



KJMC

ADVICE MATTERS

KJMC CORPORATE ADVISORS (INDIA) LIMITED

(Formerly known as KJMC Global Market (India) Limited)

14th Annual Report 2011-2012



KJMC CORPORATE ADVISORS (INDIA) LIMITED

(Formerly Known as KJMC Global Market (India) Limited)

BOARD OF DIRECTORS

Mr. I. C. Jain	<i>Chairman</i>
Mr. Rajnesh Jain	<i>Executive Director</i>
Mr. Girish Jain	
Mr. S. C. Aythora	
Mr. Nitin Kulkarni	
Mr. R. R. Kumar	

COMPANY SECRETARY

Mr. Hemant Soni

AUDITOR

K. S. Aiyar & Co.
Chartered Accountants,
F-7, Laxmi Mills,
Shakti Mills Lane,
Mahalaxmi, Mumbai - 400 011.

BANKERS

Union Bank of India	Citi Bank
UCO Bank	HDFC Bank Limited

REGISTRAR & TRANSFER AGENT

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,
E-mail id: 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 OFFICE

New Delhi 221, Hans Bhavan, Bahadur Shah Zafar Marg, New Delhi - 110 002.	Jaipur 41, Jai Jawan Colony II, Tonk Road, Durgapur, Jaipur - 302 018.
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FOURTEENTH ANNUAL GENERAL MEETING	
Date	: Thursday, 20th September, 2012
Time	: 3.00 p.m.
Venue	: S. K. Somani Memorial Hall Hindi Vidya Bhawan, 79 - Marine Drive, "F" Road, Mumbai - 400 020

INDEX	PAGE NO.
Notice	2
Directors' Report	3
Management Discussion & Analysis	4
Report on Corporate Governance	5
Auditors' Certificate on Corporate Governance	8
Auditors' Report	9
Balance Sheet	10
Profit & Loss Account	11
Cash Flow Statement	12
Notes to Financial Statement	13
Financial Information of the Subsidiary Companies	22
Consolidated Accounts	23

NOTICE

Notice is hereby given that Fourteenth Annual General Meeting of the Members of KJMC Corporate Advisors (India) Limited (Formerly Known as KJMC Global Market (India) Limited) will be held on Thursday, 20th September, 2012 at 3.00 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:-

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2012, the Audited Profit and Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Nitin Kulkarni, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri S. C. Aythora, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to section 224 and other applicable provisions of the Companies Act, 1956, M/s. K. S. Aiyar & Co. (Registration No. 100186W), Chartered Accountants, the retiring auditors of the Company, having offered themselves for re-appointment, be and are hereby re-appointed as the auditors of the Company to hold office from the conclusion of the 14th annual general meeting upto the conclusion of the 15th annual general meeting of the Company at a remuneration to be fixed by the board and reimbursement of out of pocket expenses incurred in connection with the audit."

SPECIAL BUSINESS:

5. Appointment of Shri R.R. Kumar as a Director of the Company To consider and, if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution:
"RESOLVED THAT in accordance with the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956, or any statutory modification(s) or re-enactment thereof, Shri R.R. Kumar, who was appointed by the Board on May 24, 2012 as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956, and whose tenure of office comes to an end at this Annual General Meeting, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation."

FOR KJMC CORPORATE ADVISORS (INDIA) LIMITED

Place: Mumbai
Date: August 02, 2012

HEMANT SONI
Company Secretary

NOTES:

- A. 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.
- B. **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.
- C. 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.
- D. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 10th September, 2012 to Thursday, 20th September, 2012 (both days inclusive) for the purpose of Annual General Meeting.
- E. 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.

F. 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. Information of Shri Nitin Kulkarni

Name & Designation	Shri Nitin Kulkarni, Director
Date of Birth	21 st January, 1956
Qualifications	B.Com (Hons), F.C.A., A.C.S.
Expertise	He is a Practicing Chartered Accountant having more than 25 years experience in Corporate Accounts, Audit Taxation and Company Law Matters.
Director of the Company since	31 st July, 2008

The other Directorships / Committee Membership of Shri Nitin Kulkarni are as follows:

Name of the Company	Committee Membership	Board Membership
KJMC Financial Services Limited	Member -Share Transfer and Investors' Grievance Committee. Member – Audit Committee	Director

2. Information of Shri S. C. Aythora

Name & Designation	Shri S. C. Aythora, Director
Date of Birth	10 th January, 1951
Qualifications	B. Com (Hons), F.C.A.
Expertise	He has more than 25 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 Membership of Shri S. C. Aythora are as follows:

Name of the Company	Committee Membership	Board Membership
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	Member – Audit Committee Chairman – Shareholders / Investors Grievance Committee	Director
Gold Rock World Trade Limited	-	Director
Gold Rock Metals Limited	-	Director
Gold Rock Agro Tech Limited	-	Director



KJMC CORPORATE ADVISORS (INDIA) LIMITED

(Formerly Known as KJMC Global Market (India) Limited)

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
PankiRoadlines Private Limited	-	Director
Concept Capital Solutions Limited		Director

G. Members are requested to:

1. To bring their copy of the Annual Report at the meeting.
2. Quote their Folio No. or Client ID and DP ID Nos. in all correspondence with the Company.
3. Notify immediately to the Company or Present R&T Agents viz. Bigshare 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.
4. 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

Shri R.R. Kumar was appointed as an Additional Director of the Company on May 24, 2012 by the Board of Directors of the Company. According to the provisions of the Section 260 of the Companies Act, 1956, he holds the office upto the date of this Annual General Meeting. As required under Section 257 of the Companies Act, 1956, a notice has been received from a member signifying his intention to propose the appointment of Shri R.R. Kumar as a Director along with the requisite deposit.

The Board recommends the Resolution at item no. 5 for your approval.

Except Shri R.R. Kumar, none of the other Directors may be deemed to be concerned or interested in the above resolution.

FOR KJMC CORPORATE ADVISORS (INDIA) LIMITED

Place: Mumbai
Date: August 02, 2012

HEMANT SONI
Company Secretary

DIRECTORS' REPORT

To,
The Members of
KJMC Corporate Advisors (India) Limited

Your Directors herewith present the 14th Annual Report, together with the audited statement of accounts of the Company for the year ended March 31, 2012.

FINANCIAL RESULTS

The performance of the Company for the financial year ended March 31, 2012 is summarized below:

Standalone Financial Information

(₹ in Lacs)

PARTICULARS	Year Ended 31 st March, 2012	Year Ended 31 st March, 2011
Total Income	315.39	128.08
Total Expenditure	237.31	761.76
Profit/(Loss) Before Depreciation and Tax	78.08	(633.68)
Less : Depreciation	2.09	2.16
Profit/(Loss) before Tax	75.99	(635.84)
Provision for Tax		
- Current Tax	11.40	-
- Deferred Tax	19.15	198.74
- MAT Credit	(11.40)	6.76
- Prior Period Taxes	-	(5.48)
Profit/(Loss)for the period	56.84	(435.82)
Add: Surplus in Profit and Loss Account	136.31	572.13
Balance carried to Balance Sheet	193.15	136.31
Earning per Equity share (Face Value ₹ 10/-)		
Basic (₹)	1.81	(13.90)
Diluted (₹)	1.81	(13.90)

PERFORMANCE REVIEW

During the year under review, your Company earned the Gross Income of ₹ 315.39 Lacs as against ₹ 128.08 Lacs in the previous year. The total expenditure during the year under review was ₹ 237.31 Lacs as against ₹ 761.76 Lacs in the previous year. The Net Profit after tax for the year was ₹ 56.84 Lacs as against Net loss of ₹ 435.82 Lacs in the previous year.

DIVIDEND

In view of inadequacy of profit for the year under review, your Directors do not recommend dividend on the 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 Nitin Kulkarni and Shri S. C. Aythor, the Directors of the Company are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

During the year, Shri R.R. Kumar was appointed as an Additional Director of the Company with effect from May 24, 2012. Pursuant to the provisions of the Section 260 of the Companies Act, 1956, he holds office up to the ensuing Annual General Meeting. The approval of the members for appointing Shri R.R. Kumar as a Director of the Company is sought at this Annual General Meeting. Shri Ghanshyamlal Srivastava was appointed as an Additional Director of the Company with effect from November 12, 2011 and he had resigned with effect from June 22, 2012.

AUDITORS

M/s. K. S. Aiyar & Co., Chartered Accountants, Mumbai, Statutory Auditors of the Company will retire at this annual general meeting and are eligible for re-appointment. The Company has received letter from M/s. K. S. Aiyar & Co. to the effect that their re-appointment, if made, shall be in accordance with section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such re-appointment within the meaning of section 226 of the Companies Act, 1956.

