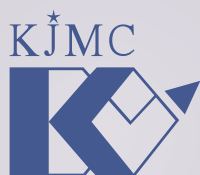


*Performing to Grow
Growing to Excel*



KJMC Global Market (India) Limited

**12th Annual Report
2009-2010**



BOARD OF DIRECTORS	:	Mr. I.C. Jain Mr. Rajnesh Jain Mr. Girish Jain Mr. S. C. Aythora Mr. Nitin Kulkarni Mr. Shailesh Shah	<i>Chairman</i> <i>Executive Director</i>
AUDITORS	:	Batliboi and Purohit Chartered Accountants National Insurance Building, 204, D. N. Road, Fort, Mumbai - 400 001.	
BANKERS	:	Union Bank of India UCO Bank	Citi Bank HDFC Bank Limited
REGISTERED OFFICE	:	168, Atlanta, 16th Floor, Nariman Point, Mumbai - 400 021. Tel. Nos. (022) - 4094 5500 (022) - 22832350 / 52 Fax No. 91-022 - 22852892 Website : www.kjmc.com	
REGISTRAR & TRANSFER AGENTS	:	Bigshare Services Pvt. Ltd. E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai - 400 072 Tel. No. : 28470652/53 • Fax No. 28475207 E-mail : info@bigshareonline.com Counter Timings : 10.30 a.m. to 12.30 p.m. • 1.30 p.m. to 3.30 p.m.	
GROUP BRANCH OFFICES	:	NEW DELHI 221, Hans Bhavan Bahadur Shah Zafar Marg, New Delhi - 110 002. AHMEDABAD Brodway Business Centre, 1st Floor, Shahjanand Complex, C. G. Road, Ahmedabad 380 008.	JAIPUR 41, Jai Jawan Colony II Tonk Road, Durgapur, Jaipur - 302018.

TWELFTH ANNUAL GENERAL MEETING

DATE Saturday, 25th September, 2010
TIME 4.15 P.M.
VENUE S.K. SOMANI MEMORIAL HALL
HINDI VIDYA BHAWAN
79, MARINE DRIVE, 'F' ROAD,
MUMBAI - 400 020.

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NOTICE

Notice is hereby given that Twelfth Annual General Meeting of the Members of KJMC Global Market (India) Limited will be held on Saturday, 25th September, 2010 at 4.15 P.M. at S. K. Somani Memorial Hall, Hindi Vidya Bhawan, 79-Marine Drive, F Road, Mumbai - 400 020 to transact the following business:

ORDINARY BUSINESS: -

- To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2010 and the Balance Sheet as at that date and the Report of the Board of Directors and Auditors thereon.
- To appoint a Director in place of Shri Rajnesh Jain, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Shri S. C. Aythora, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint Auditors and to authorize Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

- 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 provisions of Sections 198, 269, 309, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the terms of re-appointment of Shri Rajnesh Jain as 'Executive Director' of the Company for a period of three years from 1st November, 2010 to 31st October, 2013 (both days inclusive) on the terms and conditions as set out in the Explanatory Statement annexed to this Notice and that he be paid remuneration by way of salary, commission, perquisites and allowances as approved by the Board of Directors of the Company and the Remuneration Committee".

"RESOLVED FURTHER THAT the Board of Directors and the Remuneration Committee be and are hereby authorized to alter, amend, vary, enhance or modify the scope and quantum of remuneration by way of salary, commission, perquisites and allowances of Shri Rajnesh Jain as they may deem proper from time to time considering the nature and scope of his responsibilities as shall be permissible and in conformity with applicable provisions of the Companies Act, 1956".

FOR KJMC GLOBAL MARKET (INDIA) LIMITED

(I.C. JAIN)
CHAIRMAN

Place : Mumbai
Date : 27th May, 2010

NOTES :

- The related Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the item no. 5 setting out the material facts is annexed hereto.
- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The Instrument of Proxy in order to be effective should be deposited at the Registered Office of the Company at 168, Atlanta, Nariman Point, Mumbai - 400021, not less than forty eight hours before the commencement of the meeting.
- Members who hold Shares in dematerialized form are requested to write their client ID and DP ID numbers in the attendance slip for easy identification of attendance in the meeting.
- The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 18th September, 2010 to Saturday, 25th September, 2010 (both days inclusive) for the purpose of Annual General Meeting.
- As per the provisions of the Companies Act, 1956, facility for making nomination is available for shareholders in respect of their holdings. Nomination Form can be obtained from the Company's Registrar and Transfer Agents.
- Information required to be furnished under the Listing Agreement. The information required to be provided under the listing agreement entered into with the stock exchange regarding the Directors who are proposed

to be re-appointed, seeking appointment is given hereunder:

1. Name & Designation	Shri Rajnesh Jain, Director
Date of Birth	31 st January, 1967
Qualifications	B.Com, FCA
Expertise	Having vast experience in Corporate Finance, Merchant Banking and Capital Market.
Director of the Company since	1 st November, 2007

The other Directorships / Committee Memberships of Shri Rajnesh Jain are as follows:

