



MEMBER : NSE ➡ BSE ➡ MCX-SX ➡ OTCEI ➡ MPSE ➡ CDSL ➡ MCX*

24th ANNUAL REPORT 2010 - 2011

With The Right Company There is Only One Direction



To Go

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



ISO 9001:2008 Certified Company

*Through Subsidiary Company

Ajcon Global Services Ltd.

AJCON GLOBAL SERVICES LIMITED

CORPORATE INFORMATION

An ISO 9001:2008 Registered Company

BOARD OF DIRECTORS

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

AUDITORS

- ❖ Bhattar & Co.
Chartered Accountants
Mumbai

COMPLIANCE & PRINCIPAL OFFICERS

Ankit Ajmera-Executive Director

Company Secretary

CS S. M. Jain

Asst. Company Secretary

CS Shailendra Pathak

Chief Financial Officer (CFO)

CA Ashok Kumar Ajmera - Managing Director

Bankers

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

Demat ISIN No.

INE759C01019

Investor Grievance Email

investorgrievance@ajcon.net

Web sites

www.ajcononline.com

www.pyarapaisa.com

Registrar & Transfer Agent

Bigshare Services Pvt. Ltd

E-2/3, Ansa Industrial Estate,

Sakivihar Road, Saki Naka, Andheri (E),

Mumbai-400072.

Tel:022-28470652/ 40430200

Fax: 91-22-28475207

Email: info@bigshareonline.com

Registered & Corporate office

101, Samarth, Lt. P.N. Kotnis Road,

Off. Hinduja Hospital, Mahim (West)

Mumbai-400016.

Tel : 022-40280400/450

Fax : 022-24460339

Email : ajcon@ajcon.net

NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of **Ajcon Global Services Limited** will be held at 101, Samarth, Lt. P.N. Kotnis Road, Off. Hinduja Hospital, Mahim (West), Mumbai-400016 on **Friday 12th August 2011 at 11 a.m.** to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011 and the Profit & Loss Account for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Samir Biswas who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on such remuneration as may be decided by Board of Directors of the Company.

SPECIAL BUSINESS:

4. To consider and if though fit to pass with or without modifications the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 311 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 as amended and pursuant to Article 102 of Articles of Association of the Company and subject to the approval of the Central Government and/ or any statutory authority, if applicable, the consent of the Company be and is hereby accorded to the appointment of Mr. Ashok Kumar Ajmera as Chairman & Managing Director of the Company for a period of 5 (Five) years with effect from 1st April, 2012 on such remuneration and terms and conditions as set out in the Explanatory Statement annexed to the notice convening this meeting.”

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

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

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

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 311 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 as amended and pursuant to Article 102 of Articles of Association of the Company and subject to the approval of the Central Government and/ or any statutory authority, if applicable, the consent of the Company be and is hereby accorded to the appointment of Mr. Ankit Ajmera as an Executive Director of the Company for a period of 5 (Five) years with effect from 1st July, 2011 on such remuneration and terms and conditions as set out in the Explanatory Statement annexed to the notice convening this meeting.”

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

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

6. To consider and if though fit, to pass, with or without modification (s) following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of sections 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorised Share Capital of the company be and is hereby increased from Rs. 7,00,00,000 (Rupees Seven Crore only) divided into 70,00,000 (Seventy Lacs) Equity Shares of Rs. 10 (Rupees Ten Only) each to Rs. 10,00,00,000 (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10 (Rupees Ten only) each by creation of additional 30,00,000 (Thirty Lacs) Equity Shares of Rs. 10 (Rupees Ten only) each, ranking pari passu with existing shares with rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being with power to increase or reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes and to attach thereto respectively such preferential, deferred qualified, or special rights, privileges or condition as may be determined by or in accordance with the Articles of Association of Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Associations of the Company”.

“RESOLVED FURTHER THAT pursuant to Section 16 and other applicable provisions, if any, of the Companies Act, 1956, the existing Clause “V” of the Memorandum of Association of the Company relating to share capital be and is hereby altered by deleting the same and substituting in its place, the following as new Clause “V”:

- V. The Authorised Share Capital of the Company is Rs.10,00,00,000 (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10 (Rupees Ten only) each, with rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being with power to increase or reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes and to attach thereto respectively such preferential, deferred qualified, or special rights, privileges or condition as may be determined by or in accordance with the Articles of Association of Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Associations of the Company.”