CHANGE OF NAME OF THE COMPANY

Your Company has over a period of time significantly expanded its footprint across a wide range of corporate advisory services. Your Company would be continuously exploring the emerging opportunities in the corporate advisory services segment in future. In order to ensure that the name of the Company adequately reflects the nature of business activities being carried on by the Company. Pursuant to the approval of the members obtained through Postal Ballot on June 25, 2012, the name of the Company stands changed from KJMC Global Market (India) Limited to KJMC Corporate Advisors (India) Limited with effect from July 2, 2012.

PUBLIC DEPOSIT

Your Company has neither invited, nor accepted, nor renewed any public deposit from the public during the year and there was no outstanding deposit payable during the financial year ended March 31, 2012.

SUBSIDIARY COMPANY

Your Company, as part of its activities, has undertaken expansion, reorganization and restructuring its business including promoting and investing

in equity of other Companies. Accordingly during the financial year, two companies viz. M/s KJMC Capital Market Services Limited and M/s KJMC Commodities Market India Limited become subsidiaries of your Company.

The Company is not attaching copies of the balance-sheet, profit and loss account, reports of the Board of Directors and the Auditors thereon, in respect of the subsidiaries as required under Section 212(1) of the Companies Act, 1956 ("the Act") to its accounts as per the dispensation available pursuant to the directions issued by the Ministry of Corporate Affairs vide general circular no. 2/2011. However, as required under the aforesaid circular and pursuant to Clause 32 of the Listing Agreement, the consolidated financial statements for the period ended March 31, 2012 of the Company duly audited by the statutory auditors forms part of this Annual Report. The Company shall make available, the annual accounts and related information of its subsidiaries, to those shareholders who wish to have the copies of the same. Further, these documents shall be available for inspection by a shareholder at the registered office of the Company as well as of its subsidiaries on any working day, except Saturdays, between 11.00 a.m. to 3.00 p.m.

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 March 31, 2012, 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 March 31, 2012 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 this report.

LISTING OF SHARES

The Equity Shares of the Company are listed on BSE Limited. Listing fees up to the current financial year 2012 - 2013 has been paid to BSE Limited (BSE).

PARTICULARS OF EMPLOYEES

Since, there are no employees falling within the purview of the provisions of Section 217 (2A) of the Companies Act, 1956 read with the companies (particulars of employees) Rules 1975, no such details, are required to be given.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

Since the Company is not a manufacturing Company, the details required under Section 217(1)(e) of the Companies Act, 1956 are not applicable.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company earned of ₹46.56 Lacs in foreign currency in the Current year as compared to ₹Nil in the previous year and incurred expenditure of ₹Nil in the current year as compared to ₹Nil 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

Place: Mumbai
Date: August 02, 2012

I. C. JAIN
Chairman

MANAGEMENTS DISCUSSION & ANALYSIS

1. 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 resource mobilization solutions for various Corporate and Industrial Houses for their large Infrastructure projects, working capital and project finance.

Company offers following Advisory Services on:

Working Capital: Acting as the facility arranger, assisting in preparing and presenting proposals in comprehensive manner conforming to the requirements of banks, represent the client before the Bank and negotiate for the best terms as to the rate of interest and adequacy of the facility, assisting the client in complying with pre-disbursal conditions including security creation and assisting the bank in client due diligence and monitoring.

Channel Finance: We identify potential for mobilization of working capital finance at different stages. One among them is the channel finance for procurement and post sales as well. Dealers of large corporates are the main beneficiary of such finance model, enhancing their business and the lenders are also eager to cater to this value chain in working capital finance.

Project Finance: With our rich resource of professionals we evaluate the projects of promoters on its Financial and Economic viability and advise suitable financing model for successful completion of the projects.

Investment Banking Services :- Management of public / rights issues, qualified institutional placements (QIPs), wealth management advisory, buybacks, open offers and Other regulatory and non regulatory services, business advisory, financial / legal due diligence, corporate and business structuring, debt restructuring, underwriting, private placement of bonds and equities, Issue of & buy back of FCCBs.

Mergers and Acquisition Services :- Advisory – buy side / sell side, joint ventures & strategic alliances, leveraged buyouts, management buyouts, valuation, taxation advisory services, regulatory compliance etc.

Valuation Business Advisory Services :- Evaluation of business, financial modeling, corporate and business valuation, valuation of real estate, valuation of intellectual property, valuation of trademark, going concern valuation, valuation of brand, valuation of goodwill, mergers & acquisitions – swap ratio / fairness opinion, valuation of business segments for spin-off / restructuring / slump sale, overseas transactions valuations, fair market valuation of common stock, preferred stock, restrictive share units, debt securities, options, warrants, and projected streams of cash flows, special purpose valuation – takeover / delisting / ESOP.