Name of the Company	Committee Memberships	Board Memberships
KJMC Financial Services Limited	Member-Share Transfer and Investors' Grievance Committee.	Director
KJMC Capital Market Services Limited	Chairman- Audit Committee	Director
KJMC Shares and Securities Limited	-	Director
KJMC Technologies & Systems Limited	-	Director
Port City Infrastructure Development (I) Limited	-	Director
KJMC Credit Marketing Limited	-	Director
KJMC Commodities Market India Limited	-	Director
KJMC Realty Private Limited	-	Director
Prathamesh Enterprises Private Limited	-	Director
Graham Firth Steel Products (India) Limited	-	Director
KJMC Asset Management Company Limited	-	Director

2. Name & Designation	Shri S. C. Aythora
Date of Birth	10 th January, 1951
Qualifications	B. Com (Hons), F.C.A.
Expertise	He has more than 20 years of experience in the field of Corporate Accounts, Audit, Taxation and Company Law matters.
Director of the Company since	26 th December, 2008

The other Directorships / Committee Memberships of Shri S. C. Aythora are as follows:

Name of the Company	Committee Memberships	Board Memberships
KJMC Financial Services Limited	Chairman - Audit Committee Chairman - Remuneration Committee.	Director
KJMC Capital Market Services Limited	Member - Audit Committee Chairman - Remuneration Committee.	Director
Gold Rock Investments Limited	-	Director
Gold Rock World Trade Limited	-	Director
Gold Rock Metals Limited	-	Director
Gold Rock Agro Tech Limited	-	Director
Tridhar Finance & Trading Limited	-	Director
Saryu Investment & Trading Private Limited	-	Director
Sugata Investments Limited	-	Director
Seattle Online Private Limited	-	Director
Picanova Investments Private Limited	-	Director
Blue Point Leasing Limited	-	Director
Incite Infotech Private limited	-	Director
Splendour Trade Place Private Limited	-	Director
Panki Roadlines Private Limited	-	Director

**G) Members are requested to :**

- i) To bring their copy of the Annual Report at the meeting.
- ii) Quote their Folio No. or Client ID and DP ID Nos. in all correspondence with the Company.
- iii) Notify immediately to the Company or Present R&T Agents viz Big Share Services Private Limited, any change in their address and their mandates, if any. Pin Code Nos. at the end of address should positively be mentioned in order to ensure that postal authorities deliver the envelopes easily and on time.
- iv) Handover the enclosed attendance slip, duly signed in accordance with their specimen signature registered with the Company, for admission to the meeting hall.

H) Any members requiring further information on accounts at the meeting are requested to send queries in writing to the Company atleast 10 days in advance from the date of the meeting, so that information required may be made readily available at the meeting.**EXPLANATORY STATEMENT****(PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956)****Item No. 5 :**

The Remuneration Committee at its meeting held on 25th May, 2010 had recommended re-appointment of Shri Rajnesh Jain as 'Executive Director' for a period of three years from 1st November, 2010 to 31st October, 2013 (both days inclusive) on the terms of Remuneration set out in the Explanatory Statement. The Board of Directors, at their meeting held on 27th May, 2010 had approved the recommendations subject to the approval by the members at Annual General Meeting by way of Special Resolution. The Remuneration Committee and the Board of Directors are of the opinion that the re-appointment of Shri Rajnesh Jain as 'Executive Director' will be in the interest of the Company.

The material terms of remuneration payable to Shri Rajnesh Jain are as under:

1. Basic Salary:
Rs. 1,00,000/- (Rupees One Lac only) per month with such increases as may be decided by the Board of Directors (which includes any Committee thereof) from time to time.
2. Perquisites and allowances:
In addition to the Salary, the following perquisites, allowances shall be allowed to the 'Executive Director':
 - (i) Company's contribution to provident fund and superannuation fund to the extent these either singly or put together are not taxable under the Income-tax Act.
 - (ii) Gratuity at the rate of half month's salary for each year of service.
 - (iii) Leave with full pay as per the rules of the company, with encashment of unavailed leave being allowed.
 - (iv) Reimbursement of medical expenses incurred for self and family in India or abroad, including hospitalization, nursing home and surgical charges and in case of medical treatment abroad, the air-fare, boarding/lodging for patient and attendant.
 - (v) Reimbursement of actual traveling expenses for proceeding on leave twice in a block of four years in respect of himself and family.
 - (vi) Reimbursement of membership fees for clubs in India or abroad, including any admission / life membership fees for the purpose of Company's business.
 - (vii) Personal accident insurance policy in accordance with the scheme applicable to senior employees.
 - (viii) Cost of insurance cover against the risk of any financial liability or loss because of any error of judgment, as may be approved by the Board of Directors from time to time.
 - (ix) Reimbursement of entertainment expenses incurred in the course of business of the company.
 - (x) Free use of Company's car for Company's work along with driver.
 - (xi) Telephone, tele-fax and other communication facilities at company's cost.
 - (xii) Subject to any statutory ceiling/s, the Executive Director may be given any other allowances, perquisites benefits and facilities as the Board of Directors from time to time may decide.
3. Valuation of perquisites
Perquisites / allowances shall be valued as per Income-tax rules, whichever applicable, and in the absence of any such rules, shall be valued at actual cost.
4. Computation of ceiling
The following shall not be included in the computation of perquisites for the purposes of the ceiling :
 - a) Contribution to provident and superannuation funds referred to in para 2(i) above

- b) Gratuity payable as per para 2(ii), to the extent of half a month's salary for each completed year of service.
- c) Encashment of leave at the end of the tenure as per para 2 (iii) above.

