almondz
the financial powerhouse

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
David John Wilson +	–	Non-Executive & Independent Director
Sanjay Kumar Tiwari #	–	Non-Executive & Independent Director

^ Navjeet Singh Sobti has been re-appointed as the Wholetime Director (designated as Executive Vice Chairman) of the Company w.e.f. 19 May 2011 for a further period of five years

> Vinay Mehta has been re-appointed as the Managing Director of the Company w.e.f. 19 May 2011 for a further period of five years

* Qais M. M. Al-Yousef had resigned from the directorship of the Company w.e.f. 10 February 2011

@ Krishna Kumar Gupta had resigned from the directorship of the Company w.e.f. 10 February 2011

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

\+ David John Wilson has been appointed as an Additional Director of the Company w.e.f. 10 February 2011. However, he has resigned from the directorship of the Company w.e.f. 8 August 2011

\# Sanjay Kumar Tiwari has been appointed as an Additional Director of the Company w.e.f. 10 February 2011

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.
Citi bank

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; beetalrta@gmail.com
Website : www.beetalfinancial.com

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Notice

TO THE SHAREHOLDERS,

NOTICE is hereby given that the 17th Annual General Meeting of the Members of ALMONDZ GLOBAL SECURITIES LIMITED will be held on Thursday, the 29th day of September 2011, at 12.30 P.M. at MPCU Shah Auditorium, Shree Delhi Gujarati Samaj (Regd.), 2, Raj Niwas Marg, Civil Lines, Delhi - 110054, 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 2011 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 16 September 2011/as at the close of business hours on 16 September 2011, be and is hereby, declared out of the current/accumulated profits of the Company for the Financial Year ended on 31 March 2011."

   "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. Atul Kumar Shukla, 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. Surendar Kumar Sood, 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. Sanjay Kumar Tiwari, 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 Section 31 of the Companies Act, 1956 and any other applicable provisions therein, including any modification/amendment thereto from time to time, the following new Clause 68A, be and is hereby, inserted after Clause 68 in the existing Articles of Association of the Company :

   "68A. Meetings, Decisions and Voting by some or all members by Digital Electronic means like e-mail, Internet Conference, Video Conference, Telephone Conference etc., will have the same effect as a Meetings, Decisions, and Voting done in a meeting, physically attended by members."

8. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution :

   "RESOLVED THAT pursuant to Section 31 of the Companies Act, 1956 and any other applicable provisions therein, including any modification/amendment thereto from time to time, the following new Clause 100A, be and is hereby, inserted after Clause 100 in the existing Articles of Association of the Company :

   "100A. Subject to the applicable provisions, if any, of the Companies Act, 1956 and other regulatory provisions, if any, the Board of Directors may participate in a meeting by means of a conference telephone or a video conference telephone or similar communications equipment by which all members participating in the meeting are able to hear and be heard by all other members of the Board without the need for a member to be in the physical presence of another member(s) and participation in the meeting in this manner shall be deemed to constitute presence in person at such meeting, and all relevant articles dealing with Board or Committee Meetings shall be read mutatis mutandis. The members participating in any such meeting shall be counted in the quorum for such Board Meeting and subject to there being a requisite quorum under these Articles, all resolutions agreed by the members in such Board Meeting shall be deemed to be as effective as a resolution passed at a meeting in person of the Board members duly convened and held. A Board Meeting conducted by means of a conference telephone or a video conference telephone or similar communications equipment as aforesaid is deemed to be held at the place agreed upon by the Board members attending the Board Meeting, provided that at least one of the Board members present at the Board Meeting was at that place for the duration of the Board Meeting."

NOTES :

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the business under Item Nos. 6, 7, and 8 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, 17 September 2011 to Thursday, 29 September 2011, both days inclusive. Dividend, if declared, shall be paid on or after 29 September 2011 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 Friday, 16 September 2011; 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 Friday, 16 September 2011.

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 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.

6. As a measure of austerity, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the 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 17 September 2011 to 29 September 2011 (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 29 September 2011.

