u>Issued, Subscribed &amp; Paid Up</u> 6,116,200 (6,116,200) Equity Shares of ₹ 10 each fully paid up.	611.62	611.62	611.62
<b>Total</b>	<b>611.62</b>	<b>611.62</b>	<b>611.62</b>

**19.1 Reconciliation of the number of Shares outstanding is set out below :**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
	No. of Shares	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	6,116,200	6,116,200	6,116,200
Add: Shares issued during the year	-	-	-
Less: Shares cancelled/ buy back during the year	-	-	-
Equity Shares at the end of the year	6,116,200	6,116,200	6,116,200

**19.2 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.

**19.3 Rights, Preferences and Restrictions attached to Shares :**

**Equity Shares:** The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. If any dividend is proposed by the Board of Directors, it shall be subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**19.4 Shares held by Holding Company or it's subsidiaries / associate companies.**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)
NIL	NIL	NIL	NIL

**19.5 Details of Shareholders' holding more than 5% Shares :**

Name of Shareholders	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% held	No. of Shares	% held
Ashok Ajmera	750,000	12.26%	750,000	12.26%
Ajcon Consultants Pvt. Ltd.	719,900	11.77%	719,900	11.77%
Pragati Ajmera	500,000	8.18%	500,000	8.18%
Ankit Ajmera	386,900	6.33%	386,900	6.33%
Anuj Ajmera	385,000	6.29%	385,000	6.29%

As per records of the Company, including its Register of Members and other declarations received from them regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**19.6 Other Disclosure**

Particulars		
Aggregate number of shares issued as fully paid up for consideration other than cash, bonus shares issued and shares bought back during the period of 5 years immediately preceding the reporting date.	NIL	NIL
Shares reserved for issue under options & contracts/ commitments for the sale of shares/disinvestment, including the terms and amounts.	NIL	NIL

**NOTE 20 : Other equity**

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<b><u>Securities Premium</u></b>			
Balance at the beginning of the year	562.73	562.73	562.73
Additions/ (Utilization) during the year	-	-	-
Balance at the end of the year	562.73	562.73	562.73
<b><u>Special Reserve u/s 45-IC of RBI Act,1934</u></b>			
Balance at the beginning of the year	11.23	8.41	6.22
Additions during the year	0.45	2.82	2.19
Balance at the end of the year c/f to Balance Sheet	11.68	11.23	8.41
<b><u>General Reserve</u></b>			
Balance at the beginning of the year	107.38	107.38	107.38
Additions/ (Utilization) during the year	-	-	-
Balance at the end of the year	107.38	107.38	107.38
<b><u>Profit and Loss Account</u></b>			
Balance at the beginning of the year	594.58	595.53	531.20
Profit/(Loss) during the year	(155.01)	1.87	66.52
Profit available for appropriation	439.57	597.39	597.72
Less: Trf to Special Reserve u/s 45-IC of RBI Act,1934	0.45	2.82	2.19
Balance at the end of the year	439.12	594.58	595.53
<b>Total</b>	<b>1,120.90</b>	<b>1,275.90</b>	<b>1,274.04</b>

**NOTE 21 : Revenue from Operations****(₹ in Lacs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Income from Stock Market Operations	213.70	213.30
Income from Consultancy and Advisory Services	285.325	100.50
Profit/ (Loss) from Prop. Trading in Future and option	-29.57	5.77
Sale of Product	2182.60	2672.64
Interest income	115.62	172.56
Net Profit on fair value change	18.99	138.57
<b>Total</b>	<b>2786.66</b>	<b>3303.34</b>

**NOTE 22 : OTHER INCOME****(₹ in Lacs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Received	22.78	12.66
Other Income	32.96	13.54
<b>Total</b>	<b>55.73</b>	<b>26.20</b>

**NOTE 23 : EMPLOYEE BENEFIT EXPENSES****(₹ in Lacs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and Bonus	171.67	183.33
Directors' Remuneration	60.93	60.68
Staff Welfare Expenses	4.26	3.77
Gratuity	0.89	0.00
<b>Total</b>	<b>237.75</b>	<b>247.77</b>

**NOTE 24 : FINANCE COST MEASURED THROUGH AMOTISED COST****(₹ in Lacs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on borrowings	119.67	185.82
Bank Charges & Commission	3.43	3.75
<b>Total</b>	<b>123.10</b>	<b>189.56</b>



**NOTE 25 : DEPRECIATION, AMORTISATION AND IMPAIRMENT**

('₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on property, plant and equipment	19.39	19.57
Amortization of intangible assets	21.02	21.02
<b>Total</b>	<b>40.41</b>	<b>40.59</b>