5. Other terms:

- a) No sitting fees shall be paid to Mr. Rajnesh Jain for attending the meetings of the Board of Directors or any Committee thereof, during his tenure as 'Executive Director' of the Company.
- b) Compensation for loss of office before the expiry of the terms of office would be payable to the 'Executive Director' as per the provisions of the Companies Act, 1956.

6. Minimum Remuneration:

The aforesaid remuneration in any one financial year shall not exceed the limits prescribed under Section 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said act as may, for the time being, be in force. Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of tenure of the Executive Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Salary, Commission and Perquisites as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule XIII of the Companies Act, 1956, whichever is lower.

Information required to be given to the Members as per Schedule XIII of the Companies Act, 1956.

General information:

1. Nature of Industry	Financial Services
2. Expected date of commencement of commercial production	Not applicable being in Capital Market and financial services industry
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable being existing company
4. Financial performance based on given indicators	As per the Audited Accounts for the year ended 31st March, 2010 Income : Rs. 165.59 Lacs Net Profit before depreciation and tax : Rs. 3.25 Lacs Profit/(Loss) after tax : Rs. (3.41) Lacs
5. Export performance and net foreign exchange collaborations	Not applicable
6. Foreign Investments or collaborators, if any	Not applicable

Other information:

1. Reasons for loss and inadequacy of profits	The company is exposed to specific risk that are peculiar to its business and the environment within which it operates including the economic cycle, market risk, sentiments affecting capital market etc. and the profitability of the company varies accordingly. The company is exploring the potential of new business avenues. Considering the Country's strong economic outlook coupled with buoyancy in the capital market, your directors expect better performance of the Company in the coming years. It must be noted that, being in the capital markets, its fortunes are linked to the state of the capital markets.
2. Steps taken or proposed to be taken for improvement	
3. Expected increase in productivity and profits in measurable terms	

Information about Shri Rajnesh Jain to be appointed as 'Executive Director' : Shri Rajnesh Jain is an FCA, having vast experience in Corporate Finance, Merchant Banking and Capital Market and is in charge of the overall management of your Company subject to the directions, supervision and control of the Board of Directors of the Company. He is also the promoter of the Company and associated with the Company for more than a decade. The Board is of the opinion that his re-appointment as 'Executive Director' would be in the interest of your Company.

Your Directors therefore recommend this Resolution for your approval. Shri Rajnesh Jain himself and his relatives viz. Mr. I. C. Jain and Mr. Girish Jain are concerned or interested in this Resolution.

FOR KJMC GLOBAL MARKET (INDIA) LIMITED**(I. C. JAIN)
CHAIRMAN**

Place : Mumbai
Date : 27th May, 2010

DIRECTORS' REPORT

To
The Members of
KJMC Global Market (India) Limited

Your Directors herewith present the 12th Annual Report, together with the audited statement of accounts of the Company for the year ended 31st March, 2010.

FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March, 2010 is summarized below:

(Rs. In lakhs)

	Year ended 31 st March, 2010	Year ended 31 st March, 2009
Total Income	165.59	265.55
Total Expenditure	162.34	191.17
Profit Before Depreciation and Tax	3.25	74.38
Less : Depreciation	2.71	3.43
Provision for Tax (Current & Deferred)	3.95	33.61
Profit/(Loss)After Tax	(3.41)	37.34
Add : Prior Period Item Net- Income / (Expenses)	0.00	(0.05)
Add: Surplus in Profit and Loss Account	575.54	538.25
Balance carried to Balance Sheet	572.13	575.54

PERFORMANCE REVIEW

During the year under review, your Company earned the Gross Income of Rs. 165.59 Lakhs as against Rs. 265.55 Lakhs in the previous year. The total expenditure during the year under review was Rs. 162.34 Lakhs as against Rs. 191.17 Lakhs in the previous year. The Net Loss for the year was Rs. 3.41 Lakhs as against Net Profit of Rs. 37.34 Lakhs in the previous year. Considering expectations of country's gradual improvement in effective demand and GDP growth rate coupled with upward movements in capital market, your directors expect better performance of the Company in the coming years.

DIVIDEND

In view of the losses incurred during the year, your directors do not recommend any dividend on Equity Shares for the year under review.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri Rajnesh Jain and Shri S C Aythora, the Directors of the Company are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

The Board at its meeting held on 27th May, 2010 approved a proposal for the re-appointment of Mr. Rajnesh Jain as Executive Director of the Company for a further period of three years subject to the approval of the members of the Company in the general meeting. Approval of the Members is being sought at the current Annual General Meeting for the re-appointment of Mr. Rajnesh Jain as Executive Director of the Company for a further period of three years effective from 1st November, 2010 to 31st October, 2013.

