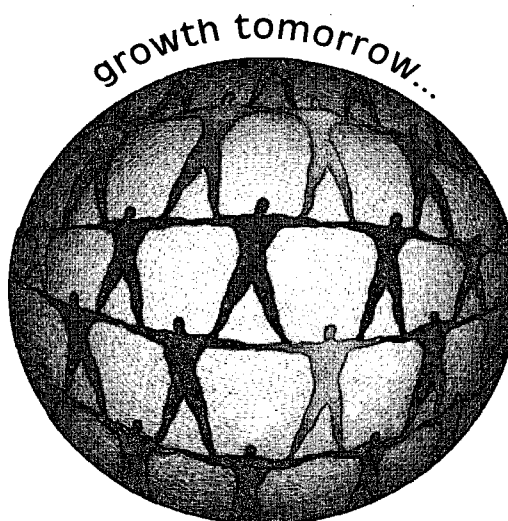


# almondz

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**15th Annual Report**  
2006-2007  
(Abridged)

**Almondz Capital & Management Services Ltd.**

Formerly Allianz Capital & Management Services Ltd.



the financial powerhouse

**Almondz Capital & Management Services Limited****BOARD OF DIRECTORS**

Mr. Ramesh Peer	– Managing Director
Mr. Govind Prasad Agrawal	– Non-Executive Director
Mr. Mahendra Kumar Aggarwal	– Non-Executive & Independent Director
Mr. Sanjay Grover	– Non-Executive & Independent Director

**AUDITORS**

M/s. H.K. Chhabra & Co.,  
Chartered Accountants  
324, Dhaka Chambers,  
2068/38, Naiwala, Karol Bagh,  
New Delhi-110 005

**COMPANY SECRETARY**

Mr. Yashwant Gupta

**BANKERS**

HDFC Bank  
Centurian Bank of Punjab Ltd.

**REGISTRARS & SHARE TRANSFER AGENTS**

M/s. Beetal Financial & Computer Services (P) Ltd.  
"Beetal House", 3rd Floor, 99 Madangir,  
Behind Local Shopping Centre,  
Near Dada Harsukhdas Mandir,  
New Delhi-110 062

**REGISTERED OFFICE**

4A, 3rd Floor, 3 Scindia House,  
Janpath, New Delhi-110 001

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## NOTICE

NOTICE is hereby given that the 15th Annual General Meeting of the Members of ALMONDZ CAPITAL & MANAGEMENT SERVICES LIMITED (formerly Allianz Capital & Management Services Limited) will be held on Tuesday, the 18th day of September, 2007, at 11.30 A.M. at P.H.D. Chamber of Commerce & Industries, P.H.D. House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi - 110 016 to transact the following business :

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2007, Profit & Loss Account for the year ended 31st March, 2007 and the Reports of the Directors and Auditors thereon.
2. To declare Dividend on Equity Shares of the Company.
3. To appoint a Director in place of Mr. Mahendra Kumar Aggarwal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint the Statutory Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS :

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

"RESOLVED THAT Mr. Govind Prasad Agrawal, who was appointed as an Additional Director of the Company and who ceases to hold office as per the provisions of Section 260 of the Companies Act, 1956, at the ensuing Annual General Meeting, and in respect of whom, the Company has received a notice in writing proposing his candidature for the office of the Director as per the provisions of Section 257 of the Companies Act, 1956, be and is hereby, appointed as the Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Sections 268, 269, 198, 309 (3) and 310 read with Schedule XIII and other applicable provisions, if any, including any amendment/substitution thereof, of the Companies Act, 1956 and all applicable guidelines for managerial remuneration issued by the Central Government from time to time, the remuneration to be paid to Mr. Ramesh Peer, Managing Director of the Company be and is hereby revised w.e.f 01.04.2007 as under :

#### A. Salary

- (i) Basic Salary in the scale of Rs. 27,500 - 5,000 - 47,500/- per month.
- (ii) House Rent Allowance @ 50% of the Basic Salary.

#### B. Annual Performance Incentive

As may be decided by the Board / Committee of the Board.

#### C. Perquisites

- a) Reimbursement of actual medical expenses, premia towards mediclaim policy of insurance for self and family (including dependent children and parents), as per Rules of the Company.
- b) Reimbursement of petrol expenses, one driver's salary and running expenses of own car subject to maximum amount of Rs. 10,000/- per month.
- c) Personal Accident Insurance Premium as per the Rules of the Company.
- d) Company's Contribution towards Provident Fund and Superannuation Fund as per Rules of the Company.
- e) Gratuity as per the Rules of the Company.

