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almondz  
*the financial powerhouse*

Almondz Global Securities Ltd.

## Corporate Information

### Board of Directors

Atul Kumar Shukla	– Non-Executive & Independent Chairman
Navjeet Singh Sobti	– Executive Vice Chairman
Vinay Mehta	– Managing Director
Jagdeep Singh*	– Wholetime Director
Sita Ram Bansal	– Non-Executive & Independent Director
Krishan Lall Khetarpaul	– Non-Executive & Independent Director
Amar Jyot Singh Anand**	– Non-Executive & Independent Director
Qais M.M. Al-Yousef	– Non-Executive & Independent Director
Krishna Kumar Gupta	– Non-Executive & Independent Director
Surendar Kumar Sood***	– Non-Executive & Independent Director

\* Jagdeep Singh was appointed as the Wholetime Director of the Company w.e.f. 01.04.2008, consequent upon amalgamation of M/s. Almondz Capital Markets Pvt. Ltd. (of which he was the Managing Director) with the Company.

\*\* Amar Jyot Singh Anand has vacated his office as Director w.e.f. 29 July 2009.

\*\*\* Surendar Kumar Sood has been appointed as an Additional Director of the Company w.e.f. 29 July 2009.

### Auditors

B S R & Co.  
Chartered Accountants  
Building No. 10, 8th Floor, Tower-B  
Infinity Towers, DLF Cyber City, Phase - II  
Gurgaon - 122 002 (India)

### Company Secretary & Compliance Officer

Rajiv Lochan Jha

### Registrars & Share Transfer Agents

Beetal Financial & Computer Services (P) Ltd.  
"Beetal House" 3rd Floor,  
99, Madangir, Behind Local Shopping Centre,  
Near Dada Harsukhdas Mandir,  
New Delhi - 110 062  
Phones : 011-29961281, 29961282  
Fax : 011-29961284  
E-mail : beetal@rediffmail.com  
Website : www.beetalfinancial.com

### Bankers

Standard Chartered Bank  
HDFC Bank Ltd.  
Axis Bank Ltd.  
Punjab National Bank  
HSBC Bank  
ICICI Bank Ltd.  
Kotak Mahindra Bank Ltd.  
State Bank of India  
Development Credit Bank  
Syndicate Bank  
Vijaya Bank  
Dena Bank

### Registered Office

2nd Floor, 3 Scindia House,  
Janpath, New Delhi-110 001

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## Notice

### TO THE SHAREHOLDERS,

NOTICE is hereby given that the 15th Annual General Meeting of the Members of ALMONDZ GLOBAL SECURITIES LIMITED will be held on Thursday, the 24th day of September 2009, at 10.00 A.M. at PHD Chamber of Commerce & Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi - 110016, to transact the following business :

### ORDINARY BUSINESS :

1. To consider and if thought fit, with or without modification(s), pass the following Resolution as an Ordinary Resolution :  
"RESOLVED THAT the Audited Balance Sheet as at 31st March 2009 and the Profit and Loss Account of the Company for the year ended on that date, together with the Directors' Report and the Auditors' Report thereon as presented to the meeting, be and are hereby, approved and adopted."
2. To consider and if thought fit, with or without modification(s), pass the following Resolution as an Ordinary Resolution :  
"RESOLVED THAT pursuant to the recommendations of the Board of Directors of the Company, a dividend at the rate of 5% per equity share to the equity shareholders of the Company whose names appear in the Register of Members / Register of Beneficial Owners as on 11 September 2009 / as at the close of business hours on 11 September 2009, be and is hereby, declared out of the current/accumulated profits of the Company for the Financial Year ended on 31 March 2009.  
RESOLVED FURTHER THAT the dividend warrants be posted to the respective shareholders within 30 days thereof to all the equity shareholders who are entitled to receive the payment."
3. To consider and if thought fit, with or without modification(s), pass the following Resolution as an Ordinary Resolution :  
"RESOLVED THAT Mr. Krishan Lall Khetarpaul, Director of the Company, who retires by rotation and being eligible for re-appointment, be and is hereby, re-appointed as a Director of the Company."
4. To consider and if thought fit, with or without modification(s), pass the following Resolution as an Ordinary Resolution :  
"RESOLVED THAT Mr. Qais M. M. Al-Yousef, Director of the Company, who retires by rotation and being eligible for re-appointment, be and is hereby, re-appointed as a Director of the Company."
5. To consider and if thought fit, with or without modification(s), pass the following resolution as an Ordinary Resolution :  
"RESOLVED THAT the retiring Auditors M/s. B S R & Co., Chartered Accountants, Gurgaon (Haryana), be and are hereby, re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed in this

behalf by the Board of Directors of the Company in consultation with the Audit Committee thereof."