AUDITORS

M/s. Batliboi & Purohit, Chartered Accountants, the Auditors of the Company holds office until the conclusion of the ensuing Annual General Meeting. Your Company has received a certificate from the Auditors u/s. 224(1B) of the Companies Act, 1956 to the effect that their reappointment, if made, will be within the limit prescribed. Members are requested to appoint Auditors and authorize the Board to fix their remuneration.

FIXED DEPOSIT

The Company has neither invited, nor accepted, nor renewed any fixed deposit from the public during the year and there was no outstanding deposit payable during the financial year ended on 31st March, 2010.

SUBSIDIARY COMPANY

The accounts of the subsidiary Company viz. M/s KJMC Shares & Securities Limited for the financial year ended 31st March, 2010 are attached to the Accounts of the Company in terms of Section 212 of the Companies Act, 1956.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Clause 32 of the Listing Agreement entered into with the Stock Exchange, your Directors have pleasure in attaching the Consolidated Financial Statements for the financial year ended 31st March, 2010, prepared in accordance with the Accounting Standards 21 (AS 21) prescribed by the Institute of Chartered Accountants of India, in this regard.

DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956.

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

1. In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of Financial Year 31st March, 2010 and of the loss of the Company for that period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

The Company has complied with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange. A separate section on Corporate Governance, along with a certificate from the Auditors for the compliance is annexed and forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

A report on the Management Discussion and Analysis for the financial year under review is annexed and form part of the report.

LISTING OF SHARES

The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited. Listing fees upto the year 2010-2011 has been paid to the Bombay Stock Exchange Limited (BSE).

PREFERENTIAL ALLOTMENT OF CONVERTIBLE WARRANTS

During the year under review, the Company allotted 76,300 Equity Shares of Rs. 10/- each to 'I.C. Jain HUF', the person belonging to Promoter Group, consequent upon conversion of 2nd tranche of warrants at a price of Rs. 16.15 (including premium of Rs. 6.15 per share) being the price determined in accordance with SEBI (Disclosure & Investor Protection) Guidelines, 2000 on Preferential Issues and Listing Agreement. The proceeds of equity shares issued by company are being used for the purpose for which they were raised.

PARTICULARS OF EMPLOYEES

Since, there are no employees falling within the purview of the provisions of Section 217 (2A) of the Companies Act, 1956, no such details, are required to be given.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

Since the Company is engaged in providing financial services, the details required under Section 217(1)(e) of the Companies Act, 1956 are not applicable.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company earned Rs. Nil in foreign currency in the Current year as compared to Rs. Nil in the previous year and incurred expenditure of Rs. 1,94,000/- in the Current year as compared to Rs. Nil Lacs in the previous year.

INSURANCE

The Company's fixed assets as well as current assets have been adequately insured.

ACKNOWLEDGMENTS

The Directors wish to place on record their appreciation of the contribution made by the executives and employees at all levels for their dedication and commitment to the Company throughout the year.

Your Directors also appreciate with gratitude the continuous support of the Bankers, Clients and the Company's Shareholders.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(I.C. JAIN)
CHAIRMAN

Place : Mumbai
Date : 27th May, 2010



MANAGEMENT DISCUSSION & ANALYSIS

1. ECONOMIC ENVIRONMENT

The global economy continues to recover amidst ongoing policy support and improving financial market conditions. During the fiscal 2010, India witnessed a significant revival in economic activity despite deterrent factors like errant monsoon. The economic recovery was evident across a wide range of sectors with the momentum gaining strength in the second half of fiscal 2010. The overall growth of GDP as per revised estimates of the Central Statistical Organisation (CSO) was 7.2%. As at March 31, 2010, India's foreign exchange reserves stood at USD 279.1 billion, which were higher by USD 27.1 billion as compared to previous year as at March 31, 2009.

India's strong domestic fundamentals are expected to remain operative over the long term as the twin drivers of growth viz. consumption and investment continues to remain strong and positive. The Government's proposed move to a Common Goods and Service Tax (GST) regime, the adoption of Direct Tax Code, the decision to make scarce resources such as Telecom spectrum, oil and gas blocks, coal mine through available auction, the proposed disinvestment in public sector units are all opening up revenue avenues for the government and expected to impact positively on the growth story of the Indian economy. The upsurge in economic recovery is expected to strengthen further and broad based in nature.

2. BUSINESS AND INDUSTRY REVIEW

Your Company is a Category-I Merchant Banker registered with the Securities & Exchange Board of India (SEBI). The Company has been involved in Project and Financial Advisory Services and Funding solutions for various Corporate and Industrial Houses for their large developmental projects. As SEBI Registered Category I Merchant Banker, the Company is Offering Services like Merchant Banking (Public Issue Management), Private Placements of Bonds and Equities, Term Loan/Debt Syndication, Project Finance & Advisory Services etc. Your Company, along with its associates forms an integrated financial services group providing wide range of services to its clients.

