

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
Qais M.M. Al-Yousef	– Non-Executive & Independent Director
Krishna Kumar Gupta	– Non-Executive & Independent Director
Surendar Kumar Sood	– Non-Executive & Independent Director
Shiv Karan Singh**	– Non-Executive & Independent Director

* Jagdeep Singh was re-appointed as the Wholetime Director of the Company w.e.f. 01.12.2009 for a period of five years.

** Shiv Karan Singh has been appointed as an Additional Director of the Company w.e.f. 28 May 2010.

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)

Vice President & Company Secretary

Rajiv Lochan Jha

Bankers

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

Registered Office

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

Registrar & Share Transfer Agent

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 : 011-29961280 / 84
E-mail : beetal@rediffmail.com
Website : www.beetalfinancial.com

Contents	Page No.
Notice	2
Directors' Report	8
Management Discussion & Analysis Report	17
Report on Corporate Governance	23
Auditors' Report	46
Balance Sheet	49
Profit & Loss Account	50
Cash Flow Statement	51
Schedules	52
Balance Sheet Abstract	77
Almondz Global Group Consolidated Financial Statements	80

Notice

TO THE SHAREHOLDERS,

NOTICE is hereby given that the 16th Annual General Meeting of the Members of ALMONDZ GLOBAL SECURITIES LIMITED will be held on Tuesday, the 28th day of September 2010, at 3.30 P.M. at PHD Chamber of Commerce & Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi - 110016, to transact the following businesses:

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 31 March 2010 and the Profit and Loss Account of the Company for the year ended on that date, together with Directors' Report and 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 of Rs. 0.42 per equity share (at the rate of 7% per equity share) to the equity shareholders of the Company whose names appear in the Register of Members/ Register of Beneficial Owners as on 17 September 2010/as at the close of business hours on 17 September 2010, be and is hereby, declared out of the current/accumulated profits of the Company for the Financial Year ended on 31 March 2010.
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. Sita Ram Bansal, 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. Krishna Kumar Gupta, 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), Registration No. 101248W, 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. Shiv Karan Singh, 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 an Ordinary Resolution :
"RESOLVED THAT in supersession of the resolution passed by the shareholders of the Company on 31 July 2004 and pursuant to the provisions of Section 293(1)(d) of the Companies Act, 1956, the consent of the Company, be and is hereby, accorded to the Board of Directors of the Company, to borrow, from time to time, for the purpose of the Company's business any sum or sums of money as it may deem proper notwithstanding that the moneys to be so borrowed together with the moneys already borrowed by the Company, if any, (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate, for the time being, of the paid-up capital of the Company and its free reserves, if any, that is to say, reserves not set apart for any specific purpose, provided that the total amount of the moneys to be so borrowed by the Board together with moneys already borrowed (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not exceed Rs. 2,00,00,00,000 (Rupees Two Hundred Crores) at any time, and that the Board of Directors, be and is hereby, empowered and authorized to arrange or fix the terms and conditions of all such moneys to be borrowed from time to time as to the interest, repayment, security or otherwise as they may think fit."
8. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution :
"RESOLVED THAT in supersession of the earlier resolution passed by the shareholders of the Company on 8 January 2008, and pursuant to the provisions of Section 372A of the Companies Act, 1956 and other applicable provisions, if any, and any amendment/modification thereof, approval, be and is hereby, accorded for making inter-corporate loans/deposits, making investments, giving guarantee, providing security and acquiring various securities in group/ other companies, etc. to the extent of Rs. 3,00,00,00,000 (Rupees Three Hundred Crores).
FURTHER RESOLVED THAT the Board of Directors of the Company, be and is hereby, authorized for taking the necessary actions/steps for giving effect to the said resolution for the aforesaid matters/transactions and to do

all such acts, deeds, matters and things as may be deemed or considered necessary or incidental thereto.”