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 Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

15. The Company is registered with the following depositaries 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.

16. 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.

17. 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.

18. Re-appointment / Appointment of Directors : At the ensuing Annual General Meeting, Mr. Atul Kumar Shukla and Mr. Surendar Kumar Sood, Directors of the Company, retire by rotation and, being eligible, offer themselves for re-appointment. In the ensuing Annual General Meeting, Mr. Sanjay Kumar Tiwari is proposed to be appointed as the Director of the Company liable to retire by rotation.

   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 8, 2011

RAJIV L. JHA
Vice President & Company Secretary

Explanatory Statement

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

Item No. 6

Mr. Sanjay Kumar Tiwari, aged 46 years, is a Chartered Accountant with accreditations from the Institute of Chartered Accountants of India, and a graduate in Commerce. He has 25 years of experience in Industries ranging from Textile, Cement, Tyre & Engineering to FMCG. He has in-depth knowledge of Middle East, South East and South Asian Markets. His core expertise has been to monitor and manage the operations of varied industries from financial and commercial viewpoint. He has also been instrumental in turning around loss making companies in countries i.e. Malaysia, Egypt, India and Middle East.

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

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

None of the existing directors of the Company has any relationship with Mr. Sanjay Kumar Tiwari.

Item No. 7 & 8

Pursuant to the recent *"Green Initiative in the Corporate Governance"* prescribed by Ministry of Corporate Affairs, the meetings of Board / Committee thereof as well as meetings of the members of a Company may be conducted through video conferencing subject to compliance / fulfillment of various conditions prescribed therein by the said Ministry.

Accordingly, in order to provide for a general enablement in the extant Articles of Association of the Company, it is required to amend the extant Articles of Association by inserting two new Clauses, i.e. Clause 68A and Clause 100A as mentioned in the aforestated resolutions pertaining thereto.

The Board of Directors recommends the resolutions appearing under Item Nos. 7 and 8 for the members' approval in the manner as mentioned therein.