### SPECIAL BUSINESS :

6. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution :  
"RESOLVED THAT Mr. Surendar Kumar Sood, 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."
7. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution :  
"RESOLVED THAT pursuant to the applicable provisions of the Foreign Exchange Management Act, 1999 (FEMA), the Companies Act, 1956 and all other applicable rules, regulations, guidelines and laws (including any statutory modification or re-enactment thereof for the time being in force) and subject to all applicable approvals, permissions and sanctions, and such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions, sanctions, which may be agreed to by the Board of Directors of the Company, the consent of the Company, be and is hereby, accorded for investments by Foreign Institutional Investors (FIIs), Overseas Corporate Bodies (OCBs), Non-Resident Indians (NRIs), including their sub-accounts, (hereinafter referred to as the "Foreign Investors"), in the shares of the Company, by direct acquisition or purchase from the market under FEMA, subject to the condition that the total holding of all Foreign Investors put together shall not exceed 49 per cent of the issued share capital of the Company as may be applicable or such other maximum limit as may be prescribed from time to time.  
RESOLVED FURTHER THAT the Board of Directors, be and is hereby, authorised to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

### NOTES :

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the business under Item Nos. 6 and 7 above, is annexed hereto. The relevant details as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment/re-appointment as Directors under Item Nos. 3, 4 and 6 above, are also annexed.
2. 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. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.

3. The Register of Members and Transfer Books of the Company will be closed from Saturday, 12 September 2009 to Thursday, 24 September 2009, both days inclusive. Dividend, if declared, shall be paid on or after 24 September 2009 as under :
  - (a) To all Beneficial Owners in respect of shares held in electronic form as per the data as may be made available by the National Securities Depository Limited and the Central Depository Services (India) Limited as of the close of business hours on 11 September 2009; and
  - (b) To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 11 September 2009.
4. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
5. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agents, Beetal Financial & Computer Services Pvt. Ltd. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Registrar and Share Transfer Agents.
6. Shareholders are requested to bring their copy of Annual Report to the Meeting.
7. Members/Proxies should bring the Attendance Slip, duly filled in, for attending the Meeting. 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.
8. 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.
9. The Company is in the process of notifying the Closure of Register of Members and Share Transfer Register from 12 September 2009 to 24 September 2009 (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 24 September 2009.
10. 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.
11. In order to avail the facility of Electronic Clearing System (ECS) for receiving direct credit of dividend to his/her/their respective account with Bank(s) and for avoiding misuse of Dividend Warrants, the Members holding equity shares in Physical Mode are requested to provide their Bank Account No., Name and Address of the Bank / Branch to 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,

Phone : 011-29961281, 29961282 Fax : 011-29961280, the Registrar & Share Transfer Agent (R & T Agent) of the Company.

12. Members are hereby informed that pursuant to Section 205A(5) of the Companies Act, 1956 ("The Act"), the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account, to the credit of Investors Education and Protection Fund (IEPF) established by the Central Government under Sub-section (1) of Section 205C of the Act. No claim shall lie against the Company or the Fund in respect of individual amounts of dividends remaining unclaimed and unpaid for a period of seven years and transferred to the Fund, as aforesaid.
13. Those Members who have not so far encashed their Dividend Warrants for the Accounting Year ended 31st March, 2005, or any subsequent years may immediately approach the Company / Share Transfer Agent for issuance of Demand Drafts.
14. The Company is registered with the following depositories for dematerialization of its Equity Shares :
  - i) National Securities Depositories Ltd. (NSDL) at Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013
  - ii) Central Depository Services (India) Ltd. (CDSL), at Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai - 400001