9. 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 *Almondz Global Securities Employees Stock Option Scheme 2007* (hereinafter “**the Scheme**”), as amended, Memorandum and Articles of Association of the Company, the listing agreements with the Stock Exchanges and the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines 1999 and other rules and regulations, prescribed by the Securities and Exchange Board of India (“SEBI”) or any other relevant authority, from time to time, to the extent applicable and subject to any approvals, consents, permissions and sanctions of any authorities as may be required, and subject to any such conditions or modifications as may be prescribed or imposed by such authorities while granting such approvals, consents, permissions and sanctions, consent of the Board (which includes Compensation Committee duly constituted), be and is hereby, accorded to create, grant, offer, issue and allot in one or more tranches, 500000 (Five Lacs) Options to the following identified employee of the Company, during any one year, aggregating equal to or more than 1% of the issued capital (excluding outstanding warrants and any other convertible instruments) of the Company at the time of grant of Options convertible into Equity Shares of the Company, subject to adjustment / enhancement / reduction proportionately in case of any bonus, stock splits or consolidations or other reorganization of the Capital Structure of the Company as may be applicable from time to time, in such manner, at such price, during such period, in one or more tranches over varying vesting schedules and on such terms and conditions as the Board (including Compensation Committee duly constituted) may decide :

Sl. No.	Name of Employee	Designation	No. of Options to be granted
1	Gautam Patel	Head-Principal Investments	500000

NOTES :

- The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the business under Item Nos. 6, 7, 8, and 9 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.
- 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.
- The Register of Members and Transfer Books of the Company will be closed from Saturday, 18 September 2010 to Tuesday, 28 September 2010, both days inclusive. Dividend, if declared, shall be paid on or after 28 September 2010 as under :
 - 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 Friday, 17 September 2010; and
 - 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 Friday, 17 September 2010.
- 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 can not 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.
- Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent namely 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 Agent.
- Shareholders are requested to bring their copy of Annual Report to the Meeting.
- 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 18 September 2010 to 28 September 2010 (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 28 September 2010.
 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 / 84, 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 in lieu thereof.
 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. Sita Ram Bansal and Mr. Krishna Kumar Gupta, Directors of the Company, retire by rotation and, being eligible, offer themselves for re-appointment. Mr. Shiv Karan Singh is proposed to be appointed as a Director of the Company liable to retire by rotation in the ensuing Annual General Meeting.
- 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
August 13, 2010

RAJIV L. JHA
Vice President & Company Secretary

Explanatory Statement

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

Item No. 6

Shiv Karan Singh brings 33 years of experience in consulting, investment banking, telecommunications, insurance, BPO and IT related services. He worked for 16 years in the US with Merrill Lynch and Equitable Life Assurance (now part of AXA). In 1999, he set up the advisory firm, India Contact Center Advisory, which provides consultancy services to major US and UK companies for BPO and IT related services. The services included vendor selection, strategic alliances, productivity improvement, benchmarking and acquisitions.

Along with his consultancy services, Mr. Singh has been :

- Country representative for Global Technology Distributors Council, US, for bringing sales database services and providing an industry wide platform for the Indian IT distributors in India.
- Managing Director for Trinity Horne, UK, in India for management productivity improvement consultancy to BPO, IT and Telecommunication companies

- Country representative for Lincoln Financial Group, US, and Canada Life, Canada, for their proposed entry in India for the insurance business.
- Country representative for Swedish Telecom (Telia) for their joint venture with Bharti Airtel for telecommunications in India.
- Head of Investment Banking with HSBC in New Delhi.

In 2005, he started an Indian contemporary art private collection for select overseas investors and continues to run this private collection.

Mr. Singh's education consists of:

- MBA in Finance and Accounting from London Business School
- APC in Business Economics from Stern Business School, New York University
- BA (Hons.) in Mathematics from St. Stephen's College, Delhi University

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

None of the Directors of the Company, except Mr. Shiv Karan Singh, is in any way, concerned or interested in the said Resolution.

None of the existing directors of the Company has any relationship with Mr. Shiv Karan Singh.

Item No. 7

The shareholders of the Company at the Annual General Meeting held on 31 July 2004 authorised the Board to borrow money exceeding the aggregate of paid-up capital and free reserves upto an amount of Rs. 1,00,00,00,000 (Rupees One Hundred Crores). Now, since the operations of the Company are increasing in scale and in view of the expansion plans of the Company, it would be in the larger interest of the Company, and ultimately the Members of the Company, if the Board of Directors is empowered to borrow funds in excess of the paid-up capital and free reserves of the Company upto the extent of Rs. 2,00,00,00,000 (Rupees Two Hundred Crores) and employ the same in the implementation of the expansion plans and in high yielding securities. As the power to borrow money in excess of the paid-up capital and free reserves of the Company, can be exercised by the Board only with the prior approval of the Members in the General Meeting, therefore, the Directors recommend the Resolution to be passed by Members as an Ordinary Resolution.