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 8, 2011

RAJIV L. JHA
Vice President & Company Secretary

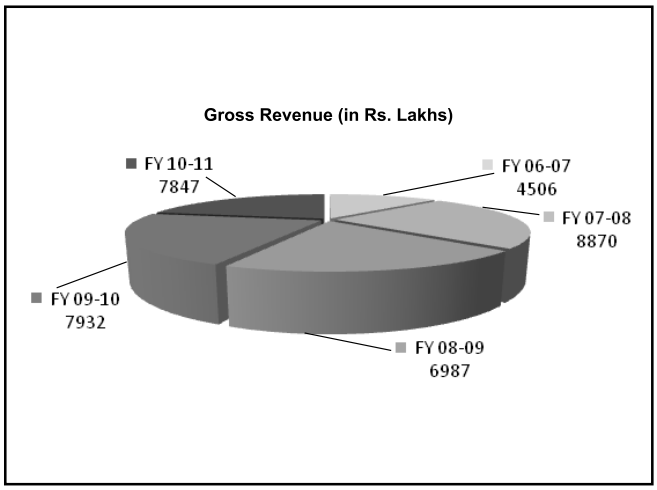
LAST FIVE YEARS AT A GLANCE

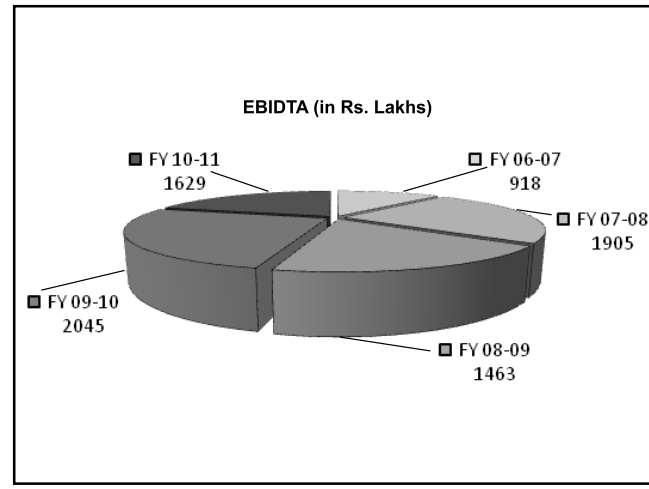
Rs. In Lacs*

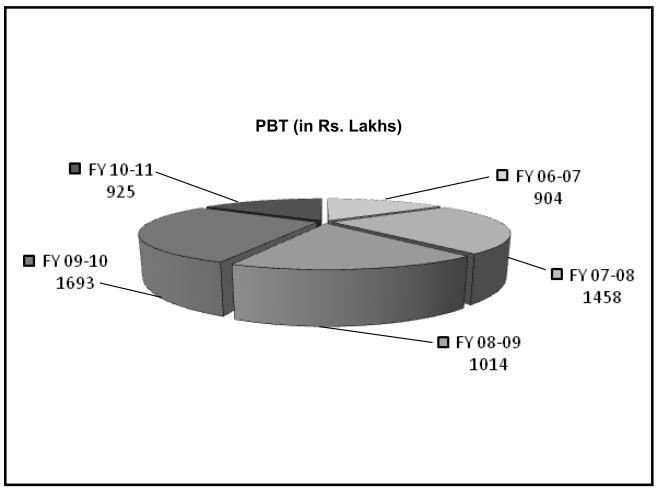
Sl. No.	Particulars / Financial Year	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
1	Gross Revenue	4505.81	8869.65	6986.53	7932.45	7846.78
2	EBIDTA	917.63	1905.33	1462.82	2045.43	1629.48
3	PBT	904.16	1458.01	1013.86	1693.03	925.07
4	PAT	559.17	994.30	600.40	1077.57	656.25
5	Paid-up Equity Capital	959.77	1519.31	1519.31	1519.31	1529.10
6	Net Worth	2573.41	8462.17	9055.11	10093.64	10710.00
7	Current Assets	5280.19	12232.92	8917.62	13336.30	10059.31
8	Current Liabilities	425.93	1047.04	1479.91	2030.30	2481.49
9	Provisions	183.47	120.02	160.43	193.37	239.57
10	Total Assets	6201.19	12969.77	9451.17	13036.64	13952.04
11	Current Ratio	11.24:1	11.68:1	6.03:1	6.57:1	4.05:1
12	Total Assets Turnover	0.73	0.68	0.74	0.61	0.56
13	Fixed Assets Turnover	7.53	5.74	4.21	6.91	1.80
14	EPS	3.50	4.32	2.37	4.22	2.57

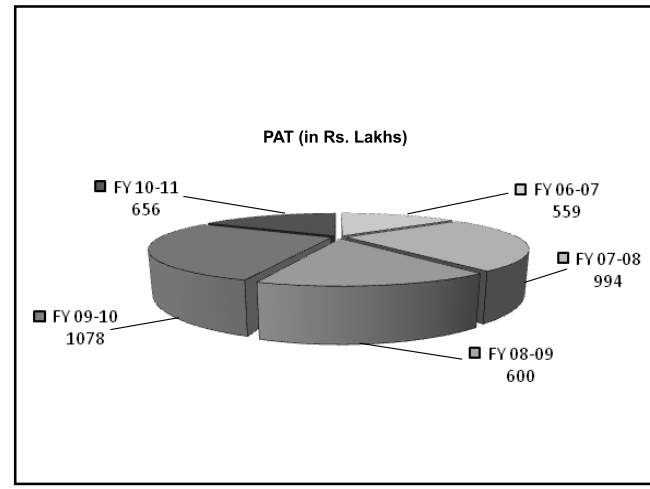
* Figures of 2008-09 may vary on account of reclassification