Corporate Advisory Services :- Company inspections and investigations, preventive advisory to comply with regulatory requirements, Company Law matters under jurisdiction of Company Law Board and High Court, XBRL system filing, Direct and Indirect taxation etc.

Your Company is currently well poised to play a larger role in the growth story of the economy capitalizing its expertise in the financial advisory services and optimizing 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. Your company is well placed to identify the opportunities for business development for its clients and advise suitably.

2. FINANCIAL REVIEW

During the year under review, your Company earned the Gross Income of ₹315.39 Lacs as against ₹128.08 Lacs in the previous year. The total expenditure during the year under review was ₹237.31 Lacs as against ₹761.76 Lacs in the previous year. The Net Profit after tax for the year was ₹56.84 Lacs as against Net loss of ₹435.82 Lacs in the previous year. Your directors expect better performance of the Company in the coming years.

3. BUSINESS OUTLOOK

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 resulting in introduction of innovative products and services. Your company is seizing the opportunities to identify such avenues to render advisory solutions to prospective investors at the individual and corporate levels. It is also known that the Govt. of India has plans to mobilize resources by divesting its stake in some of the Navratnas and Mini Ratnas during the FY 2012-13. Your company is well positioned to advise the investors to take advantage of these opportunities and enhance their returns on such instruments as and when offered by the Govt. Considering the emphasis placed on overall development of the economy and enhance the investment climate in the country the opportunities beacon themselves for experts like your company to play its role at the appropriate level.

Your company would play an active role to advice:

- * Investors in the divestment of stake by the Govt.
- * Entrepreneurs of the sources and means for business development through green field/brown field projects.
- * In the infra sphere there is vast scope for dynamic entrepreneurs to involve themselves to achieve common goals of development of the state and in turn their business enterprise.

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 different stages of execution. With a view to achieve the above targets your company is making sufficient investments in infrastructure & technology to meet the demands of a growing business.

4. 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.

5. OPPORTUNITIES AND THREATS

Opportunities:

- * Increased development steps for long awaited reforms would expand the base of investment services.
- * Availability of latest technology will enlarge the scope of our services and improve the quality of services.
- * Corporates looking at consolidation / acquisitions / restructuring opens out opportunities for the corporate advisory business
- * We continuously identify the possibilities and avenues to partner with experts in the corporate services sector to enhance our presence in the National and International map.

Threats:

- * Competition from established companies and new entrants including MNCs.
- * Slowdown in global liquidity flows
- * Frequent regulatory changes.
- * Attrition and retention of human capital.
- * Volatile Capital/Money market environment

6. 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 unauthorized use or disposition and that transaction are authorized, recorded and reported correctly. The Company has an extensive system of internal control which ensures optimal utilization 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.

7. MATERIAL DEVELOPMENTS

* 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 endeavor 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.

* ARBITRAL AWARD IN FAVOUR OF YOUR COMPANY

Your Company had, in the matter of financial services rendered to Jammu and Kashmir State Power Development Corporation (Respondent) for syndicating a loan facility from consortium of Banks and Financial Institutions, raised a dispute before the Arbitral Tribunal and made a claim for payment of its outstanding fees by Respondent of ₹ 7, 10, 00,000/- on account of its fees for the assignment, plus interest and costs.

The Tribunal has since passed the award on July 2, 2012 in which it has partially allowed your Company's claim as follows :

A. Due Fees and pre award interest:

- | | |
|--|-----------------|
| (a) Principal Sum (after deducting
The advance of ₹ 1 crore already received) : | ₹ 2,02,50,000/- |
| (b) Pendente - lite Interest:
Simple interest @
12% per annum for the period
from 01.02.2005 up to 30.06.2012
(7 years 5 months) | ₹ 1,80,22,500/- |
| (c) Total (a + b) | ₹ 3,82,72,500/- |

B. Costs :

₹ 62,65,279/-

The total sum of money to be paid by the Respondent plus costs as above shall carry simple interest at the rate of 12% per annum from the date of the award to the date of realization.

Your Company has filed an Application before the Arbitral Tribunal for certain corrections in computing the amount payable to your company and your company has made arrangements for appropriate prosecution thereof.

Incidentally, against the above outstanding amount of fees your company had earlier written off ₹ 6, 27, 88, 329/- during the financial year 2010-2011.

