

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



25th ANNUAL REPORT 2011 - 2012

With The Right Company There is Only One Direction



To Go

- ◆ MERCHANT BANKING ◆ 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.

CHAIRMAN'S LETTER

Dear Shareholders,



ASHOK AJMERA

CHAIRMAN

It is my privilege to present you the Silver Jubilee Annual Report of Ajcon Global Services Ltd. We have come a long way during these 25 years overcoming several hurdles and sailing through the ups & downs of the vagaries of financial markets. Financial Year 2012 was a challenging year for the economy on account of global factors like Euro Debt crisis and high oil prices. Domestically, high inflation and high interest rates posed a challenge to growth. The stress on the economy was evident by Bank's Net Non Performing Assets (NPA) numbers. At the aggregate level, NPAs of banks rose by 53.5 per cent during the quarter ended March 2012, from about ₹ 39,200 crore at the end of March 2011 to slightly over ₹ 60,100 crore at the end of March 2012.

Domestically, GDP numbers were disappointing. For FY12, GDP growth dropped to 6.5 per cent versus a robust 8.4 percent in FY11. Q4 FY12 GDP was expected at around 6.1 percent on a quarter-on-quarter (QoQ) basis, and on a year-on-year (YoY) basis, at 7.8 percent. However, on actual basis, the numbers were bad. Reported GDP growth in Q4FY12 was 5.3 percent, as against 7.8 percent in Q4FY11. This is first time GDP has fallen to 5.3 percent level since 2003, hitting a nine year low. According to the figures released by the government, the FY12 revenue gap stood at ₹ 3.847 lakh crore versus ₹ 3.949 lakh crore in the previous year. The FY12 fiscal deficit was at 5.8 per cent of the GDP as against the budget aim of 5.9 per cent.

While inflation has moderated to some extent, risks to inflation cannot be ruled out and continues to be high. Large government borrowings may crowd out credit private sector. Wider Current account deficit, higher international crude prices along with fiscal slippages may affect growth. We believe concerns over Greece are taking a toll on the global sentiments. A situation of mild recession in the Euro zone can be sensed about what is happening in the debt affected economies. While things are improving in US which are evident from the recent employment data, China has emerged as a new concern.

However, your Company emerged as a true winner fighting against all odds. The Company remained insulated from global events and domestic factors owing to diversified revenue stream. The brokerage business of the company did witness a slowdown but this was offset by a higher contribution from the consultancy division. In addition, the company acquired the Category I - Merchant Banking license from Securities and Exchange Board of India (SEBI), which the company had in 1997, after which it had not renewed its license. With this fresh license acquired, the company has signed a few mandates and good activities would be witnessed under this division.

The topline of the Company increased to ₹ 859.72 lacs and the Net Profit after Tax stood at ₹ 101.09 lacs, which were better than previous year. Your Company has made a mark both in broking and advisory business. "Ajcon" has become a brand to reckon with in the Financial Markets.

At the end, I would like to take this opportunity to thank all of you for your support. As our business evolves, sustainable & profitable growth will remain a fundamental target and we will pursue it aggressively while remaining true to our values.

Thanks,
Ashok Ajmera

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

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

NOTICE

Notice is hereby given that the Twenty Fifth 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 **Tuesday 14th August 2012 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 2012 and the statement of 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. Narayan Atal 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.

Mumbai

30.05.2012

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

By Order of the Board

(Ashok 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 12th August, 2012.
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 **10.08.2012 to 14.08.2012** (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. Shareholders who are still holding physical share certificate(s) are advised to dematerialized their shareholding to avail the benefits of dematerialization.
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 cs@ajcon.net to update their e-mail address and register the same with Bigshare Services Private Limited.

DIRECTORS' REPORT

To

The Members,

Your Directors have great pleasure in presenting the Twenty Fifth Annual Report and the Audited Accounts of your Company for the year ended 31st March 2012.