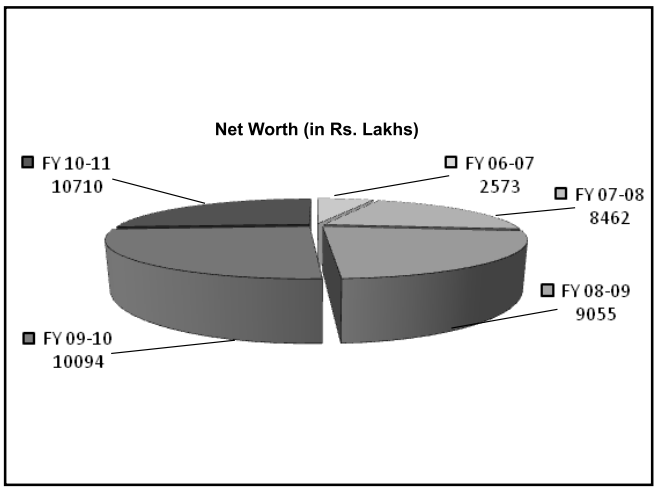
* *Except Sl. Nos. 11 to 14 which are ratio*

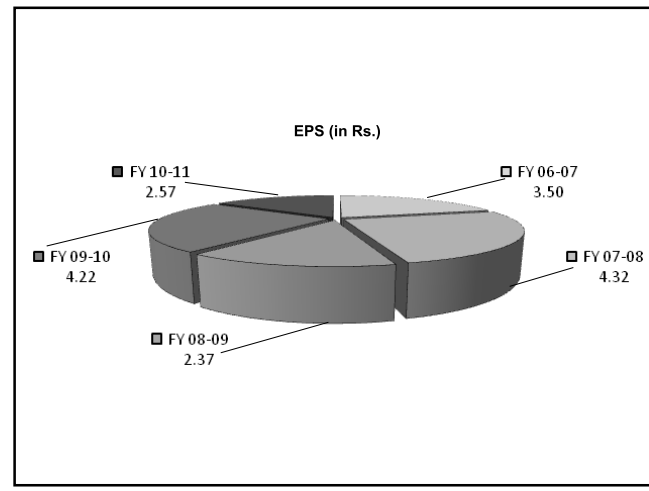

Gross Revenue (in Rs. Lakhs)
FY 10-11
7847
FY 06-07
4506
FY 07-08
8870
FY 09-10
7932
FY 08-09
6987


EBIDTA (in Rs. Lakhs)
FY 10-11
1629
FY 06-07
918
FY 07-08
1905
FY 09-10
2045
FY 08-09
1463


PBT (in Rs. Lakhs)
FY 10-11
925
FY 06-07
904
FY 07-08
1458
FY 09-10
1693
FY 08-09
1014


PAT (in Rs. Lakhs)
FY 10-11
656
FY 06-07
559
FY 07-08
994
FY 09-10
1078
FY 08-09
600


Net Worth (in Rs. Lakhs)
FY 10-11
10710
FY 06-07
2573
FY 07-08
8462
FY 08-09
9055
FY 09-10
10094


EPS (in Rs.)
FY 10-11
2.57
FY 06-07
3.50
FY 09-10
4.22
FY 07-08
4.32
FY 08-09
2.37

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, 2011.

1. Financial Results

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

(Rs. in Lacs)

	Year Ended 31.03.2011	Year Ended 31.03.2010
Gross Income	**7846.78**	7932.45
Profit before Interest, Depreciation & Tax	**1629.48**	2045.43
Less : Interest	**432.44**	162.62
Less : Depreciation	**271.97**	189.78
Less : Provision for Tax	**268.82**	615.46
Net Profit after Tax	**656.25**	1077.57
Profit / (Loss) brought forward	**3302.94**	2349.79
Profits available for Appropriation	**3959.19**	3427.36
Appropriations :		
Transfer to General Reserve	**—**	—
Divided (Including corporate dividend tax for the previous year paid during the year)	**0.17**	—
Transfer as Proposed Dividend	**107.04**	106.35
Corporate Dividend Tax	**17.78**	18.07
Profit / (Loss) carried to Balance Sheet	**3834.20**	3302.94

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, 2011. The final outgo on dividend is as under :

(in Rs.)