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

Mumbai

30.05.2011

Regd Off. : 101, Samarth, Lt. P.N. Kotnis Road

Off Hinduja Hospital, Mahim (W), Mumbai 400 016.

By Order of the Board

(Ashok Kumar Ajmera)

Chairman

Notes:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a Member.
2. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the meeting.
3. Members / Proxies should bring the Attendance Slip duly filled in and signed for attending the meeting. Corporate Members intending to send their authorised representatives are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the ensuing Annual General Meeting so as to reach the Company on or before 10th August, 2011.
4. Shareholders seeking any information with regard to accounts are requested to write to the Company at least seven days in advance so as to enable the Company to keep the information ready.
5. The Register of Members and Share Transfer Books of the Company will remain closed from **10.08.2011 to 12.08.2011** (both days inclusive).
6. Members are requested to send all communications concerning shares, change of address etc. to the Company's Registrar, Bigshare Services Pvt. Ltd. quoting their folio and reference no. Members are also requested to send their email address to the company's Registrar.
7. As stipulated under Clause 49 of the Listing Agreement, a profile and brief resume of the directors seeking reappointment, their memberships/ chairmanship in various Board Committees and names of other Companies in which they hold directorships, is given in the Corporate Governance Report which forms part of the Annual Report.
8. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is appended to the Notice.
9. **MCA GREEN INITIATIVE**

Important Communication to Members

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

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****ITEM NO.4**

At the Meeting of Remuneration Committee and Board of Directors of the Company both held on 30.05.2011, Mr. Ashok Kumar Ajmera was re-appointed as a Chairman & Managing Director of the Company. The terms and conditions and remuneration relating to his re-appointment as a Chairman & Managing Director of the Company are set out below and are subject to the approval of the Shareholders of the Company, Central Government and/or any other statutory authority, if applicable, as required under Section 269 read with Schedule XIII to the Companies Act, 1956. The Principal terms and conditions are:

1. Period of Appointment: The re-appointment shall be effective from 01.04.2012 and shall extend to a period of five years.

2. Remuneration:

- (a) Salary : Rs. 75,000/- (Rupees Seventy Five Thousand Only) per month with such annual increments as may be decided by the Board, not exceeding a sum of Rs. 1,00,000/- (Rupees One Lac 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 Kumar 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 Rs. 15,000/- per annum.
 - (v) Club Fees: Entitlement for reimbursement of fees and expenses for membership of two clubs other than life membership fees.
 - (vi) Leave: Leave with full pay or encashment, as per the rules of the Company.
 - (vii) Provident Fund, Superannuation Fund and Annuity Fund: Company's contribution to Provident Fund, Superannuation Fund and Annuity Fund shall be as per the Schemes of the Company to the extent these, either singly or put together, do not exceeds 27% of the consolidated salary as not taxable under the Income Tax Act, 1961, or any amendments thereto.
 - (viii) Gratuity: Entitlement to gratuity equivalent to half month's salary for each completed year of service as per the rules of the Gratuity Scheme in operation for the Management Group Personnel.

(c) Amenities :

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

(d) Minimum Remuneration:

In case of loss or inadequacy of profits in any financial year during the currency of tenure of services, payment of salary and perquisites and other allowances stated herein shall be paid as minimum remuneration for that year, subject however to the extent allowed under the relevant provisions of Companies Act, 1956.

3. Other Terms and Conditions:

- (a) As long as Mr. Ashok Kumar Ajmera functions as Chairman & Managing Director of the Company, no sitting fees will be paid to him for attending meetings of the Board of Directors or Committee thereof.
- (b) Mr. Ashok Kumar 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 including that of his spouse accompanying him in India and abroad, exclusively for the business of the Company, as per the rules and regulations of the Company or as approved by the Board of Directors.
- (c) Mr. Ashok Kumar Ajmera shall not retire by rotation while he continues to hold office. However, upon termination of the Agreement, he shall cease to be the Managing Director of the Company.
- (d) As long as Mr. Ashok Kumar Ajmera functions as Chairman & Managing Director, he shall not be interested or otherwise concerned directly or through his wife or children in any selling agency of the Company in future without the prior approval of the Central Government.