The Registration No. granted by NSDL & CDSL is ISIN INE-326B01027.
15. As per the provisions of Section 109A of the Companies Act, 1956, facility for making nominations is available to the Members, in respect of Equity Shares, held by them. Requests for nomination facility should be made in the prescribed form (Form 2B) a copy of which can be obtained on request from the Registered Office of the Company.
16. Members desiring any information/clarification on the Annual Accounts are requested to write to the Company at its Registered Office at least 15 days before the date of Annual General Meeting so that the same may be attended to, well in advance.
17. Re-appointment/Appointment of Directors :  
At the ensuing Annual General Meeting, Mr. Krishan Lal Khetarpaul and Mr. Qais M. M. Al-Yousef, Directors of the Company, retire by rotation and, being eligible, offer themselves for re-appointment. The information or details pertaining to these Directors, to be provided in terms of Clause 49 of Listing Agreements, are furnished in the Statement on Corporate Governance in this Annual Report.

By Order of the Board of Directors

New Delhi  
July 29, 2009

**RAJIV L. JHA**  
Company Secretary

## **Explanatory Statement**

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

### **Item No. 6**

Mr. Surendar Kumar Sood is a 1971 batch Indian Administrative Services officer.

During his stint as a distinguished Civil Servant, he has vast and varied experience in administration, industrial development & policy, foreign trade, finance management and mobilization, infrastructure development, legislation & social welfare, and management of commercial enterprises at both CEO & Board level. He held the offices of Deputy Commissioner of Kinnaur & Hamirpur districts in HP; Director Industries HP; Joint Chief Controller of Imports & Exports; in-charge of Eight Northern States from UP to J&K for export promotion, administering CCS & I&E licenses; Secretary to Govt. of HP in-charge of PWD, IPH Health & Family Welfare, Science & Technology, Tourism, Transport, Urban Development; Principal Secretary, Finance & Planning, GOHP; Joint Secretary, Deptt. of Chemicals & Petrochemicals, GOI; Director General, DGS&D, GOI; Secretary, National Commission for Scheduled Castes; Secretary to the Governor, HP; Joint Secretary, Ministry of Commerce; Managing Director of State PSUs. He formulated the First Tourism Policy of HP, pioneered installation of hand pumps in hills by using modern scientific advances like Satellite Imagery to locate & harness subterranean water channels in the hills as source of pure drinking water for masses.

Mr. Sood served as Director of Indian Petrochemicals Corporation Ltd., Petrofil (Baroda), Hindustan Antibiotics Ltd., Indian Drug & Pharmaceuticals Ltd., Hindustan Chemicals Ltd., HP Financial Corporation Ltd., HP Mineral & Industrial Development Corporation, HP Tourism Development Corporation, HP State Road Transport Corporation, besides acted as the Managing Director of HP Handlooms & Handicrafts Corporation, and HP Infrastructure Development Board.

He has been an innovative and man with futuristic approach in his entire career and keeps pace with the time. He retired in 2008 as Chairman, HP State Electricity Board.

The Board of Directors recommends the resolution for the members' approval.

None of the Directors of the Company, except Mr. Surendar Kumar Sood, is in any way, concerned or interested in the said Resolution.

None of the existing director of the Company has any relationship with Mr. Surendar Kumar Sood.

### **Item No. 7**

Pursuant to the recent guidelines and clarificatory notes on foreign investment in India, in order to have a cap on the foreign investments in your Company, your directors recommend the said Resolution to be passed by the shareholders of the Company in the ensuing Annual General Meeting authorizing the Board or any Committee thereof duly constituted, to accept the foreign shareholdings to the extent of 49% of the Issued Capital of the Company at a given point of time during the financial year.