Your Company is currently well poised to play a larger role in the growth story of the economy and optimize its performance by leveraging the investments that have been made in the past and which are likely to have positive impact on the bottom line of your Company in the coming years.

3. FINANCIAL REVIEW

During the year under review, your Company earned the Gross Income of Rs. 165.59 Lakhs as against Rs. 265.55 Lakhs in the previous year. The total expenditure during the year under review was Rs. 162.34 Lakhs as against Rs. 191.17 Lakhs in the previous year. The Net Loss for the year was Rs. 3.41 Lakhs as against Net Profit of Rs. 37.34 Lakhs in the previous year. Considering expectations of country's gradual improvement in effective demand and GDP growth rate coupled with upward movements in capital market, your directors expect better performance of the Company in the coming years.

4. BUSINESS OUTLOOK

India has survived one of the worst global crises in history better than most other economies and your company is gearing itself to respond to emerging opportunities and challenges. Presently in the Investment Banking Sector, there are a wide range of services offered by aggressive players in the market which have made significant impact on the industry. Customers' diverse needs have carved out more opportunities to creative players, to innovate and satisfy the needs of the customers at all levels. Your company plans to step up its presence in areas such as Public Issue Management, Private Placements of Bonds and Equities, Term Loan/Debt Syndication, Project Finance & Advisory Services etc. to meet the needs of its clients. Your Company also has mandates on hand for various kinds of assignments which are at various stages of execution. Your company is making investments in infrastructure & technology to meet the demands of a growing business.

5. RISKS AND CONCERNS

The Company is exposed to specific risks that are particular to its business and the environment within which it operates including economic cycle, market risks, competition risk, interest rate volatility, human resource risk and execution risk etc. The Company manages these risks by maintaining a conservative financial profile and by following prudent business and risk practices. Being engaged in the business in a highly regulated industry; we are presented with risk containment measures in the very regulations. The company's business could potentially be affected by the following factors:-

- Impact of markets on our revenues and investments, sustainability of the business across cycles
- Risk that a client will fail to deliver as per the terms of a contract with us or another party at the time of settlement.
- Risk due to uncertainty of a counterparty's ability to meet its financial obligations to us.
- Inability to conduct business and service clients in the event of a contingency such as a natural calamity breakdown of infrastructure, etc.

6. OPPORTUNITIES AND THREATS

Opportunities:

- Low retail penetration of financial services / products in India
- Tremendous brand strength
- Opportunity to cross sell services
- Increasing per-capita GDP
- Utilize technology to provide solutions to customers

Threats:

- Competition from established companies and new entrants
- Execution risk.
- Regulatory changes.
- Attrition and retention of human capital.
- Volatile environment

7. ADEQUACY OF INTERNAL CONTROLS:-

Your Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that transaction are authorised, recorded and reported correctly. The Company has an extensive system of internal control which ensures optimal utilisation and protection of resources, its security, accurate reporting of financial transactions and compliances of applicable laws and regulations as also internal policies and procedures. The Company has continued its efforts to align all its processes and controls with global best practices in these areas as well.

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

Your Company continues to lay great stress on its most valuable resource - people. Continuous training, both on the job and in an academic setting, is a critical input to ensure that employees at all levels are fully equipped to deliver a wide variety of products and services to the rapidly growing customer base of your Company. It is our endeavour to create an environment where people can use all of their capabilities in support of the business. Therefore, your Company encourages its employees to balance their work and personal responsibilities.

CORPORATE GOVERNANCE FOR THE F.Y. 2009-2010

PHILOSOPHY OF CORPORATE GOVERNANCE

Your Company is committed to upholding the highest standards of Corporate Governance in its operations. The policies and practices are not only in line with the statutory requirement, but also reflect your Company's commitment to operate in the best interest of its stake holders. The responsibility for maintaining high standards of governance lies with your Company's Board of Directors and various Committee of the Board, which are empowered to monitor implementation of the best Corporate Governance practices including making necessary disclosures within the framework of legal and regulatory provisions and Company conventions besides its employees.

In this direction, your Company is committed to ensure that the Company's Board of Directors continued to be constituted as per the prescribed norms, meets regularly as per the prescribed frequency, provides effective leadership, exercises control over the management, monitors executive performance and makes appropriate disclosures. In addition, establishment of a framework of strategic control and continuous reviewing of its efficacy and establishment of clearly documented and transparent management processes for policy development, implementation and review, decision making, monitoring control and reporting are the other policy directives. Your Company provides free access to the Board of all relevant information, advices and resources to enable it to carry out its role effectively.

Pursuant to Clause 49 of the Listing Agreement, your Company has complied fully with all the mandatory requirements of the Corporate Governance in all material aspects. As required by the Listing Agreement, a report on Corporate Governance is given below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company is committed to bring about the good corporate governance practice. The Company has laid emphasis on cardinal values of fairness, transparency, accountability and equity, in all its operations, and in its interactions with stakeholders including shareholders, employees, the government and the lenders, thereby enhancing the shareholders' value and protecting the interest of shareholders.