**NOTE 26 : OTHER EXPENSES**

('₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Auditors' Remuneration	1.26	1.26
Advertisement & Business Development Expenses	6.21	10.28
Bad Debts	23.98	2.37
Commission	36.91	24.92
Connectivity & Communication	7.49	10.46
Depository Charges	1.29	1.16
Electricity Charges & Expenses	7.33	7.87
Insurance Premium	1.45	5.45
Professional Fees	38.26	54.55
Postage, Courier and Telegram	0.73	1.89
Printing & Stationery	1.30	3.07
Rent, Rates & Taxes	8.27	11.79
Repairs & Maintenance	1.82	4.55
Software and AMC charges	6.86	9.99
Subscription and Membership Fees	6.34	5.04
Sundry Expenses	12.87	21.32
Telephone Expenses	3.30	4.49
Transaction Charges	5.92	6.38
Travelling & Conveyance Expenses	8.70	20.88
Profit/loss on sale of car	-	0.98
<b>TOTAL</b>	<b>180.31</b>	<b>208.70</b>

**Note: 27** 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: 28** In terms of Ind AS- 110 financial statement present the consolidated accounts of AJCON GLOBAL SERVICES LIMITED with its following subsidiaries:

SUBSIDIARY	COUNTRY OF INCORPORATION	2019-20 PROPORTION OF OWNERSHIP INTEREST %	2018-19 PROPORTION OF OWNERSHIP INTEREST %
Ajcon Finance Limited	India	79.33%	79.33%
Kanchanmanik Securities Pvt. Ltd	India	100.00%	100.00%
AjconComtradePvt. Ltd.	India	100.00%	100.00%

**Note: 29 Contingent Liabilities and Commitments**

i) Counter Guarantees given for the Bank Guarantees issued by the Bank Of India for ₹ 113.75 Lacs (P.Y. ₹ 138.75) lacs (margin by way of Bank fixed deposits of ₹ 61.64 lacs (P.Y. ₹74.06) lacs given) issued by the bankers of the Company in favour of the Clearing Corporation, Clearing Member, Stock Exchanges etc.

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

**Note: 30** 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.

**Note: 31** . Shares (inventory) worth ₹ 30.93 lacs(P.Y. ₹53.90.) lacs were lying with Clearing Member towards margins for Futures & Options segment.

**Note: 32** Some of the balances of Sundry Debtors, Creditors and Loans and Advances are subject to confirmation and reconciliation, if any.

**Note: 33 Related Party Disclosure:** – Related Party transactions during the year

Relationship (during the year)	Name of the Related Party
<b>A. Related Parties where direct control exist:</b> Subsidiary Companies	M/s Ajcon Finance Limited M/s Kanchanmanik Securities Pvt. Ltd. M/s AjconComtradePvt. Ltd.
<b>B. Group Companies &amp; Firms</b> Company in which KMP and/or their relatives are director / shareholders.	M/s Ajcon Communication Pvt. Ltd M/s Ajcon Consultants Pvt. Ltd. M/s Ajcon Infra Projects Pvt. Ltd. M/s AjconIT.Com Ltd. M/s A. Ajmera & Associates Reach Ajcon Financial Advisors Pvt Ltd E3 Zone Edutrain Pvt Ltd Reach Ajcon Technologies Pvt Ltd Heartbeat Communication Pvt. Ltd.
<b>C. Key Management Personnel:</b>	Managing Director & CEO Executive Director & CFO Executive Director Company Secretary
<b>D. Other Related Parties</b> a)Relative of Directors	Mr. Ashok Ajmera Mr. Ankit Ajmera Mr. Anuj Ajmera Shailendra Pathak Mrs. Pragati Ajmera Mrs. Pallavi Ajmera Mrs. Shikha Ajmera Mr. Ajit Ajmera

E. Significant Transactions with related parties during the year				(₹ Lacs)
NATURE OF TRANSACTION	GROUP COMPANIES & FIRMS	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES	
Advance Given (Net) –during the year	20.80 (NIL)	-	-	
Advances Taken (Net) – during the year	78.40 (35.22)	41.10 (86.95)	-	
Investment	-	-	-	
Managerial Remuneration	-	60.72 (61.50)	-	
Income/fees	0.003 (0.01)	0.01 (0.03)	0.01 (15.18)	
Expenses/Fees	4.12 (0.70)	-	24.54 (25.63)	

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

F. Outstanding balances as on 31.03.2020			
(₹ In Lacs)			
NATURE OF TRANSACTION	GROUP COMPANIES & FIRMS	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES
Advance Given	20.80 (NIL)	-	-
Advance Taken	78.31 (42.92)	128.05 (86.95)	-
Investment	46.67 (46.67)	-	-
Creditors	-	3.39 (2.44)	1.00 (1.75)
Debtors	-	-	-

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

**Note: 34 Earnings per share (EPS)**

(₹ in Lacs) Rs. In Lacs except share data)

PARTICULARS	2019-20	2018-19
Profit/(Loss) attributable to Equity Shareholders	(155.01)	1.87
Outstanding Number of Shares as on Balance Sheet Date	61,16,200	61,16,200
Face Value per Equity Share (₹)	10	10
Earnings per share – Basic & Diluted (₹) (before and after extra ordinary items)	(2.53)	(0.03)

**Note: 35** Information about foreign currency earnings and outgo:-

CIF value of Imports, Expenditure & Earning in foreign exchange: -

Consultancy Fees Income: ₹ NIL (P.Y. ₹ NIL) lacs

Foreign Travel Expenses: ₹ NIL (P.Y. ₹3.05) lacs

**Note: 36** previous year's figures have been re-grouped/re-classified/re-arranged to correspond with the current year's classification/disclosure.