- f) Bonus / ex gratia payments as per the Rules of the Company.
- g) Leave and encashment of leave, in accordance with the Rules of the Company.
- h) Reimbursement of the Actual Corporate Relations Expenses.

In addition to the above, the Managing Director shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.

**D. Minimum Remuneration**

Notwithstanding anything to the contrary herein contained, where in any financial year, the Company has no profits or its profits are inadequate, the Company will pay the remuneration by way of salary, perquisites and allowances not exceeding the limits specified under Para 2 of Section II, Part II, of Schedule XIII to the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), or such other limits as may be prescribed by the Government from time to time as minimum remuneration."

By Order of the Board of Directors

Place : New Delhi  
Dated : June 18, 2007

**YASHWANT GUPTA**  
Company Secretary

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**NOTES :**

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy, in writing, should, however, be deposited at the Registered Office of the Company, not less than forty eight hours before the commencement of the Meeting.
2. Explanatory Statement for Item Nos. 5 & 6 of this Notice is annexed hereto.
3. Shareholders are requested to bring their Copy of Annual Report to the Meeting.
4. Members/Proxies should bring the Attendance Slip, duly filled in, for attending the Meeting.
5. In case of joint holders attending the meeting, only such joint holder who is first in the order of names, will be entitled to vote.
6. Members who hold shares in the Dematerialised form, are requested to write their Client ID and DP ID Numbers and those who hold shares in the Physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
7. All documents referred to in the accompanying Notice and Explanatory Statement shall be open for public inspection at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. to 1.00 p.m. upto and inclusive of the date of the Annual General Meeting.
8. The Company has already notified the Closure of Register of Members and Share Transfer Register from 05-09-2007 to 18-09-2007 (both days inclusive) pursuant to Section 154 of the Companies Act, 1956. The final dividend on Equity Shares, as recommended by the Board of Directors, subject to the provisions of Section 206A of the Companies Act, 1956, if declared at the Annual General Meeting, will be paid on or after September 18, 2007 to the Members whose names appear on the Company's Register of Members on September 4, 2007 in respect of physical shares. In respect of dematerialized shares, the dividend will be payable to the "Beneficial Owners" of the shares whose names appear in the Statement of Beneficial Ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on 4th September, 2007.
9. Corporate Members intending to send their Authorized Representatives to attend the Annual General Meeting are advised to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.
10. Re-appointment/Appointment of Directors :  
 At the ensuing Annual General Meeting, Mr. Mahendra Kumar Aggarwal, Director of the Company, retires by rotation and, being eligible, offers himself for re-appointment. Mr. Govind Prasad Agrawal, appointed as an Additional Director, is proposed to be appointed as a Director liable to retire by rotation. The information or details pertaining to these Directors, to be provided in terms of Clause 49 of Listing Agreement, are furnished in the Statement on Corporate Governance in this Annual Report.

By Order of the Board of Directors

Place : New Delhi  
 Dated : June 18, 2007

**YASHWANT GUPTA**  
 Company Secretary

## EXPLANATORY STATEMENT

**Pursuant to Section 173(2) of the Companies Act, 1956**

### **Item No. 5**

Mr. Govind Prasad Agrawal was appointed as an Additional Director of the Company by the Board of Directors. Mr. Govind Prasad Agrawal is a Law graduate and Fellow member of 'The Institute of Company Secretaries of India'. He has got rich experience of over 25 years in the field of Finance, Law and Administration.

It is proposed to appoint Mr. Govind Prasad Agrawal as a Director of the Company, liable to retire by rotation, at the forthcoming Annual General Meeting and in respect of whose candidature, a notice in writing has been received from a member of the Company, pursuant to Section 257 of the Companies Act, 1956. Further, in terms of Clause 49 (IV) (E) (v) of the revised Clause 49 of the Listing Agreement, Mr. Govind Prasad Agrawal has intimated to the Board that he does not hold any equity shares of the Company on his own or by / for other persons on a beneficial basis.

Therefore, the Board of Directors recommends the said Resolution for the members' approval to be passed as an Ordinary Resolution.

None of the Directors, except Mr. Govind Prasad Agrawal, is in any way concerned or interested in the said Resolution.

### **Item No. 6**

Mr. Ramesh Peer has been appointed as the Managing Director of the Company by the Board of Directors in its meeting held on 8th July, 2006, for a period of 5 years ending 7th July, 2011, on the terms and conditions of appointment as recommended by the Remuneration Committee of the Company. The said remuneration is revised by the remuneration committee in conformity with the requirements of Sections 198, 309 (3) and 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, and needs the approval of the Members in the General Meeting.