2. BOARD OF DIRECTORS

Composition:

The Company has a Non - Executive Chairman and the number of Independent Directors is one half of the total number of Directors. The Board of Directors consists of Six Directors. During the Financial year 2009-2010, Six (6) Meetings of the Board were held on 20th June 2009, 27th June, 2009, 29th July, 2009, 26th September 2009, 31st October 2009 and 30th January 2010. The particulars of Directors as on 31st March, 2010 are as follows:-

Sr. No.	Director	Category of Directorship	No. of BM Attended	Last AGM attended	No. of Other Directorships Held	Committee Memberships	
						Chairman	Member
1	Mr. I. C. Jain	Chairman - Non Executive Director	5	No	7	1	3
2	Mr. Girish Jain	Non Executive Director	6	Yes	8	1	3
3	Mr. Shailesh Shah	Non-Executive & Independent Director	5	No	1	-	1
4	Mr. Rajnesh Jain	Executive Director	6	Yes	11	1	1
5	Mr. Nitin Kulkarni	Non-Executive & Independent Director	6	Yes	1	-	4
6	Mr. S. C. Aythora	Non-Executive & Independent Director	6	Yes	15	3	1

None of the Directors hold directorship in more than 15 public limited companies, membership in committees of Board in more than 10 companies and chairmanship of committee of Board of more than 5 committees.

Board Procedures:

The Agenda is circulated well in advance for the Board members. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. In addition to the information required under Annexure IA to clause 49 of the Listing Agreement, the Board is also kept informed of major events/items and approvals taken wherever necessary. At the Board meetings, the Board is apprised of the overall performance of the Company.

3. AUDIT COMMITTEE

(a) Terms of Reference:

The terms of reference and powers of the Audit Committee are as per Clause 49 of the Listing Agreement and also as per new Section 292A of the Companies Act, 1956. The functions of the Audit Committee are as per provisions of Companies Act, 1956 and Listing Agreement with the Stock Exchange. These include review of accounting and financial policies and procedures, review of financial reporting system, internal control procedures and risk management policies. The Audit Committee discusses the company's accounts before these are placed before the Board of Directors and also takes an overview of the company's financial reporting process. The Committee met four times during the year i.e. 27th June 2009, 29th July 2009, 31st October 2009 and 30th January, 2010.

(b) Composition:

During the year, the audit committee consisted of the following Directors:

Name of Director	Executive/Non-Executive/ Independent	No. of Meetings attended during the year
Mr. Inder Chand Jain	Non Executive Director	4
Mr. Shailesh Shah	Independent Director	4
Mr. Nitin Kulkarni	Independent Director	4

4. REMUNERATION COMMITTEE:

(a) Terms of Reference:

The Remuneration Committee was formed by the Board of Directors at their meeting held on September 29, 2007. The terms of the reference of the Committee is to review and recommend compensation payable to the Executive Directors and also to formulate and administer Employees Stock Option Scheme, including the review and grant of options to eligible employees under the scheme. The Committee also ensures the Compensation Policy of the Company and Performance Oriented Scheme for Senior Managers. The overall function of the Committee consists of the following:

- Assist the Board of Directors in ensuring that affordable, fair and effective compensation policies are implemented.
- Approve and make recommendations to the Board in respect of Directors' fees, Salary Structure and actual compensation (inclusive of Performance based incentives and benefits) of the Executive Director(s).
- Review and approve the overall budgetary increment proposals for annual increase of compensation and benefits for the employees.
- Review and approve the change in terms and conditions of the ESOP.
- Review and approve the criteria for selection and appointment of Non-Executive Directors.

(b) Composition:

The Remuneration Committee consists of the following Directors:

Name of Director	Executive/Non-Executive/Independent
Mr. Shailesh Shah	Chairman of the Committee and Independent Director
Mr. Girish Jain	Non-Executive Director
Mr. Nitin Kulkarni	Independent Director
Mr. S. C. Aythora	Independent Director

No Remuneration Committee Meeting was held during the year.

5. SHARE TRANSFER / INVESTOR GRIEVANCE COMMITTEE

(a) Terms of Reference:

The Company's securities are listed on the Bombay Stock Exchange Limited. The role and functions of the Share Transfer / Investor's Grievances Committee are effective redressal of the Complaints of the Shareholders regarding dematerialization, transfer, non-receipt of balance sheet/ dividend/ interest etc. The Committee meets as often as is necessary depending upon the Share Transfer Applications are received. The Committee oversees the steps to be taken for further value addition in the quality of service to the investors.

(b) Composition:

Pursuant to Clause 49 of the Listing Agreement, the Company is required to have Share Transfer / Investor Grievance Committee. Accordingly, the Board of Directors formed a Share Transfer / Investor Grievance Committee, consisting of following Directors:

Mr. I. C. Jain	- Member
Mr. Rajnesh Jain	- Member
Mr. Nitin Kulkarni	- Member
Mr. Girish Jain	- Member

During the year, the Company has not received any complaints from shareholders / investors. As on 31st March, 2010, no transfer was pending.