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

By Order of the Board of Directors

New Delhi  
July 29, 2009

**RAJIV L. JHA**  
Company Secretary

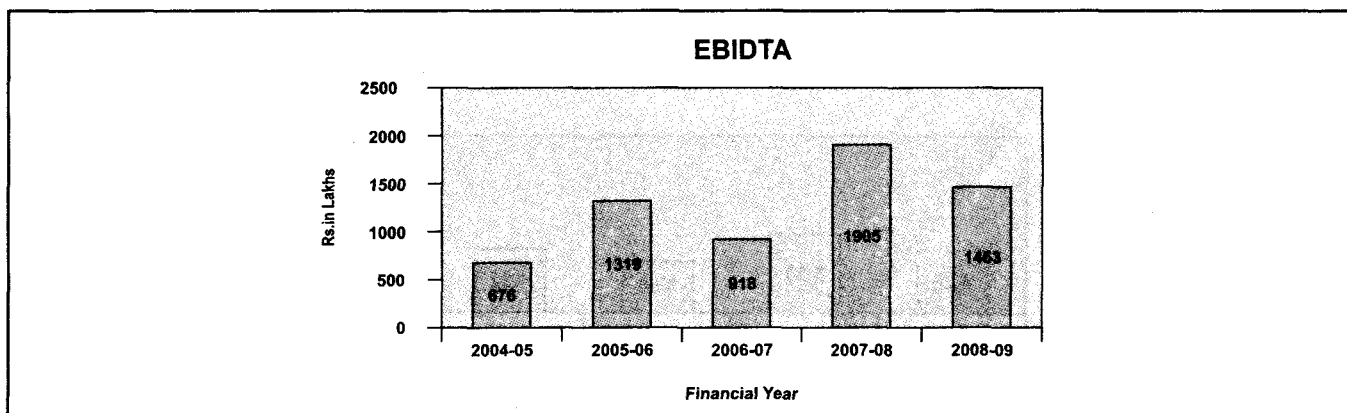
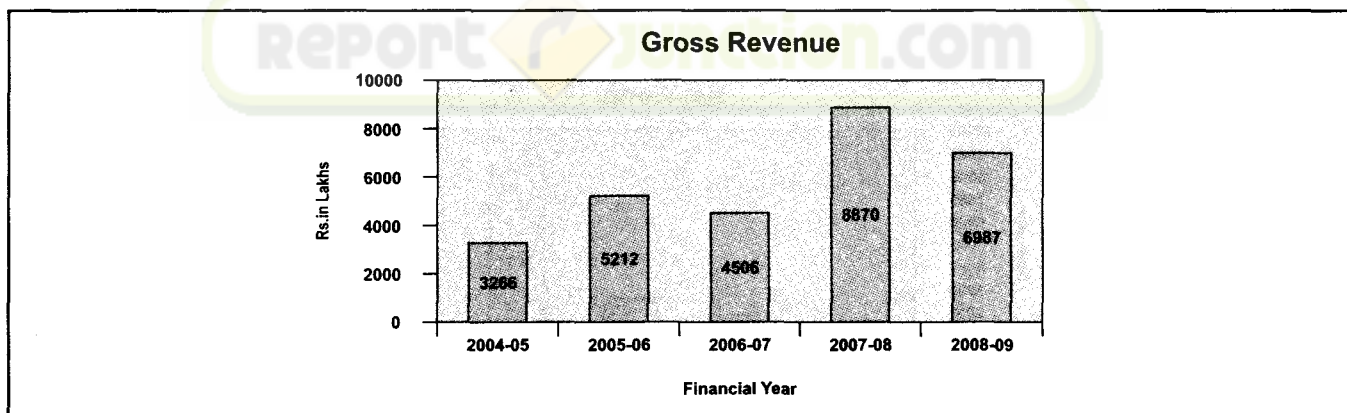