Therefore, the Board of Directors recommends the said Resolution for the members' approval to be passed as an Ordinary Resolution.

None of the Directors of the Company, except Mr. Ramesh Peer, is in any way, concerned or interested in the said Resolution.

By Order of the Board of Directors

Place : New Delhi  
Dated : June 18, 2007

**YASHWANT GUPTA**  
Company Secretary

## DIRECTORS' REPORT

### To the Members,

Your Directors are pleased to present the 15th Annual Report together with the Audited Accounts for the Financial Year ended 31st March, 2007.

### FINANCIAL HIGHLIGHTS

Financial Results of the Company for the year under review are summarized as under :

(Rs. in Lacs)

	Year Ended 31.03.2007	Year Ended 31.03.2006
Gross Income	184.21	208.80
<b>Profit Before Interest, Depreciation &amp; Tax</b>	<b>105.90</b>	164.06
Add : Provisions of Earlier Years written back	—	43.66
Add : Prior Period Expenses / (Income)	30.50	(0.25)
Less : Interest	1.05	1.50
Less : Depreciation	3.63	2.74
Less : Taxes	4.01	9.18
<b>Net Profit After Tax</b>	<b>127.71</b>	194.05
Profit Brought Forward	343.59	185.00
<b>Profit Available for Appropriation</b>	<b>471.30</b>	379.05
<b>Appropriation</b>		
Provision for Proposed Dividend	47.55	31.10
Corporate Dividend Tax	6.67	4.36
<b>Balance carried forward to Balance Sheet</b>	<b>417.08</b>	343.59

### RESULTS

**Revenues** : Total revenues for the year ended March, 31, 2007 amounted to Rs.184.21 Lacs.

**Profits** : Profit before Interest, Depreciation and Taxes for the Financial Year 2006-07, including prior period items, is amounted to Rs. 136.40 Lacs. The Profit after Tax for the Financial Year was 127.71 Lacs as against Rs. 194.05 Lacs in the previous Financial Year, however, for the Financial Year ended 31st March, 2007, the surplus carried to the Balance Sheet amounted to Rs. 417.08 Lacs as against the surplus of Rs. 343.59 Lacs in the last Financial Year ended 31st March, 2006.

### CHANGE OF NAME

As approved by you in the Extraordinary General Meeting held on 6th January, 2007, your Company had changed its name from "Allianz Capital & Management Services Limited" to "Almondz Capital & Management Services Limited".



**NBFC REGISTRATION**

The Company has filed an application to Reserve Bank of India for registering as Non Banking Financial Company which is under their active consideration.

**INVESTMENTS**

At present, your Company is holding 7047000 Equity Shares in Almondz Global Securities Limited, (Formerly Allianz Securities Limited) one of the group companies.

Further, your Company has also subscribed to 10205000 Equity Shares of Almondz Capital Markets Pvt. Ltd., a Company promoted by the Group, which is engaged in the Stock Broking business and is a member of the National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Ltd. (BSE).

The Investments in other Group Companies include 255000 Equity Shares of Almondz Insurance Brokers Pvt. Ltd. which is a Insurance Broker Company registered with Insurance Regulatory and Development Authority and 5000 Equity Shares of Latitude 23 Communications Pvt. Ltd., which is engaged in Advertisement & Communication.

**DIVIDEND**

The Board of Directors of the Company is pleased to recommend a dividend @ 5% on the Paid-up Capital of the Company in respect of the Financial Year 2006-07. The total outgo on account of Dividend, inclusive of Dividend Tax @14.025% is Rs. 54.22 Lacs.

**INCREASE IN SHARE CAPITAL**

During the year 2006-07, your Company made Preferential Issues of Equity Shares. The Equity Shares were allotted to one of the Promoters of the Company and all were subscribed. Subsequent to Preferential Issues, the Paid-up Share Capital of the Company increased from Rs. 68708131/- to Rs. 101608131/- consisting of 9510000 Equity Shares fully paid-up of Rs. 10/- each.

**FIXED DEPOSITS**

The amount of the unclaimed deposits of Rs. 1.33 Lacs, lying in the Escrow Account maintained with Centurion Bank of Punjab Ltd., along with the interest accrued thereon, was transferred to the Investor Education & Protection Fund (IEPF) on 9th January, 2007 pursuant to Section 205C of the Companies Act, 1956. There is no deposit with the Company now.