FINANCIAL RESULTS

| | Year Ended 31.03.2012 (₹ in lacs) | Year Ended 31.03.2011 (₹ in lacs) |
|---|---|---|
| Income from Operations and Other Income | 859.72 | 772.27 |
| Profit before Interest & Dep. | 227.97 | 226.92 |
| Less: Interest & Bank charges | 66.43 | 71.44 |
| Less: Depreciation | 35.70 | 39.70 |
| Profit before Tax | 125.84 | 115.78 |
| Less: Provision for Taxation | 37.00 | 30.00 |
| Profit after Tax | 88.84 | 85.78 |
| Less: Deferred Tax (Liability)/ Assets | 12.25 | (9.41) |
| Net Profit | 101.09 | 76.37 |
| Add: Surplus brought forward | 237.69 | 161.32 |
| Balance carried to Balance Sheet | 338.78 | 237.69 |

OPERATIONS

The operations of the Company for the year under review have resulted in the gross profit of ₹ 227.97 lacs against ₹ 226.92 lacs in the previous year. After providing for interest, depreciation and taxes, the Company has made a net profit of ₹ 101.09 lacs as against ₹ 76.37 lacs in the previous year. The gross revenue stood at ₹ 859.72 lacs as against ₹ 772.27 lacs during the previous year. The above figure demonstrated an increase of 11.32% in the top line and 32.37% in the bottom line.

The year 2011-12, remained a problematic year both from domestic and global point of view. While the Europe financial crisis continued, the domestic economy also suffered a lot resulting into high inflation and uncontrollable fiscal deficit. However, due to prudent management policies changing the product mix focusing more on fee based services, your Company's performance remained positive.

FUTURE OUTLOOK

Globally, European Countries continue to reel under tremendous stress. US too is still not out of woods with unemployment rates continue to be high. Concerns on slowdown in China are also emanating fast. China's GDP growth hit its slowest level in three years in the first quarter of 2012 at 8.1 per cent against 8.9 per cent for the previous quarter. Chinese Exports rose 4.9 per cent in April from a year earlier, missing economists' expectations for an 8.5 per cent increase and much weaker than the 8.9 per cent export growth in March 2012.

Domestically, our currency has lost a quarter of its value since July 2011 to touch levels of 55 and the CAD-GDP ratio is at 4%-close to the levels seen in countries affected by the East Asian crisis and higher than the 3% level of crisis hit India of 1991. However, there are important differences - import cover, external debt to GDP, and debt service ratio are at more comfortable levels now.

In addition, domestic inflation levels too are at uncomfortable levels. The recent hike in petrol prices would augur well for the much starved Oil Marketing Companies, however, this would bloat the fuel inflation numbers which would add pressure and the vicious circle of elongated interest rates and growth slowdown may continue.

We believe that Indian economy is facing headwinds like higher crude oil prices, elevated inflation and interest rate levels leading to liquidity crunch which may lead to growth slowdown of the corporates.

We at Ajcon, However kept our focus on our own micro activities and kept looking for opportunities even in these adverse times. While the broking business remained under pressure, our advisory and consultancy services business has given good results. During the year we successfully executed some prestigious transactions. Since, we have this year secured Merchant Banking Registration, we expect good growth in the investment banking activities of the Company.

SHARE CAPITAL

There was no change in the paid up share capital of the Company during the year. However, Authorised share capital of the Company was increased from ₹ 7.00 Crore to ₹ 10.00 Crore vide Ordinary Resolution passed at Annual General Meeting held on 12th August, 2011.

SUBSIDIARY COMPANIES

- **Ajcon Commodity Brokers Ltd.**

The Company's commodity broking business remained under pressure. During the year, the Company continued adding clients doing commodity trading at trading facilities at Branches of its holding Company Ajcon Global Services Ltd. The Company's NBFC business has shown major signs of improvement. To take care of enhanced business and investment needs, the Company's Authorised Capital was increased from ₹ 200.00 lacs to ₹ 250.00 lacs and the Company allotted 175,000 Equity Shares of ₹ 10/- each at a premium of ₹ 190/- each.