## LAST FIVE YEARS AT A GLANCE

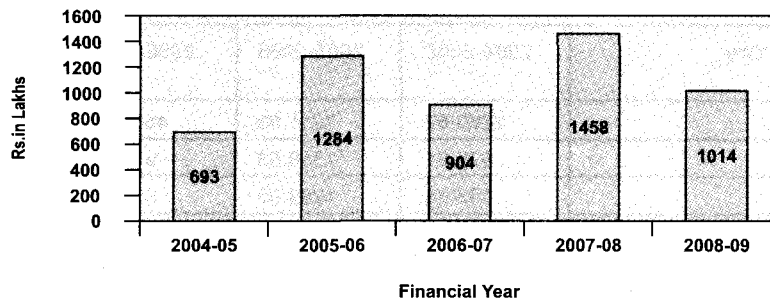
Rs. In Lacs\*

Sl. No.	Particulars/Financial Year	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
1	Gross Revenue	3265.62	5211.93	4505.81	8869.65	6986.53
2	EBIDTA	675.61	1318.63	917.63	1905.33	1462.82
3	PBT	693.43	1283.90	904.16	1458.01	1013.86
4	PAT	452.25	776.35	559.17	994.30	600.40
5	Paid-up Equity Capital	636.79	780.79	959.77	1519.31	1519.31
6	Net Worth	1122.56	1875.28	2573.41	8462.17	9055.11
7	Current Assets	3535.03	3307.44	5280.19	12232.92	8917.62
8	Current Liabilities	759.02	589.04	425.93	1047.04	1479.91
9	Provisions	242.13	353.45	183.47	120.02	160.43
10	Total Assets	4091.84	4338.81	6201.19	12969.77	9451.17
11	Current Ratio	4.66:1	5:1	11.24:1	11.68:1	6.03:1
12	Total Assets Turnover	0.80	1.20	0.73	0.68	0.74
13	Fixed Assets Turnover	15.53	12.46	7.53	5.74	4.21
14	EPS	4.26	5.32	3.50	4.32	2.37

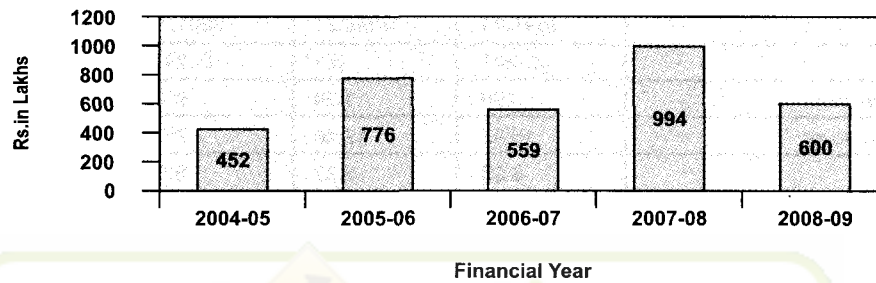
\* Except Sl. Nos. 11 to 14 which are ratio



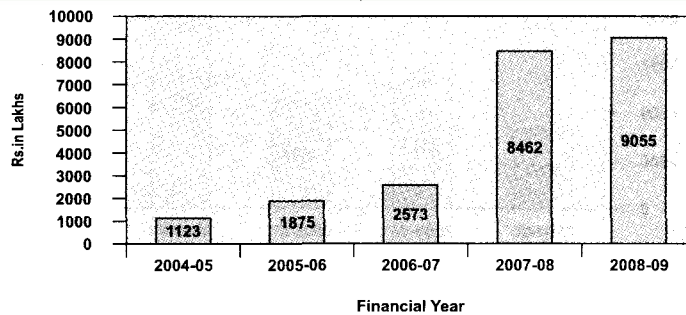
### PBT



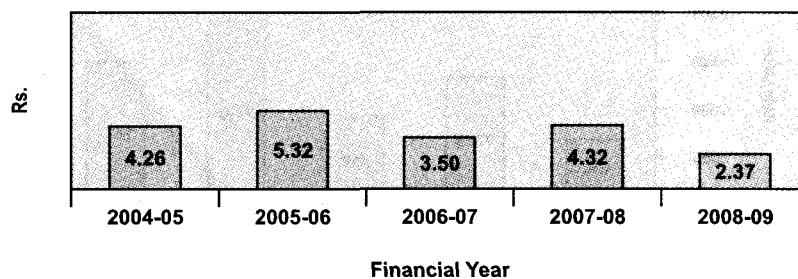
### PAT



### Net Worth



### EPS



## Directors' Report

### To the Members of Almondz Global Securities Limited,

The Board of Directors submits the Annual Report of your Company together with the audited statement of accounts for the year ended March 31, 2009.