- (e) Mr. Ashok Kumar Ajmera shall not during the continuation of his employment with the Company or at any time thereafter divulge or disclose to any person whomsoever or to make any use whatsoever for his own purpose or for any purpose other than that of the Company, any information or knowledge obtained by him during his employment as to the business or affairs of the Company or its methods or as to any trade secrets or secrets processes of the Company and shall use his best endeavors to prevent any other person from doing so. However, such divulgence or disclosure by him to officers and employee of the Company for the purpose of business of the Company shall not be deemed to be a contravention of this clause.
- (f) The Company or Mr. Ashok Kumar Ajmera shall be entitled to terminate the Agreement by giving to the other party 180 days notice in writing.

In compliance with the provisions of Section 269, 309 and other applicable provisions of the Companies Act, 1956, the terms and conditions relating to the appointment and remuneration of Mr. Ashok Kumar Ajmera specified above are placed before the Shareholders in the general meeting for their approval.

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

The above terms of reappointment of Mr. Ashok Kumar Ajmera as mentioned in item no. 4 of the Notice will be treated as an abstract under Section 302 of the Companies Act, 1956.

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

ITEM NO.5

At the Meeting of the Remuneration Committee and Board of Directors of the Company both held on 30.05.2011, Mr. Ankit Ajmera was re-appointed as an Executive Director of the Company. The terms and conditions and remuneration relating to his re-appointment as an Executive Director of the Company are set out below and are subject to the approval of the Shareholders of the Company, Central Government and/or any other statutory authority, if applicable, as required under Section 269 read with Schedule XIII to the Companies Act, 1956. The Principal terms and conditions are:

1. Period of Appointment: The re-appointment shall be effective from 01.07.2011 and shall extend to a period of five years.
2. Remuneration:
 - a) Salary: Rs. 60,000/- (Rupees Sixty Thousand Only) per month with such annual increments as may be decided by the Board, not exceeding a sum of Rs. 75,000/- (Rupees Seventy Five Thousand Only) per month during the tenure of his appointment.
 - b) Perquisites/ Allowance: Not exceeding the monthly salary. In addition to the salary, the following perquisites shall be paid to Mr. Ankit 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 Rs. 15,000/- per annum.
 - (v) Club Fees: Entitlement for reimbursement of fees and expenses for membership of two clubs other than life membership fees.
 - (vi) Leave: Leave with full pay or encashment, as per the rules of the Company.
 - (vii) Provident Fund, Superannuation Fund and Annuity Fund: Company's contribution to Provident Fund, Superannuation Fund and Annuity Fund shall be as per the Schemes of the Company to the extent these, either singly or put together, do not exceeds 27% of the consolidated salary as not taxable under the Income Tax Act, 1961, or any amendments thereto.
 - (viii) Gratuity: Entitlement to gratuity equivalent to half month's salary for each completed year of service as per the rules of the Gratuity Scheme in operation for the Management Group Personnel.

c) Amenities :

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

d) Minimum Remuneration

In case of loss or inadequacy of profits in any financial year during the currency of tenure of services, payment of salary and perquisites and other allowances stated herein shall be paid as minimum remuneration for that year, subject however to the extent allowed under the relevant provisions of Companies Act, 1956.

3. Other Terms and Conditions:

- a) As long as Mr. Ankit Ajmera functions as an Executive Director of the Company, no sitting fees will be paid to him for attending meetings of the Board of Directors or Committee thereof.
- b) Mr. Ankit Ajmera shall be entitled to reimbursement of entertainment expenses actually and properly incurred by him in the course of the legitimate business of the Company and travelling, hotel and other expenses incurred by him in India and abroad, exclusively for the business of the Company, as per the rules and regulations of the Company or as approved by the Board of Directors.
- c) Mr. Ankit Ajmera shall not retire by rotation while he continues to hold office. However, upon termination of the Agreement, he shall cease to be the Executive Director of the Company.
- d) As long as Mr. Ankit Ajmera functions as an Executive Director, he shall not be interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company in future without the prior approval of the Central Government.
- e) Mr. Ankit Ajmera shall not during the continuation of his employment with the Company or at any time thereafter divulge or disclose to any person whomsoever or to make any use whatsoever for his own purpose or for any purpose other than that of the Company, any information or knowledge obtained by him during his employment as to the business or affairs of the Company or its methods or as to any trade secrets or secrets processes of the Company and shall use his best endeavors to prevent any other person from doing so. However, such divulgence or disclosure by him to officers and employee of the Company for the purpose of business of the Company shall not be deemed to be a contravention of this clause.
- f) The Company or Mr. Ankit Ajmera shall be entitled to terminate the Agreement by giving to the other party 180 days notice in writing.