None of the Directors of the Company, except to the extent of their directorships in the entities from which your Company would be borrowing from time to time, are concerned or interested in this item of business.

Item No. 8

The shareholders of the Company, by way of postal ballot, results of which were declared on 8 January 2008, authorised the Board to make inter-corporate loans, give guarantee or provide security or acquire various securities of other entities / body corporate upto an amount of Rs. 75,00,00,000 (Rupees

Seventy Five Crores) which was exceeding 60% of paid-up capital and free reserves or 100% of free reserves. Now, over a period of time, your Company has ventured into the activities of non-banking finance, commodities broking, insurance broking and reinsurance broking through its subsidiaries and group company / ies. In that light, for the purpose of temporary lending to its subsidiaries or group companies or any other company(ies)/ giving guarantee or providing security in relation to the loan extended to / by the aforesaid entities / acquisition of shares / securities of its subsidiaries or group companies or any other company(ies), it is required to increase the extent of the aforesaid from Rs. 75,00,00,000 (Rupees Seventy Five Crores) to Rs. 3,00,00,00,000 (Rupees Three Hundred Crores), i.e. exceeding the limits as prescribed under Section 372A of the Companies Act, 1956, at any given point of time, thereby requiring your consent through a special resolution.

None of the Directors of the Company, except to the extent of their directorships in the aforesaid entities from time to time, are concerned or interested in this item of business.

Item No. 9

This is to intimate that as on date the number of stock options outstanding amounting to 3610000 stock options. Further, the Compensation Committee of the Company in its meeting held on 27 February 2010 amended the extant "Almondz Global Securities Employees Stock Option Scheme 2007" (hereinafter "**the Scheme**") to the extent that the number of stock options available for grant had been increased from 4500000 or 15% of paid-up capital (amounted to 3798265 options as on date) whichever is lower, to 15000000 or 50% of paid-up capital (amounted to 12678383 options) whichever is lower, and the same was also approved by the Board at its meeting held on 5 March 2010 and by the shareholders of the Company on 13 April 2010.

Under the aforesaid Scheme read with SEBI ESOP Guidelines, 1999, the consent of the shareholders of the Company has been mandated in order to enable the Company to grant Stock Options equal to or more than 1% of issued capital (excluding outstanding warrants and any other convertible instruments) of the Company at the time of issue of options to the identified employees. The Compensation Committee, in its meeting held on 13 August 2010, has recommended the name of Mr. Gautam Patel, Head-Principal Investments, of the Company for the purpose of grant of stock options in such a manner that the said grant consisting of 500000 stock options would be equal to or more than 1% of the issued capital of the Company (excluding outstanding warrants and any other convertible instruments) at the time of grant of Options, in view of his potential to bring recognition to the Company thereby leading to the overall growth of the Company:

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
August 13, 2010

RAJIV L. JHA
Vice President & Company Secretary

LAST FIVE YEARS AT A GLANCE

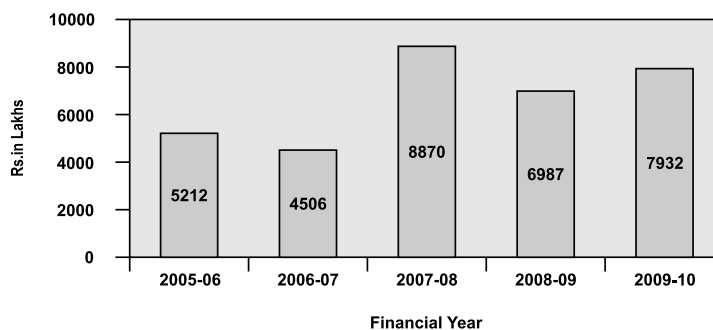
Rs. In Lacs*

Sl. No.	Particulars / Financial Year	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
1	Gross Revenue	5211.93	4505.81	8869.65	6986.53	7932.45
2	EBIDTA	1318.63	917.63	1905.33	1462.82	2045.43
3	PBT	1283.90	904.16	1458.01	1013.86	1693.03
4	PAT	776.35	559.17	994.30	600.40	1077.57
5	Paid-up Equity Capital	780.79	959.77	1519.31	1519.31	1519.31
6	Net Worth	1875.28	2573.41	8462.17	9055.11	10093.64
7	Current Assets	3307.44	5280.19	12232.92	8917.62	13336.30
8	Current Liabilities	589.04	425.93	1047.04	1479.91	2030.30
9	Provisions	353.45	183.47	120.02	160.43	193.37
10	Total Assets	4338.81	6201.19	12969.77	9451.17	13036.64
11	Current Ratio	5:1	11.24:1	11.68:1	6.03:1	6.57:1
12	Total Assets Turnover	1.20	0.73	0.68	0.74	0.61
13	Fixed Assets Turnover	12.46	7.53	5.74	4.21	6.91
14	EPS	5.32	3.50	4.32	2.37	4.22

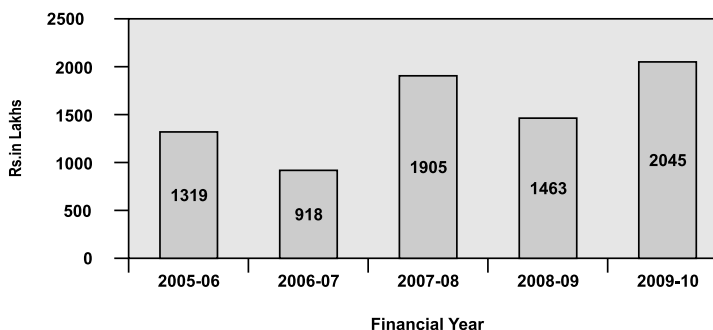
* Figures of 2008-09 may vary on account of reclassification

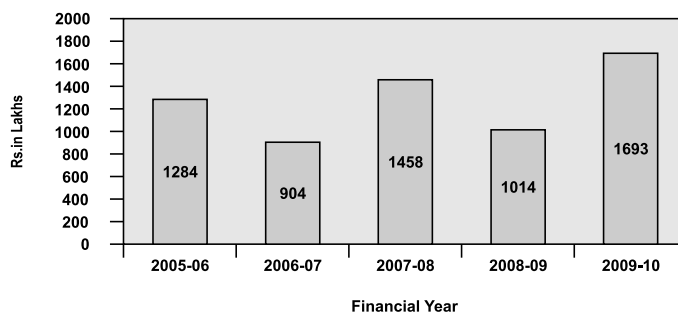
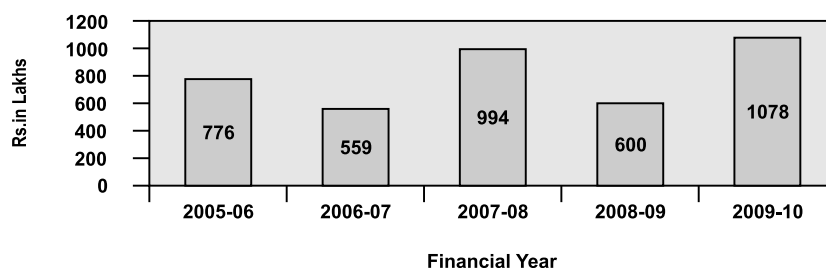
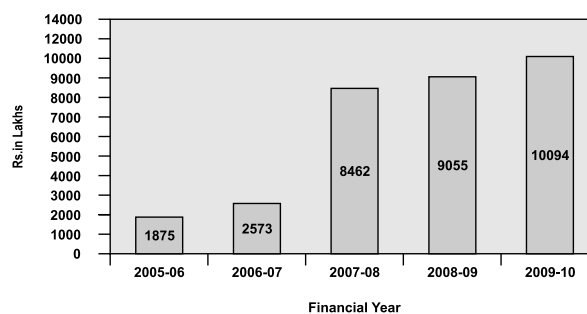
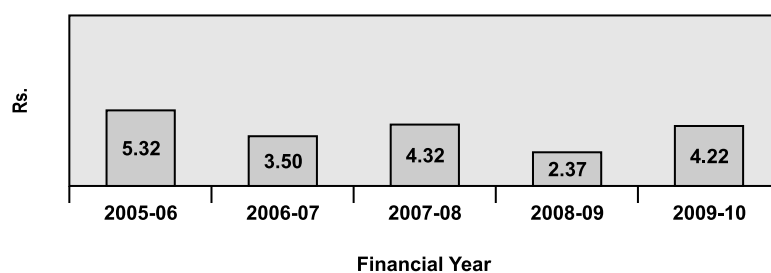
* Except Sl. Nos. 11 to 14 which are ratio