The Board has delegated the powers to approve transfer of securities allotted by the Company to this Committee. The Committee held 12 meetings during the year and approved the transfer of shares lodged with the Company and attended the investor's queries & complaints.

6. GENERAL BODY MEETINGS

The particulars of last three Annual General Meetings of the Company held are as under:

Year	AGM/EGM	Location	Date	Time
2007	AGM	S. K. Somani Memorial Hall, Hindi Vidya Bhavan, 'F' Road, Marine Lines, Mumbai	29/09/2007	5.00 P.M.
2007	EGM	M. C. Ghia Hall, Bhogilal Hargovindas Building, 2 nd Floor, 18/20 Kaikhushru Dubash Marg, Kalaghodha, Mumbai - 400001	08/12/2007	12.15 P.M.
2008	AGM	S. K. Somani Memorial Hall, Hindi Vidya Bhavan, 'F' Road, Marine Lines, Mumbai	27/09/2008	4.30 P.M.
2009	AGM	S. K. Somani Memorial Hall, Hindi Vidya Bhavan, 'F' Road, Marine Lines, Mumbai	26/09/2009	4.15 P.M.

No Special Resolution was put through Postal Ballot last year nor proposed at the ensuing Annual General Meeting.

7. CODE OF CONDUCT

The Code of Conduct for the Directors and the Employees of the Company has been laid down by the Board and it is internally circulated and necessary declaration has been obtained.

8. DISCLOSURES

Regarding related party transactions i.e. transactions of the Company with its Promoters, Directors or Management, their subsidiaries or relatives, not conflicting with Company's interest, the details of which have been shown in Schedule 17 Notes to Accounts to the Annual Accounts for the year ended 31st March, 2010. During the last three years, no penalties, strictures have been imposed on the Company by Stock Exchanges or SEBI, on any matter related to capital market.

9. MEANS OF COMMUNICATION

The Company has promptly reported all material information including quarterly results to The Stock Exchange, Mumbai, where the Company's securities are listed. The Company publishes its quarterly, half yearly, financial results in national and regional newspapers. The Company also sends the financial results to Bombay Stock Exchange Limited, immediately after its approval by the Board. The Company has not sent half yearly report to the shareholders. No presentations were made to the Institutional Investor's or analysts during the year under review. The Management Discussions and Analysis (MD&A) Report is annexed and forms part of this Report.

GENERAL SHAREHOLDER'S INFORMATION

1. Annual General Meeting scheduled to be held :

Date : Saturday, 25th September, 2010
Time : 4.15 P.M.
Venue : S. K. Somani Memorial Hall, Hindi Vidya Bhavan, 'F' Road, Marine Lines, Mumbai - 400 020.

2. Book Closure :

From Saturday, 18th September, 2010 to Saturday, 25th September, 2010 (both days inclusive).

3. Financial Calendar (tentative):

Financial Reporting for the Financial Year 2010-11	Tentative month of reporting
Un-audited Financial Results for the quarter ending 30 th June, 2010	July, 2010
Un-audited Financial Results for the half year ending 30 th September, 2010	October, 2010
Un-audited Financial Results for the quarter ending 31 st December, 2010	January, 2011
Audited Financial Results for the year ending 31 st March, 2011	May, 2011

4. Listing of Equity Shares on Stock Exchange

Shares of KJMC Global Market (India) Limited are listed on the Bombay Stock Exchange Limited. The Company has paid Listing Fees for the current year 2010-11 to the Bombay Stock Exchange Limited (BSE).

5. Stock Code

- (i) Bombay Stock Exchange Limited (BSE) : B - 532304
- (ii) ISIN - INE602C01011

6. Stock Price Data

Month wise high and low price of the Company's shares at Bombay Stock Exchange Limited, Mumbai (BSE) from April, 2009 to March, 2010:

Month	Bombay Stock Exchange Limited (BSE)	
	High (Rs.)	Low (Rs.)
April 2009	7.87	7.16
May 2009	8.72	7.21
June 2009	10.16	8.00
July 2009	10.71	6.51
August 2009	10.00	8.27
September 2009	12.97	8.5
October 2009	25.2	13.5
November 2009	24.45	22.00
December 2009	20.95	16.35
January 2010	24.00	17.10
February 2010	24.00	18.35
March 2010	19.20	12.90



7. Compliance Officer

Mr. Vijay Joshi

168, Atlanta, 16th Floor, Nariman Point, Mumbai – 400 021.

Ph: 022- 22885201, email: cosec@kjmc.com

8. Address for correspondence

Shareholders can correspond to Secretarial Department, 168, Atlanta, 16th Floor, Nariman Point, Mumbai – 400 021 or to Bigshare Services Pvt. Ltd., E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai – 400072, Tel.No.022-28470652/53, Fax No. 022-28475207, mail id: info@bigshareonline.com.

Shareholders holding shares in electronic mode should address their Correspondence to their respective Depository Participants. The company also has a designated email id: investor.global@kjmc.com where shareholders correspond with the company.