**SUBSIDIARY COMPANIES**

The Company has two subsidiaries, viz., Almondz Capital Markets Private Limited and Almondz Commodities Private Limited. Your Company has further acquired 75,10,000 Equity Shares of Almondz Capital Markets Private Limited and consequently it became the holding Company w.e.f. 30th March, 2007 by holding 72.43% Equity Shares of the Company. Almondz Capital Markets Private Limited has its wholly owned subsidiary in the name of Almondz Commodities Private Limited which in turn became subsidiary of your Company. Almondz Capital Markets Private Limited is engaged in the stock trading activities and is a member of NSE and BSE. Almondz Commodities Private Limited is a commodity broking Company having membership of MCX and NCDEX. An application of merger of Almondz Capital Markets Private Limited is pending with Hon'ble Delhi High Court. After merger of the above said Company both of these Companies will cease to be subsidiaries of your Company.

**CONSOLIDATION OF ACCOUNTS**

The audited Consolidated Accounts and Cash Flow Statements, comprising of the Company and its all Subsidiary Companies, appear on this Annual Report together with the Auditors' Report on the Consolidated Accounts. The consolidated Accounts have been prepared in accordance with the Accounting Standard 21 prescribed by the Institute of Chartered Accountants of India.



## MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report, covering matters listed in Clause 49 of the Listing Agreement for the year under review, is given as a separate statement in the Annual Report.

## DIRECTORS

During the year under report Mr. Samir Chhabra and Mr. Navjeet Singh Sobti, Directors of the Company, resigned from the office of the Board of Directors. The Board places on record its deep sense of appreciation and gratitude for significant contribution made by Mr. Samir Chhabra and Mr. Navjeet Singh Sobti.

Mr. Govind Prasad Agrawal was appointed as an Additional Director of the Company w.e.f. 19.03.2007. His period of office expires at the commencement of the ensuing Annual General Meeting. The Company has received a Notice under Section 257 of the Companies Act, 1956, in respect of his appointment as an Ordinary Director, liable to retire by rotation, at the forthcoming Annual General Meeting.

Mr. Mahendra Kumar Aggarwal, Director of the Company, is due to retire by rotation at the ensuing Annual General Meeting and offers himself for re-appointment.

A brief resume of the Directors being appointed/re-appointed, nature of their expertise in the specific functional areas, and names of companies in which they hold the Directorship and/or Membership/Chairmanship of Committees of the Board, as stipulated under Clause 49 of the Listing Agreement, are given in the Statement on Corporate Governance elsewhere in the Annual Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- (a) that in preparation of the Balance Sheet and the Profit & Loss Account of the Company, the applicable accounting standards have been followed alongwith the proper explanation relating to the material departures;
- (b) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (d) that the Directors have prepared the annual accounts on a going concern basis.

## AUDITORS AND AUDITORS' REPORT

M/s H. K. Chhabra & Co., Chartered Accountants, Statutory Auditors of the Company will retire at the conclusion of the forthcoming Annual General Meeting and offer themselves for re-appointment. A letter has been received from them confirming that, if they are re-appointed as the Statutory auditors of the Company, such appointment will be in accordance with the provisions of Section 224(1B) of the Companies Act, 1956, and they are not disqualified in terms of Section 226 of the Companies Act, 1956, from being appointed as the Statutory Auditors of the Company.

The Notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further comments.

## STATUTORY STATEMENT

The statements, pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, with respect to the conservation of energy, technology

absorption, foreign exchange earnings and outgo, and pursuant to Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, with respect to the employee(s) of the Company drawing remuneration exceeding the sum prescribed therein, are not applicable to your Company.

### **CORPORATE GOVERNANCE**

The Company is actively following the principles and practices of good corporate governance. The Company has ensured that the Corporate Governance requirements, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange(s), are duly complied with. A separate Statement on Corporate Governance is given elsewhere in this Annual Report.

A Certificate from the Auditors of the Company regarding compliance of Clause 49 of the Listing Agreement is attached in this Report.

### **ACKNOWLEDGEMENT**

Your Directors would like to express their grateful appreciation for the assistance, co-operation and trust reposed in your Company by the Investors, Banks, Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges and other Government Authorities during the financial year under review.

Your Directors also wish to place on record their sincere appreciation of the contribution made by the employees of the Company and are thankful to the Shareholders for their continued patronage and support.

For and on behalf of the Board of Directors

Place : New Delhi  
 Dated : June 18, 2007

**G. P. AGRAWAL**  
 Director

**RAMESH PEER**  
 Managing Director