	Current Year 2010-11	Previous Year 2009-10
On 25484967 fully paid-up equity shares of Rs. 6/- each, @ Rs. 0.42 per share	**10703686.14**	—
On 25356767 fully paid-up equity shares of Rs. 6/- each, @ Rs. 0.42 per share (Previous Year – Final Dividend)	**—**	10649842.14 *
Corporate Dividend Tax	**1777749.00**	1807442.00

** includes dividend for the previous year paid on shares issued after the balance sheet date and prior to the record date*

As abovementioned, the total outflow on dividend payout will be Rs. 12481435.14 which would translate to 19.02% 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. However, there is an amount of dividend for the previous year which was paid during the year and accordingly the surplus carried to the Balance Sheet amounted to Rs. 3834.20 Lacs.

4. Standalone & Consolidated Financials

For the year ended March 31, 2011, your Company earned a total income of Rs. 7846.78 Lacs, as against previous year's Rs. 7932.45 Lacs. As per the Consolidated Accounts, the total income was Rs. 10029.33 Lacs, as against the previous year's Rs. 8297.07 Lacs. The net profit of the Company for the year was Rs. 656.25 Lacs (8.36% of total income) as compared to Rs. 1077.57 Lacs (13.58% of total income) in the previous year. As per the Consolidated Accounts, the net profit for the year was Rs. 955.80 Lacs (9.53% of total income) as compared to Rs. 1097.93 Lacs (13.23% of total income) in 2009-10.

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 2011, your Company has a diverse employee base with 409 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 Standards 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 2011 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. All the directors, Senior Management Personnel and such other designated employees of the Company, who are expected to have access to unpublished price sensitive information relating to the Company or its client/s, are covered under the said Code. The Directors, Senior Management Personnel, designated employees, and their dependent relatives, are restricted in dealing in the shares of the Company or its clients while in possession of unpublished price sensitive information about the Company or its clients, as the case may be. Further, the aforesaid persons are restricted in dealing in shares of the Company during closed "Trading Window". All the Directors, senior management personnel and other designated employees of the Company are restricted from entering into opposite transactions, i.e., buy or sell any number of shares during the next six months following the prior transaction, and they are also restricted from taking any positions in derivative transactions in the shares of the Company at any time, as per the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2008.

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 2010-11, 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 2010-11 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 2009-10, 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. Therefore, the number of equity shares carrying voting rights comprising paid-up share capital of your Company as at 31 March 2010 was reduced to 25288433 equity shares. However, during the year ended 31 March 2011, AIBPL disposed off 20340 equity shares of your Company. Accordingly, during the year under Report, the number of equity shares of your Company carrying voting rights had increased to 25471973 (including 163200 equity shares allotted during the year under Report) as at 31 March 2011. Based on the aforesaid, the shareholding (12653314 equity shares) of one of the promoters of your Company namely Almondz Capital & Management Services Ltd. (ACMS) in your Company as on 31 March 2011 constituted 49.67%, thereby ceasing ACMS from being 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.

The provisions of Section 212 of the Companies Act, 1956 provides for the attachment of annual accounts and other requisite documents of all the subsidiary companies with the Balance Sheet of the holding company to be sent to all the shareholders of the holding company. However, Section 212(8) of the Companies Act, 1956 provides for an exception to the aforesaid requirement by way of allowing the Holding company to make an application to the Central Government for exemption from attaching the said documents with the Balance Sheet of the Holding company.