- **Kanchanmanik Secutrities Pvt. Ltd.**

A wholly owned subsidiary namely Kanchanmanik Securities Pvt. Ltd. was incorporated during the financial year 2011-12, with the Authorized Capital of ₹ 25 lacs and Paid up Capital of ₹ 10 lacs. Consequently, the total numbers of subsidiaries as on 31st March, 2012 are two. Kanchanmanik Securities Pvt. Ltd. did not carry on any activity during financial year 2011-12.

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 subsidiaries i.e. Ajcon Commodity Brokers Limited & Kanchanmanik Securities Pvt. Ltd.

The annual accounts of the aforesaid subsidiaries and the related detailed information shall be made available to shareholders of the Company, seeking such information at any point of time. The annual accounts of the subsidiary Companies shall also kept open for inspection by any shareholder at the Registered Office at 101, Samarth Lt. P.N. Kotnis Road, off. Hinduja Hospital, Mahim (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, other than the subsidiary Company.

DIVIDEND

In order to conserve the resources for expansion of business 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. Narayan Atal, 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.

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:

- 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, 2012 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 not earned foreign exchange during the financial year 2011-12. The expenditure in foreign currency (Travelling) was ₹ 0.17 lacs.

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, ICAI Firm Registration no. 131092W, 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 2012-13 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 on financial statements for the year ended 31st March, 2012 are self explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

ACKNOWLEDGEMENTS

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

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

Mumbai
30.05.2012

For and on behalf of the Board

(Ashok Ajmera)
Chairman

ANNEXURE TO DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE
(Pursuant to Clause 49 of the Listing Agreement)
1 MANDATORY REQUIREMENTS**1.1 Company's philosophy on Code of Corporate Governance:**

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

1.2 Board of Directors: (Board)**a. Size of the Board**

As on 31st March, 2012 the Board of Directors comprised the Managing Directors, two other interested directors and three non executive independent directors, who brings in a wide range of skill and experience to the Board. The composition of the Board is in conformity with Clause 49 of the Listing Agreement, with the stock exchange.

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

During the year 4 Board Meetings were held on following dates:

| SR.NO. | DATE |
|-----------------|------------|
| 1 st | 30.05.2011 |
| 2 nd | 12.08.2011 |
| 3 rd | 11.11.2011 |
| 4 th | 04.02.2012 |

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

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

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

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

1.3 Audit Committee:**a. Terms of Reference:**

The terms of reference of this committee cover the matters as specified for Audit Committees under Clause 49 of the Listing Agreement as well as according to the provisions of section 292A of the Companies Act. 1956.

b. Composition, Meetings and Attendance:

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

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

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

All the committee members attended the last Annual General Meeting.

1.4 Remuneration Committee:

The Remuneration Committee comprises of three independent directors namely Mr. Rajendra Bakiwala, Mr. Narayan Atal and Mr. Samir Biswas. Only one meeting of the Committee was held which were attended by all the Committee Members.

The details of the Remunerations paid to the Directors for the financial year 2011-2012 is given below:

| DIRECTORS | REMUNERATION (INCLUDING PERQUISITES) (₹) | COMMISSION (₹) | COMMITTEE MEETING FEES (₹) | BOARD MEETING FEES (₹) | TOTAL (₹) |
|-----------------------|---|-------------------|-------------------------------------|---------------------------------|--------------|
| Mr. Ashok Ajmera | 1,200,000 | - | - | - | 1,200,000 |
| Mr. Ankit Ajmera | 880,200 | - | - | - | 880,200 |
| Mr. Anuj Ajmera | 880,200 | - | - | - | 880,200 |
| Mr. Narayan Atal | - | - | 2,500 | 4,000 | 6,500 |
| Mr. Rajendra Bakiwala | - | - | 2,500 | 4,000 | 6,500 |
| Mr. Samir Biswas | - | - | 500 | 4,000 | 4,500 |

Mr. Ashok Ajmera is the chairman and Managing Director of the Company. His appointment is contractual and is for a period of 5(Five) years. Mr. Ashok Ajmera's Contract was renewed for a further period of 5 years upto 31/03/2017 at the 24th Annual General Meeting of the Company held on 12th August, 2011. Mr. Ankit Ajmera was appointed as the Executive Director for a period of 5 years ending on 30/06/2016 in the Annual General Meeting held on 12th August, 2011. Mr. Anuj Ajmera was appointed by the Board as an Executive Director and his remuneration is commenced from 01/04/2008 for a period of 5 years. His appointment was approved by the members in the 21st Annual General Meeting held on 12/08/2008.