In compliance with the provisions of Section 269, 309 and other applicable provisions of the Companies Act, 1956, the terms and conditions relating to the appointment and remuneration of Mr. Ankit Ajmera specified above are placed before the Shareholders in the general meeting for their approval.

The Directors recommend the Resolution set out at item No. 5 of the Notice for approval of the Shareholders.

The above terms of reappointment of Mr. Ankit Ajmera as mentioned in item no. 5 of the Notice will be treated as an abstract under Section 302 of the Companies Act, 1956.

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

ITEM NO. 6

The Company, in order to meet its growth objectives and to strengthen its financial position, may be required to generate long term resources by issuing securities. It is therefore deemed appropriate to increase the Authorised Share Capital of the Company from Rs. 7,00,00,000 (Rupees Seven Crore Only) to Rs. 10,00,00,000 (Rupees Ten Crore Only)and for that purpose, the Memorandum of Association of the Company is proposed to be suitably altered as set out at Item Nos. 6 of the accompanying Notice. The provisions of the Companies Act, 1956 require the Company to seek the approval of the Members for increase in the authorised share capital and for the alteration of capital clause of the Memorandum of Association of the Company.

The resolution proposed in item nos. 6 is therefore, recommended for your approval.

None of the Directors shall be deemed to be concerned or interested in the said resolutions.

Mumbai**30.05.2011**

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

By Order of the Board

(Ashok Kumar Ajmera)
Chairman

DIRECTORS' REPORT

To
The Members,
Your Directors have great pleasure in presenting the Twenty Fourth Annual Report and the Audited Accounts of your Company for the year ended 31st March 2011.

FINANCIAL RESULTS

	Year Ended 31.03.2011 (Rs. in Lacs)	Year Ended 31.03.2010 (Rs. in Lacs)
Income from Operations and Other Income	772.27	424.60
Profit before Interest & Dep.	226.92	159.36
Less: Interest & Bank charges	71.44	50.24
Less: Depreciation	39.70	35.02
Profit before Tax	115.78	74.10
Less: Provision for Taxation	30.00	18.25
Profit after Tax	85.78	55.85
Less: Deferred Tax Liabilities	9.41	8.75
Net Profit	76.37	47.10
Add: Surplus brought forward	161.32	114.23
Balance carried to Balance Sheet	237.69	161.32

OPERATIONS

The operations of the Company for the year under review have resulted in the gross profit of Rs.226.92 lacs against Rs 159.36 lacs in the previous year showing an increase of 42%. After providing for interest, depreciation and taxes, the Company has made a net profit of Rs.76.37 lacs as against Rs. 47.10 lacs in the previous year. The gross revenue stood at Rs.772.27 lacs as against Rs. 424.60 lacs during the previous year. The above figures demonstrated an increase of 82% in the top line and 62% in the bottom line.

The year 2010-11 continued on the economic recovery path, Indian economy surged ahead and the Country achieved GDP growth of 8.50%. The Company's performance also improved substantially which is evident from the above-mentioned results.

FUTURE OUTLOOK

The World economy is still not out of woods. While the US economy stabilized, problem in U.K. and Europe still continuous. Though the stronger European Countries together with World Bank are working out the massive bail out package for the weaker Countries, the negative effect might continue for some more time.

The Indian economy roared back in 2010, with the Gross Domestic Product, growing at 8.6 per cent in the first quarter (January-March) and then going up a notch closer to nine per cent in the next two quarters of April-June and July-September. The overall outlook remained bright, with industrial growth set to be in double digits and good a monsoon brightening the prospects of agricultural production. The biggest concern arose from inflation, which the government failed to tame for almost all of 2010 and early 2011 thereby bagging the overall GDP growth of 2011 at 8.50%.