### 1. Financial Results (Final)

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

(Rs. in Lacs)

	Year Ended 31.03.2009	Year Ended 31.03.2008
Gross Income	6986.53	8869.65*
<b>Profit before Interest, Depreciation &amp; Tax</b>	<b>1462.82</b>	<b>1905.33</b>
Less : Interest	252.25	323.29
Less : Depreciation	196.71	124.03
Less : Provision for Tax	413.46	463.71
<b>Net Profit after Tax</b>	<b>600.40</b>	<b>994.30</b>
Profit / (Loss) brought forward	1838.27	932.85
<b>Profits available for Appropriation</b>	<b>2438.67</b>	<b>1927.15</b>
<b>Appropriations :</b>		
Transfer to General Reserve	—	—
Transfer as Proposed Dividend	75.97	75.97
Corporate Dividend Tax	12.91	12.91
<b>Profit / (Loss) carried to Balance Sheet</b>	<b>2349.80</b>	<b>1838.27</b>

\* revised pursuant to re-classification

### 2. Dividend

Based on your Company's performance, your Directors recommend for your consideration a dividend of Rs. 0.30 per Equity Share of Rs. 6/- each for the financial year ended 31st March, 2009. The final outgo on dividend is as under :

(in Rs.)

	Current Year 2008-09	Previous Year 2007-08
On 25321767 fully paid-up equity shares of Rs. 6/- each, @ Rs. 0.30 per share	7596530.10	—
(Previous Year – Final Dividend)		
On 25321767 fully paid-up equity shares of Rs. 6/- each, @ Rs. 0.30 per share	—	7596530.10
Corporate Dividend Tax	1291030.00	1291030.00

As abovementioned, the total outflow on dividend payout will be Rs. 8887560.10 which would translate to 14.80% of the profits of the Company.

### 3. Transfer to Reserves

Since your Company has declared dividend @ 5%, accordingly, in terms of the provisions of Companies (Transfer of Profits to Reserves) Rules, 1975, no transfer is required to be made to the General Reserve out of the amount available for appropriations and accordingly the surplus carried to the Balance Sheet amounted to Rs. 2349.80 Lacs.

### 4. Operating Results and Business

For the year ended March 31, 2009, the Company earned a total income of Rs. 6986.53 Lacs, as against previous year's Rs. 8869.65 Lacs. As per the Consolidated Accounts, the total

income was Rs. 7092.05 Lacs, as against the previous year's Rs. 8924.77 Lacs. The net profit of the Company for the year was Rs. 600.40 Lacs (8.59% of total income) as compared to Rs. 994.30 Lacs (11.21% of total income) in the previous year. As per the Consolidated Accounts, the net profit for the year was Rs. 548.25 Lacs (7.73% of total income) as compared to Rs. 986.16 Lacs (11.05% of total income) in 2007-08.

### 5. Change in Authorised Share Capital

Pursuant to the Scheme of Amalgamation between the Company and the erstwhile Almondz Capital Markets Pvt. Ltd., as sanctioned by the Hon'ble High Court of Delhi, the Authorised Share Capital of the erstwhile Almondz Capital Markets Pvt. Ltd. (Rs. 150000000/-) got merged with the Authorised Share Capital of your Company thereby making



the Authorised Share Capital of your Company amounting to Rs. 300000000/- consisting of 50000000 Equity Shares of Rs. 6/- each.

#### **6. Changes in Issued and Paid-up Share Capital**

The Paid-up Capital of the Company on April 1, 2008 stood at Rs. 123750600/- consisting of 20625100 Equity Shares of Rs. 6/- each. During the year ended March 31, 2009, 4696667 Equity Shares of Rs. 6/- each were issued by the Company to the equity shareholders of the erstwhile Almondz Capital Markets Pvt. Ltd. (now merged with the Company) pursuant to the Scheme of Amalgamation as sanctioned by the Hon'ble High Court of Delhi vide its Order dated 5 February 2008, thereby raising the Paid-up Capital, as on 31 March 2009, as Rs. 151930602/- consisting of 25321767 Equity Shares of Rs. 6/- each.

#### **7. Human Resource Development**

At your Company, employees continue to be the key driving force of the organization and remain a strong source of our competitive advantage. We believe in aligning business priorities with the aspirations of employees leading to the development of an empowered and responsive human capital. We strive to create a work environment which encourages innovation and creativity.

As on 31 March 2009, your Company has a diverse employee base with 460 employees all over India. This heterogeneous base is central to sustaining the Company's competitive edge.