Gross Revenue



EBIDTA



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, 2010.

1. Financial Results

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

	(Rs. in Lacs)	
	Year Ended 31.03.2010	Year Ended 31.03.2009
Gross Income	7932.45	6986.53
Profit before Interest, Depreciation & Tax	2045.43	1462.82
Less : Interest	162.62	252.25
Less : Depreciation	189.78	196.71
Less : Provision for Tax	615.46	413.46
Net Profit after Tax	1077.57	600.40
Profit/(Loss) brought forward	2349.79	1838.27
Profits available for Appropriation	3427.36	2438.67
Appropriations :		
Transfer to General Reserve	—	—
Transfer as Proposed Dividend	106.35	75.97
Corporate Dividend Tax	18.07	12.91
Profit/(Loss) carried to Balance Sheet	3302.94	2349.80

2. Dividend

Based on your Company's performance, your Directors recommend for your consideration a dividend of Rs. 0.42 per Equity Share of Rs. 6/- each for the financial year ended 31 March, 2010. The final outgo on dividend is as under :

(in Rs.)

	Current Year 2009-10	Previous Year 2008-09
On 25321767 fully paid-up equity shares of Rs. 6/- each, @ Rs. 0.42 per share	10635142.14	—
(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	1807442.00	1291030.00

As abovementioned, the total outflow on dividend payout will be Rs. 12442584.14 which would translate to 11.55% of the profits of the Company.

3. Transfer to Reserves

Since your Company has declared dividend @ 7%, 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. 3302.94 Lacs.

4. Operating Results and Business

For the year ended March 31, 2010, the Company earned a total income of Rs. 7932.45 Lacs, as against previous year's Rs. 6986.53 Lacs. As per the Consolidated Accounts, the total income was Rs. 8297.07 Lacs, as against the previous year's Rs. 7092.05 Lacs. The net

profit of the Company for the year was Rs. 1077.57 Lacs (13.58% of total income) as compared to Rs. 600.40 Lacs (8.59% of total income) in the previous year. As per the Consolidated Accounts, the net profit for the year was Rs. 1097.93 Lacs (13.23% of total income) as compared to Rs. 548.25 Lacs (7.73% of total income) in 2008-09.

5. 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 2010, your Company has a diverse employee base with 480 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.

6. 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 Standard 21 issued by the Institute of Chartered Accountants of India.

7. 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 2010 is annexed hereto.

8. 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. The Auditors' certificate on compliance with the mandatory provisions of the Corporate Governance Clause (Clause 49 of the Listing Agreement) is annexed therewith.

9. 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.

10. Policy on Insider Trading

Your Company formulated and implemented a Code of Conduct for Prevention of Insider Trading (Code) 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, Vice President & Company Secretary, as the Compliance Officer under the said 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 your Company's website.

11. 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 2009-10, 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 2009-10 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.

12. Holding Company

During the year under Report, your Company acquired 51% stake in one of its Group companies namely Almondz Insurance Brokers Pvt. Ltd., thereby making the aforesaid company and its subsidiary namely Almondz Reinsurance Brokers Pvt. Ltd., the subsidiaries (direct and step-down) of your Company.