1.5 Shareholders' / Investors' Grievance Committee:

The shareholders' and Investors' Grievances committee of the Company reviews matters related to grievances of shareholders and investors. The committee primarily focuses on review of investor complaints and its redressal, queries received from investors i.e. Transfer of shares, Issue of Share Certificates, Non Receipt of Annual Reports etc. and also reviews the reports presented by the Share Transfer Agents of the Company.

- 3 member Shareholders' / Investors' Grievance Committee is comprised of Mr. Rajendra Bakiwala and Mr. Narayan Atal both NED and Mr. Ankit Ajmera, Executive Director and Compliance Officer of the Company.
- During the year the Company did not receive any investor complaint.
- There were 29,471 shares of which transfer was pending at the close of the financial year since lying with clearing members.

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

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

| | |
|-----------------------|------------------------|
| Mr. Ashok Ajmera | - Managing Director |
| 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 by the Company's business. During the year 3 meetings of Risk Management Committee were held which were attended by all the three members.

1.7 CEO/ CFO and Compliance Officer

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

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

1.8 General Body Meetings:

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

| YEAR | LOCATION | DATE | TIME |
|---------|--|------------|------------|
| 2008-09 | IMC Bldg, Churchgate, Mumbai-400020. | 22.09.2009 | 4.00 p.m. |
| 2009-10 | 101, Samarth, Lt. P.N. Kotnis Road, Off. Hinduja Hospital, Mahim (W), Mumbai- 400016 | 12.08.2010 | 11.00 a.m. |
| 2010-11 | 101, Samarth, Lt. P.N. Kotnis Road, Off. Hinduja Hospital, Mahim (W), Mumbai- 400016 | 12.08.2011 | 11.00 a.m. |

b. Special Resolution passed in previous three Annual General Meeting

| Date of Annual General Meeting | Particulars of Special Resolution |
|----------------------------------|-----------------------------------|
| 12 th August, 2011 | No Special Resolution passed |
| 12 th August, 2010 | No Special Resolution passed |
| 22 nd September, 2009 | No Special Resolution passed |

c. Resolution passed by postal ballot during 2011-2012

No resolution was passed by postal ballot during the year 2011-2012. At present, the Company does not have any resolution to be decided by members by postal ballot.

1.9 Disclosures:

- None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of the members is drawn to Note no. 24 of notes on Financial Statement for the details of related party transactions.
- During the previous three years while no strictures were passed, financial penalties aggregating to ₹ 102,381/- was levied by some stock exchanges and CDSL for delayed/non compliance of certain provisions/regulations relating to Capital Market activities observed mainly during the regular inspections.
- None of the directors of the company are disqualified for being appointed as Directors as stipulated under section 274 (1) (g) of the Companies Act, 1956 as amended by Companies (Amendment) Act, 2000.
- No personnel have been denied access to the Chairman or members of the audit Committee. The Mechanism of Whistle Blower Policy is not established, considering the size of the Company and direct supervision by the top level management on day to day basis.
- The Company has duly complied with all the mandatory requirements as per Clause 49 of the Listing Agreement.
- Compliance with Non-mandatory requirements is furnished separately under the heading "Non-mandatory Requirements".

1.10 Means Of Communication:

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

1.11 General Shareholders Information:

(a) ANNUAL GENERAL MEETING

| | |
|--------------|--|
| Day and Date | Tuesday, 14 th August, 2012 |
| Time | 11 a.m. |
| Venue | 101, Samarth Lt. P. N. Kotnis Road, Off. Hinduja Hospital, Mahim (West), Mumbai-400016 |