The HR function in Almondz Global has been re-aligned and closely integrated with business units in order to support operational agility, to be scalable for the Company's future growth, as well as to achieve higher employee satisfaction. Going forward, the new structure will support greater focus for strategic initiatives and also provide more leadership growth in the Company.

#### **8. Consolidated Financial Results**

As required under Clause 32 of the listing agreements with the Stock Exchanges, a Consolidated Financial Statement of the Company and all its subsidiaries is attached. The Consolidated Financial Statements have been prepared in accordance with Accounting Standards 21 & 23 issued by the Institute of Chartered Accountants of India.

#### **9. Cash Flow Statement**

In conformity with the provisions of Clause 32 of the Listing Agreements with the Stock Exchanges, the Cash Flow Statement for the year ended 31 March 2009 is annexed hereto.

#### **10. Corporate Governance**

Corporate Governance is about commitment to values and about ethical business conduct. It stems from the culture and mindset of a management. Measures of Corporate Governance emanate not only from Regulation, but also because managements now clearly understand that good and transparent governance is the cornerstone on which lasting values can be created. Your company strives for excellence with the objective of enhancing shareholders' value and protecting the interest of stakeholders. At Almondz Global Securities, we ensure the practice of the Principles of Good Corporate Governance on which management decisions are based on a set of principles influenced by the values. All

functions of the Company are discharged in a professionally sound, competent and transparent manner.

A detailed report on the Company's commitment at adopting good Corporate Governance Practices is enclosed in the Annual Report of the Company. The Auditors' certificate on compliance with the mandatory provisions of the Corporate Governance Clause (Clause 49 of the Listing Agreement) is annexed to therewith.

#### **11. Corporate Governance Report and Management Discussion and Analysis Statement**

A report on Corporate Governance is attached to this Report as also a Management Discussion and Analysis statement.

#### **12. Policy on insider trading**

Your Company formulated and implemented a Code of Conduct for Prevention of Insider Trading in accordance with the guidelines specified under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended till date. The Board of Directors appointed Mr. Rajiv L. Jha, Company Secretary, as the Compliance Officer under the said Insider Code responsible for complying with the procedures, monitoring adherence to the Code for the preservation of price sensitive information, pre-clearance of trade, monitoring of trades and implementation of the Code of Conduct under the overall supervision of the Board of Directors. The said Code, inter alia, prohibits purchase and/or sale of shares of the Company and its client companies by an insider while in possession of unpublished price sensitive information in relation to the same. The Code of Conduct is available on the Company's website.

#### **13. Directors' Responsibility Statement**

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956 ("Act"), and based on the representations received from the operating management, the Directors hereby confirm that :

- i. in the preparation of the Annual Accounts for the year 2008-09, the applicable Accounting Standards have been followed and there are no material departures;
- ii. they have selected such accounting policies in consultation with the statutory auditors 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 2008-09 and of the profit of the Company for the said financial year;
- iii. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. they have prepared the Annual Accounts on a going concern basis.

#### **14. Subsidiary Companies**

During the year under reporting, the Company had three subsidiaries namely Almondz Finanz Ltd., Almondz Commodities Pvt. Ltd. and Almondz Retail Equity Ltd.

## ALMONDZ GLOBAL SECURITIES LIMITED

Out of the aforesaid, Almondz Retail Equity Ltd. has not started operating during the year under report as the said company is still in the process of finalizing plans.

In terms of the approval granted by the Ministry of Corporate Affairs (MCA), Government of India, vide its letter No. 47/564/2009-CL-III dated July 21, 2009, the provisions of section 212 (1) shall not apply in respect of all the three (3) Subsidiaries of the Company, as on March 31, 2009 namely Almondz Commodities Pvt. Ltd., Almondz Finanz Ltd. and Almondz Retail Equity Ltd. The said exemption has been granted on the condition of preparing and circulating the Audited Consolidated Accounts of your Company and its Subsidiary Companies along with the standalone Audited Accounts of the Company. In compliance with the said conditions, the Audited Balance Sheets as at the March 31, 2009 and Profit and Loss Accounts for the year ended as on that date together with the Reports of Directors' and Auditors' thereon of the said Subsidiaries have not been attached with the Balance Sheet of your Company for the financial year ended March 31, 2009. The Company will make available the annual accounts of the aforesaid subsidiary companies and the related detailed information to the investors of holding as well as subsidiary companies at any point of time. The annual accounts of the aforesaid subsidiary companies will also be available for inspection by any investor during business hours at our Registered Office and respective registered offices of the subsidiaries.