Your Company continues to pursue its expansion plans in the retail broking area, during the year your Company signed agreement with Bank of India for online Broking tie-up for banks customers. The trading platform www.pyarapaisa.com went live and both the Company's direct clients and Bank of India customers started trading on it. The Company expects to enroll more than 5000 clients under this tie up in one year.

On the consultancy and advisory front also, the Company has done extremely well concluding three major assignments during the year along with routine cases.

Barring unforeseen circumstances, your directors are hopeful of achieving much better results in coming year.

SHARE CAPITAL

There was no change in the paid up share capital of the Company during the year. However, your Board thought it fit to raise the Authorised share capital of the Company from Rs.7.00 Crore to Rs. 10.00 Crore for which the approval of members in the ensuing General Meeting is sought.

SUBSIDIARY COMPANY

Ajcon Commodity Brokers Ltd, the subsidiary Company has grown commodity broking business. During the year, the Company added sizable number of clients doing commodity trading at trading facilities at Branches of its holding Company Ajcon Global Services Ltd. However, the Company has not done anything much in NBFC area of activity, except trading in shares and securities.

As per the circular No. 5/12/2007-CL-III dated 8th February, 2011 issued by Government of India, Ministry of Corporate Affairs, the required financial information in the consolidated balance sheet is given in respect of Company's subsidiary i.e. Ajcon Commodity Brokers Limited.

The annual accounts of the aforesaid subsidiary and the related detailed information shall be made available to shareholders of the Company and its subsidiary, seeking such information at any point of time. The annual accounts of the subsidiary Company shall also kept open for inspection by any shareholder at the Registered Office at 101, Samarth Lt. P.N. Kotnis Road, off. Hinduja Hospital, Mahim (West), Mumbai-400016 and shall also be posted on Company's website.

INVESTMENT IN GROUP COMPANIES

There was no change in the investment made in the group Companies.

DIVIDEND

In order to conserve the resources for expansion and Working Capital needs, your Directors do not recommend any dividend.

DIRECTORS

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

Brief resume of Director proposed to be reappointed, nature of his expertise in specific functional areas and name of companies in which he hold directorship and memberships/Chairmanship of Board Committees, as stipulated under Clause 49 of Listing Agreement with the Stock Exchange in India, are provided in the Report on Corporate Governance forming part of Annual Report.

The terms of Shri Ashok Kumar Ajmera, Managing Director expires on 31st March 2012. Your Board has recommended his reappointment for a further period of 5 years.

The term of Shri Ankit Ajmera, Executive Director expires on 30th June, 2011. Your Board has recommended his reappointment for a further period of 5 years.

FIXED DEPOSITS

The Company has not accepted any fixed deposits from public within the meaning of section 58A of the Companies Act, 1956 and the rules made there under.

CORPORATE GOVERNANCE

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departure for the same,
- ii. that the selected accounting policies were applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2011 and of the profit of the Company for the year ended on that date;
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the annual accounts have been prepared on a "going concern" basis.

INSURANCE

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

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

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

The Company has earned foreign exchange of Rs. 299.86 Lacs (US \$ 6,42,384) during the year by way of Professional Fees.

EMPLOYEE INFORMATION

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

AUDITORS

M/S Bhatte and Co., Chartered Accountants, Mumbai, Auditors of the Company, retire at the ensuing Annual General Meeting, are eligible for re-appointment, their appointment is recommended to hold office until the conclusion of the forthcoming Annual General Meeting. The Company has received certificate from the Auditors to the effect that their reappointment, if made, will be in accordance with sub-section (1B) of section 224 of the Companies Act, 1956.

The Audit Committee and the Board of directors therefore recommend M/S Bhatte & Co., Chartered Accountants as Statutory Auditors of the Company for the year 2011-12 for the approval of shareholders.

AUDITORS' REPORT & CERTIFICATION

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

The observations made by the Auditors in their Report read with the relevant notes as given in the Notes to Accounts for the year ended 31st March, 2011 are self explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

ACKNOWLEDGEMENTS

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

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

For and on behalf of the Board

Mumbai

30.05.2011

(Ashok Kumar Ajmera)

Chairman