However, during the year under Report, the Ministry of Corporate Affairs, vide General Circular No. 2/2011 (No. 5/12/2007-CL-III) dated 8th February 2011 came out with a direction that henceforth the requirement of seeking Central Government's exemption from attaching the balance sheet/s of the subsidiaries shall not apply to a company provided the following conditions as stipulated in the aforesaid General Circular are complied with :

1. The Board of Directors of the Company has by resolution given consent for not attaching the balance sheet of the subsidiary concerned ;
2. The company shall present in the annual report, the consolidated financial statements of holding company and all subsidiaries duly audited by its statutory auditors ;
3. The consolidated financial statement shall be prepared in strict compliance with applicable Accounting Standards and, where applicable, Listing Agreement as prescribed by the Securities and Exchange Board of India ;
4. The company shall disclose in the consolidated balance sheet the following information in aggregate for each subsidiary including subsidiaries of subsidiaries:- (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 ;
5. The holding company shall undertake in its annual report that annual accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies shall also be kept for inspection by any shareholders in the head office of the holding company and of the subsidiary companies concerned and a note to the above effect will be included in the annual report of the holding company. The holding company shall furnish a hard copy of details of accounts of subsidiaries to any shareholder on demand ;
6. The holding as well as subsidiary companies in question shall regularly file such data to the various regulatory and Government authorities as may be required by them ;
7. The company shall give Indian rupee equivalent of the figures given in foreign currency appearing in the accounts of the subsidiaries companies along with exchange rate as on closing day of the financial year.

Accordingly, the Board, in its meeting held on 28 May 2011 granted its consent as aforesaid.

Further, pursuant to the aforesaid General Circular, your Company undertakes that the annual accounts of its subsidiary companies and the related detailed information shall be made available to our shareholders and shareholders of subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies shall also be kept for inspection by any shareholders in the head office/registered office of your Company and of the subsidiary companies concerned. The holding company shall furnish a hard copy of details 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 2011 is appearing elsewhere in this Annual Report.

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

Mr. Shiv Karan Singh was inducted on the Board of Directors of the Company as an Additional Director on 28 May 2010 who was later on appointed as a Director retirable by rotation at the 16th Annual General Meeting held on 28 September 2010.

During the year under Report, Mr. Qais M.M. Al-Yousef and Mr. Krishna Kumar Gupta (as nominated by Al Anwar Holdings SAOG, Sultanate of Oman) resigned from the directorships of the Company w.e.f. 4 February 2011, and in their places, Mr. David John Wilson and Mr. Sanjay Kumar Tiwari had been inducted (as nominated by Al Anwar Holdings SAOG) as Additional Directors of the Company w.e.f. 10 February 2011. Further, w.e.f. 8 August 2011, Mr. David John Wilson resigned from the Board of Directors of the Company. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Sanjay Kumar Tiwari shall hold office only up to the date of the ensuing 17th 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 abovestated person, proposing his appointment as an Ordinary Director of the Company retirable by rotation.

Mr. Atul Kumar Shukla and Mr. Surendar Kumar Sood, Directors, retire by rotation at the ensuing 17th Annual General Meeting.

On 14 May 2011, Mr. Navjeet Singh Sobti and Mr. Vinay Mehta (whose terms were expiring on 18 May 2011) have been re-appointed for a further period of 5 years w.e.f. 19 May 2011 as Wholetime Director (designated as Executive Vice Chairman), and Managing Director, respectively. The aforesaid re-appointments have already been confirmed / consented to by the Shareholders of the Company on 22 June 2011 vide Postal Ballot.

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. Thereafter, the 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% of paid-up share capital of the Company, whichever is lower, to 1,50,00,000 or 50% of paid-up share capital of the Company, whichever is lower.

During the year under Report, on May 28, 2010, the Compensation Committee of the Board of Directors granted 105000 options to the eligible employees, each option conferring on the concerned employee a right for one equity share of Rs. 6/- each.

During the year under Report, no lapsing of options occurred.

Further, during the year under Report, pursuant to the Scheme and the terms of the grants made, an aggregate of 1164500 options got vested in the optionholders as per the applicable vesting schedule of the respective grants.

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 has received options exceeding 5% of the number of the options issued during the year ended 31 March 2011. 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.