### 15. Particulars required as per Section 212 of the Companies Act, 1956

The Statement pursuant to Section 212 of the Companies Act, 1956, containing the details of the Subsidiary Companies as on the 31st March 2009 is enclosed.

### 16. Fixed Deposits

The Company has not accepted any public deposits and, as such, no amount on account of principal or interest on public deposits was outstanding on the date of the Balance Sheet.

### 17. Directors

During the year under report, Mr. Mahendra Kumar Aggarwal ceased to be a Director of the Company on account of his untimely demise.

Mr. Krishan Lal Khetarpaul and Mr. Qais M. M. Al-Yousef, Directors, retire by rotation at the ensuing 15th Annual General Meeting.

On 29 July, 2009, Mr. Surendar Kumar Sood has been inducted on the Board of Directors of the Company as an Additional Director of the Company. As per the provisions of Section 260 of the Companies Act, 1956, he shall hold office only up to the date of the ensuing 15th Annual General Meeting of the Company. The Company has received notice under Section 257 of the Act along with the requisite deposit, in respect of the above person, proposing his appointment as Ordinary Director of the Company retireable by rotation.

Further on 29th July 2009, Mr. Amar Jyot Singh Anand, one of the Directors of the Company, ceased to be a Director on account of vacation of his office u/s 283(1)(g) of the Companies Act, 1956 w.e.f. 29 July 2009.

### 18. Employees Stock Option Plan

To share the value created by the employees and to promote the culture of employee ownership in your Company, your

Company had introduced the "Almondz Global Securities Employees Stock Option Scheme 2007" ("the Scheme" or "ESOS 2007") for granting, offering and issuing upto 4500000 options or 15% of paid-up share capital of the Company, whichever is lower, in one or more tranches.

On March 4, 2008, the Company's shareholders approved the "Almondz Global Securities Employees Stock Option Scheme 2007" and the grant of 4500000 options or 15% of Paid-up Share Capital of the Company, whichever is lower, to the employees of the Company and its subsidiaries, through Postal Ballot.

Pursuant to that, on May 8, 2008, the Compensation Committee of the Board of Directors of your Company granted 2120000 options to the identified employees and executive directors of the Company. Each option confers on the employee a right for one equity share of Rs. 6/- each.

Further, on June 9, 2008, the Company's shareholders further approved the grant of options to identified employees of the Company, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of options, through Postal Ballot. Pursuant to that, on June 16, 2008, the Compensation Committee of the Board of Directors granted 1000000 options to the executive directors (as identified) of the Company. Each option confers on the employee a right for one equity share of Rs. 6/- each.

During the year under Report, 250000 options lapsed on account of cessation of employment of the optionholders. Further, pursuant to "Almondz Global Securities Employees Stock Option Scheme 2007", the remaining options (i.e. 2870000) got automatically vested in the optionholders on expiry of one year from the respective grants.

Further, on June 9, 2009, the Compensation Committee of the Board of Directors granted 185000 options to the eligible employees, each option conferring on the concerned employee a right for one equity share of Rs. 6/- each.

Details of the options issued under ESOS 2007, as also the disclosures in compliance with Clause 12 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are set out in the Annexure to this Report.

None of the management employees, except the Managing Director and a Wholtime Director, has received options exceeding 5% of the number of the options issued during the year ended 31 March 2009. Likewise, no employee has been issued stock options, during the period under report, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.

### 19. Listing of Equity Shares

During the year under Report, the equity shares of your Company are listed at The Bombay Stock Exchange Limited, Mumbai, National Stock Exchange of India Ltd., Mumbai, and Delhi Stock Exchange Ltd. Further, based on the consent of the shareholders of the Company at the 14th Annual General Meeting held on 24 September 2008, your Company has filed an application for voluntary delisting from Delhi Stock Exchange Ltd. on 13 April 2009 and the same is under process.