**Note: 37** The Group does not have any lease hold asset, hence the disclosure required under Ind AS -116 issued by ICAI.

**Note: 38** previous year's figures have been re-grouped/re-classified/re-arranged to correspond with the current year's classification/disclosure.

**Note: 39** A statement containing the silent features of the financial statements of its subsidiaries included in the consolidated financial statements, as required under the first proviso to section 129(3) of Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 has been tabulated in Form AOC-1 below:

**Form AOC-1 (₹ In lacs)**

Name of Subsidiary		Ajcon Finance Ltd.		Kanchanmanik Securities Pvt. Ltd.		AjconComtrade Pvt. Ltd.	
SR No.	Particulars / Reporting Period	31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019
1)	Issued, Subscribed & Paid up Share Capital	223.75	223.75	10.00	10.00	81.00	81.00
2)	Reserves	480.61	477.75	(8.43)	(8.76)	27.57	27.46
3)	Total Assets	2,304.87	2,212.56	1.85	2.72	168.46	174.19
4)	Total Liabilities	2,304.87	2,212.56	1.85	2.72	168.46	174.19
5)	Investments	94.95	94.95	NIL	NIL	NIL	NIL
6)	Turnover	143.60	200.80	1.40	0.12	12.57	0.14
7)	Profit/(loss) Before Tax	3.87	20.07	0.49	(0.16)	0.15	(2.53)
8)	Provision for Taxation	1.01	2.32	0.17	0.07	0.04	0.10
9)	Profit/(loss) After Tax	2.86	17.75	0.33	(0.23)	0.11	(2.63)
10)	Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL
11)	% of Share Holding	79.33	79.33	100	100	100	100

**Note:**

- 1) All the subsidiaries are registered in India and their financial reporting is in Indian Currency only.
- 2) Total Liabilities exclude share capital and reserves.
- 3) Total assets include Investments.
- 4) There are no subsidiaries which were liquidated or sold off during the year under review.

**Note: 40** WHO declared COVID -19 as Global pandemic during the second week of March, 2020 and the Govt. Of India has declared the complete lock down of whole Nation w.e.f. March 24, 2020 in order to control the spread of COVID-19 pandemic. Consequently, Ministry of Home Affairs has issued guidelines in order to operate the essential services with minor exemptions. Capital markets have been declared as one of essential services. Accordingly, the Company has been continuing the operation of stock broking activities with minimal staff and the other employees were encouraged to work from home. All operation and servicing of clients were smoothly ensured without any interruptions as the activities of trading , settlements ,banking, Stock Exchanges and Depositories function have been fully automated and under is seamless process. The activities other then the stock broking like Corporate Advisory Services etc. which were majorly affected have been started again after the partial lifting of lockdown in Mumbai and restoration of partial operations.

There has been no material change in the controls or processes followed in the closing of the financial statements of the Company.

As at 31 March, 2020, based on facts and circumstances existing as of that date, the Company does not anticipate any material uncertainties, which affect its liquidity position; and its ability to continue as a going concern. The ongoing COVID-19 situation may result in some changes in the overall economic and market conditions, which may in turn have an impact on the operations of the Company.

As per our report of even date attached

For and on behalf of the Board

**ForChaturvediSohan & Co.**

Chartered Accountants

FRN: 118424W

**Ashok Ajmera**  
 CEO & Managing Director  
 DIN: 00812092

**Ankit Ajmera**  
 CFO & Executive Director  
 DIN: 00200434

**Devanand Chaturvedi**

Partner

Mem. No.: 041898

**Shailendra Pathak**  
 Company Secretary  
 M. No. 27386

Place: Mumbai

Date: 30.07.2020

UDIN:20041898AAAABE7863



**AJCON GLOBAL**  
YOUR FRIENDLY FINANCIAL ADVISORS

## **O U R S E R V I C E S**

**Broking**  
(Equity/Currency/Commodity)  
(SEBI Registered)

**Depository Services**  
(SEBI Registered)

**Merchant Banking**  
(SEBI Registered)

**Equity Research**  
(SEBI Registered)

**NBFC Activity\***  
(RBI Registered)

**Corporate Advisory Services**  
(Business Strategy/Debt Syndication)

**Corporate Debt Restructuring**

**Retail Loans\***

**Insurance\***

**Mutual Funds\***

\* Through Associate Companies



[www.pyarapaisa.com](http://www.pyarapaisa.com)  
[www.ajconglobal.com](http://www.ajconglobal.com)



[cs@ajcon.net](mailto:cs@ajcon.net)



022 6716 0400  
022 6716 0422

# **Ajcon Global Services Ltd.**

An ISO 9001:2015 Certified Company

408, A-Wing, Express Zone, Near Patel 's  
W.E. Highway, Goregaon(E), Mumbai- 400 063.



ONLINE TRADING TIE UP WITH