Prior to acquisition of 51% stake by your Company in Almondz Insurance Brokers Pvt. Ltd. (AIBPL), AIBPL was holding 33334 equity shares in your Company as allotted to AIBPL pursuant to the Scheme of Amalgamation between the erstwhile Almondz Capital Markets Pvt. Ltd. with your Company vide Hon'ble High Court of Delhi Order dated 5 February 2008. The paid-up capital of your Company as on 31 March 2010 comprised of 25321767 equity shares of Rs. 6/- each. Pursuant to the provisions of Section 42(3) of the Companies Act, 1956, the aforesaid 33334 equity shares held by AIBPL in your Company have no right to vote at the meetings of your Company thereby leading to the reduction in the number of voting equity shares comprising the paid-up capital of your Company as at 31 March 2010 in the Consolidated Accounts. Based on the aforesaid, the shareholding of one of the promoters

of your Company namely Almondz Capital & Management Services Limited (12653314 equity shares) in your Company as on 31 March 2010 constituted 50.03%, thereby making Almondz Capital & Management Services Limited as the Holding company of your Company pursuant to the provisions of Section 4 of the Companies Act, 1956.

13. Subsidiary Companies

During the year under reporting, the Company had five subsidiaries namely Almondz Finanz Ltd., Almondz Commodities Pvt. Ltd., Almondz Retail Equity Ltd., Almondz Insurance Brokers Pvt. Ltd., and Almondz Re-insurance Brokers Pvt. Ltd. (Step-down Subsidiary).

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. 47/500/2010-CL-III dated June 17, 2010, the provisions of section 212(1) shall not apply in respect of all the five (5) Subsidiaries of your Company, as on March 31, 2010 namely Almondz Commodities Pvt. Ltd., Almondz Finanz Ltd., Almondz Retail Equity Ltd., Almondz Insurance Brokers Pvt. Ltd., and Almondz Re-insurance Brokers Pvt. Ltd. The said exemption has been granted on the condition, inter alia, of presenting the Audited Consolidated Accounts/Financial Statements of your Company and its Subsidiary Companies prepared in strict compliance with the Accounting Standard (AS-21) and Listing Agreement as prescribed by Securities and Exchange Board of India (SEBI) along with the standalone Audited Accounts/Financial Statements of the Company. In terms of the said exemption, the Audited Balance Sheets as at the March 31, 2010 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, 2010. The Company will make available the annual accounts of the aforesaid subsidiary companies and the related detailed information to its investors as well as to the investors of its subsidiary companies at any point of time. The annual accounts of the aforesaid subsidiary companies will also be kept for inspection by any investor during business hours at our Registered Office and respective registered offices of the subsidiaries besides your Company shall furnish a hard copy of accounts of subsidiaries to any shareholder on demand.

Following information in aggregate for each subsidiary are also disclosed in one page after the consolidated accounts : (a) capital (b) reserves (c) total assets (d) total liabilities (e) details of investment (except in case of investment in the subsidiaries) (f) turnover (g) profit before taxation (h) provision for taxation (i) profit after taxation (j) proposed dividend. Further, the details of the accounts of individual subsidiary companies are also put on your Company's website www.almondzglobal.com

14. 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 31 March 2010 is enclosed.

15. Fixed Deposits

During the year under Report, your Company had 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.

16. Directors

During the year under Report, Mr. Amarjyot Singh Anand ceased to be a Director of the Company on account of vacation of his office under the provisions of Section 283(1)(g) of the Companies Act, 1956 w.e.f. 29 July 2009. Further, Mr. Surendar Kumar Sood had been appointed as an Additional Director on 29 July 2009 who was later on appointed as a Director retireable by rotation at the 15th Annual General Meeting held on 24.09.2009.

Mr. Sita Ram Bansal and Mr. Krishna Kumar Gupta, Directors, retire by rotation at the ensuing 16th Annual General Meeting.

On 28 May 2010, Mr. Shiv Karan Singh 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 16th 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.

17. 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 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 which was also approved by the shareholders on March 4, 2008 through Postal Ballot.

However, with the passage of time, it was felt to make some changes/amendments in the existing Scheme to suit the present & future business requirements which could be applicable to all the future grants made under the Scheme in line with several peer companies who adopted multiple vehicles to drive different objectives such as performance and retention while at the same time limit dilution.

Accordingly, the extant Scheme was amended vide approval of the shareholders of the Company by passing a Special Resolution on 13 April 2010 by way of postal ballot, thereby increasing the number of options which can be granted under the Scheme from 4500000 or 15%