18. Issuance of Equity Shares

During the year under Report, under the "Almondz Global Securities Employees Stock Option Scheme 2007", out of ESOS Series 'A', an aggregate of 129000 options; out of ESOS Series 'B', 25000 options; and out of ESOS Series 'C', an aggregate of 9200 options were exercised by the respective grantee-employees, against an aggregate of 163200 equity shares which were allotted by your Company on August 13, 2010 and on October 8, 2010, as the case may be.

19. Listing of Equity Shares

During the year under Report, the equity shares of your Company are listed at National Stock Exchange of India Ltd., Mumbai, and Bombay Stock Exchange Limited, Mumbai.

20. Ratings for Term Funding

During the year under report, no rating was accorded to your Company's term borrowings.

21. Memberships of Wholesale Debt Market Segment at National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd.

During the year under Report, in order to diversify its bouquet of services to its valued clients, your Company obtained the memberships of Wholesale Debt Market (WDM) Segment of National Stock Exchange of India Ltd. as well as Bombay Stock Exchange Ltd.

The Wholesale Debt Market segment deals in fixed income securities and provides screen-based trading facilities for a variety of debt instruments including Government Securities, Treasury Bills and Bonds issued by Public Sector

Undertakings / Corporates / Banks like Floating Rate Bonds, Zero Coupon Bonds, Commercial Papers, Certificate of Deposits, Corporate Debentures, State Government loans, SLR and Non-SLR Bonds issued by Financial Institutions, Units of Mutual Funds and Securitized debt by banks, financial institutions, corporate bodies, trusts and others. Large investors and a high average trade value characterize this segment and speak about providing transparency and efficiency to the debt market.

22. Auditors & Auditors' Report

The Statutory Auditors, M/s. B S R & Co., Chartered Accountants (Firm Registration No. 101248W), of your Company are due for retirement at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointed. Certificates have been received from them to the effect that their re-appointment as Auditors of the Company, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. They have also confirmed that they hold a valid peer review certificate as prescribed under Clause 41(1)(h) of Listing Agreement. Your Directors recommend their re-appointment for the ensuing year, i.e. FY 2011-12.

The members are requested to re-appoint M/s B S R & Co., Chartered Accountants, as the Statutory Auditors of the Company, for the period from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

The observations made in the Auditors' Report read with the relevant notes thereon are self-explanatory and hence, do not call for any comments under Section 217 of the Companies Act, 1956.

23. Particulars of Employees

The Ministry of Corporate Affairs, by notification dated 31 March 2011, issued the Companies (Particulars of Employees) Amendment Rules, 2011, which amended the limits of remuneration of the employees mentioned under Companies (Particulars of Employees) Rule, 1975. Accordingly, as per the Companies (Particulars of Employees) Amendment Rules, 2011 read with the provisions of Section 217(2A) of the Companies Act, 1956, details of the names and other particulars of employees drawing remuneration aggregating to more than Rs. 60,00,000 (Rupees Sixty Lacs) per annum, and Rs. 5,00,000 (Rupees Five Lacs) per month, are required to be attached to this report. Accordingly, the requisite information is given in an Annexure forming part of this Report.

24. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars as prescribed under Section 217(1)(e) of the Act, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 in relation to Conservation of Energy and Technology Absorption are not applicable to your Company during 2010-11.

Foreign Exchange Earnings & Outgo

During the year under review, foreign exchange earnings and outgo were as under :

Earnings : Rs. 220500/-

Outgo : Rs. 24269969/-

25. Acknowledgements

Your Directors would like to place on record their gratitude for all the guidance and co-operation received from the Securities and Exchange Board of India, the Bombay Stock Exchange Limited, National Stock Exchange of India Limited, National Securities Depository Limited, Central Depository Services (India) Limited and other government and regulatory agencies.

Your Directors are grateful to the Company's clients, investors, bankers and other business associates for their continued support.

Your Directors would also like to take this opportunity to express their appreciation to the dedicated and committed team of employees for their contribution to the Company and rendering high quality services to the clients. We would also like to thank all our shareholders for their support in our endeavours.

For and on behalf of the Board of Directors

New Delhi
August 8, 2011

ATUL KUMAR SHUKLA
Chairman