9. Share Transfer System

Shares sent for transfer in physical form to R&T Agents, are registered and returned within a period of 30 days from the date of receipt, if the documents are in order. The Share Transfer Committee meets generally on a fortnightly basis to consider the transfer proposals. All requests for dematerialisation of shares are processed by R&T Agent within 15 days.

10. Dematerialisation of Shares

Trading in Equity Shares of the Company is permitted only in dematerialized form with effect from 29th January 2001 as per notification issued by the Securities & Exchange Board of India (SEBI). As on 31st March 2010, out of total Equity Capital of 31,36,440 Equity Shares, 28,16,073 Equity Shares representing 89.79% of the total Equity Shares are held in dematerialised form with NSDL and CDSL. Transfer cum demat facility is available to all Shareholders of the Company, who request for such facility.

11. Distribution of shareholding as on 31st March, 2010

Range in Rupees	Number of shareholders	% of Total Holders
Upto - 5000	3860	96.00
5001 to 10000	59	1.47
10001 to 20000	35	0.87
20001 to 30000	15	0.37
30001 to 40000	8	0.20
40001 to 50000	8	0.20
50001 to 100000	12	0.30
100001 and above	24	0.59
TOTAL	4021	100

12. Shareholding Pattern as on 31st March, 2010:

Cat. Code	Category of Shareholder	Total No. of Shares held	% Shareholding
A.	Shareholding of Promoter and Promoter Group		
1	Indian		
(a)	Individuals / Hindu Undivided Family	1570304	50.07
(b)	Central Govt. / State Govts.	0	0
(c)	Bodies Corporate	0	0
(d)	Financial Institutions / Banks	0	0
(e)	Any other	0	0
	Sub Total – A(1)	1570304	50.07
2	Foreign	0	0
(a)	Non Resident Individuals / Foreign Individuals	0	0
(b)	Bodies Corporate	0	0
(c)	Institutions	0	0
(d)	Any other	0	0
	Sub Total A(2)	0	0
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	1570304	50.07
(B)	Public Shareholding		
1	Institutions		
(a)	Mutual Funds / UTI	0	0
(b)	Financial Institutions / Banks	65400	2.09
(c)	Central Govt. / State Govt.	7050	0.22
(d)	Venture Capital Funds	0	0
(e)	Insurance Companies	0	0
(f)	Foreign Institutional Investors	0	0
(g)	Foreign Venture Capital Investors	0	0
(h)	Any other	0	0
(h1)	NRI Banks	0	0
	Sub Total B(1)	72450	2.31

2	Non Institutions		
(a)	Bodies Corporate	556820	17.75
(b1)	Individuals-shareholders holding normal Share Capital up to Rs. 1 Lac	531184	16.94
(b2)	Individuals-shareholders holding normal Share Capital in excess of Rs. 1 Lac	405172	12.92
(c)	Any other	0	0
(c1)	Clearing Member	0	0.00
(c2)	NRI	510	0.01
(c3)	OCB's	0	0
	Sub Total B(2)	1493686	47.62
	Total Public Shareholding B(1) + B(2)	1566136	49.93
	Total (A) + (B)	3136440	100
C	Shares held by Custodians and against which Depository receipts have been issued	0	0
	Grand Total	3136440	100

Note: The total foreign shareholding for the quarter ended 31st March, 2010, is 510 shares, which in percentage terms is 0.01% of the issued and subscribed capital.

OTHER INFORMATION

Code of Conduct for Prevention of Insider Trading.

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended (the Regulations), the Board of Directors of the Company adopted the Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices (the Code) to be followed by Directors, Officers and other Employees. The code is based on the principle that Directors, Officers and Employees of KJMC Global Market (India) Limited owe a fiduciary duty to, among others, the shareholders of the company to place the interest of the shareholders above their own and conduct their personal securities transactions in a manner that does not create any conflict of interest situation. The code also seeks to ensure timely and adequate disclosure of Price Sensitive Information to the investor community by the company to enable them to take informed investment decision with regard to the Company's Securities.

Declaration on Code of Conduct

As required by Clause 49(i)(D) of the Listing Agreement with the Stock Exchange(s), it is hereby declared that all the Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company for the year ended 31st March, 2010.

FOR KJMC GLOBAL MARKET (INDIA) LIMITED

I. C. JAIN
CHAIRMAN

Place : Mumbai

Date : 27th May, 2010

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members

KJMC Global Market (India) Limited

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to the compliance of conditions of Corporate Governance by KJMC Global Market (India) Limited for the year ended on 31st March, 2010 as stipulated with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was conducted in the manner described in the Guidance on certification of corporate governance issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2010 no investor grievances are pending against the company as per the records maintained by the company and presented to the Investors / Shareholders Grievance Committee.

We further state that such compliance is neither an assurance as to the further viability of the company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company.

For **BATLIBOI & PUROHIT**

Chartered Accountants

FRN No. 101048W

(R. D. Hangekar)

Partner

(Membership No. 30615)

Place : Mumbai

Date : 27th May, 2010