CORPORATE GOVERNANCE FOR THE F.Y. 2011-2012

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 2011-2012, Five (5) Meetings of the Board were held on 27th May, 2011, 10th August, 2011, 24th September, 2011, 12th November, 2011 and 2nd February, 2012. The particulars of Directors as on 31st March, 2012 are as follows:-

Sr. No.	Director	Category of Directorship	No. of BM Attended Held	Last AGM attended	No. of Other Directorship	Committee Membership(s)	
						Chairman	Member
1	Mr. I. C. Jain	Chairman- Non Executive Director	5	Yes	9	1	3
2	Mr. Rajesh Jain	Executive Director	4	Yes	11	1	1
3	Mr. Girish Jain	Non Executive Director	5	Yes	9	1	3
4	Mr. Nitin Kulkarni	Non-Executive & Independent Director	5	Yes	1	2	3
5	Mr. S. C. Aythora	Non-Executive & Independent Director	4	No	18	4	3
6	Mr. Shailesh Shah (resigned w.e.f. 28/05/2011)	Non-Executive & Independent Director	1	No	-	-	1
7	Mr. Ghanshyamlal Srivastava (Appointed w.e.f. 12/11/2011)	Non-Executive & Independent Director	Nil	No	18	-	-

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.

14TH ANNUAL REPORT 2011-2012

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 additions 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 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 May, 2011, 10th August, 2011, 12th November, 2011 and 2nd February, 2012.

(b) Composition: During the year, the audit committee consisted of the following Directors:

Name of Director	Chairman/Member	No. of Meetings attended during the year
Mr. Nitin Kulkarni	Chairman- Independent Director	4
Mr. I. C. Jain	Member-Non Executive Director	4
Mr. S. C. Aythora*	Member-Independent Director	3
Mr. Shailesh Shah resigned on 28th May, 2011	Member-Independent Director	1

* Mr. S.C.Aythora was inducted as a Member of the Committee w.e.f. August 10, 2011.

4. SUBSIDIARY COMPANIES

The Company has the following subsidiary companies as on March 31, 2012:

- KJMC Shares and Securities Limited
- KJMC Credit Marketing Limited
- KJMC Commodities Market India Limited
- KJMC Capital Market Services Limited

5. 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	Chairman/Member
Mr. Nitin Kulkarni	Chairman- Independent Director
Mr. Girish Jain	Member-Non-Executive Director
Mr. S. C. Aythora	Member-Independent Director

6. SHARE TRANSFER / INVESTOR GRIEVANCE COMMITTEE

(a) Terms of Reference:

The Company's securities are listed on the BSE 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 overviews 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:

Name of Director	Chairman/Member
Mr. I. C. Jain	Chairman-Non-Executive Director
Mr. Girish Jain	Member-Non-Executive Director
Mr. Rajnesh Jain	Member-Executive Director
Mr. Nitin Kulkarni	Member-Independent Director

During the year, the Company has received nil complaints from shareholders. As on 31st March, 2012, 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 Nine (9) meetings during the year and approved the transfer of shares lodged with the Company and attended the investors' queries & complaints.

7. SITTING FEES:

The remuneration by way of sitting fees for attending Board and Audit Committee Meetings are paid to Independent Directors are as follows: (Amount in ₹)

Name of Director	Board Meeting	Audit Committee
Mr. S. C. Aythora	8,000/-	3000/-
Mr. Nitin Kulkarni	10,000/-	4,000/-
Mr. Ghanshyamlal Srivastava	Nil	Nil
Mr. Shailesh Shah	2,000/-	1,000/-

8. GENERAL BODY MEETINGS

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

Year	AGM/EGM	Location	Date	Time	No. of Special Resolution Passed
2008-2009	AGM	S. K. Somani Memorial Hall, Hindi Vidya Bhavan, 'F' Road, Marine Lines, Mumbai	26/09/2009	4.15 P.M.	-
2009-2010	AGM	S. K. Somani Memorial Hall, Hindi Vidya Bhavan, 'F' Road, Marine Lines, Mumbai	25/09/2010	4.15 P.M.	1
2010-2011	AGM	S. K. Somani Memorial Hall, Hindi Vidya Bhavan, 'F' Road, Marine Lines, Mumbai	24/09/2011	4.15 P.M.	1



KJMC CORPORATE ADVISORS (INDIA) LIMITED

(Formerly Known as KJMC Global Market (India) Limited)

(ii) Details of Resolution Passed through Postal Ballot

Financial Year	2011 - 2012
Type of Meeting	Postal Ballot
Date of declaration of result	June 25, 2012
Time of declaration of result	2.00 P.M.
Place of Meeting	Results declared at the registered office of the Company
Item of Special Resolution passed at the meeting	Change of name of the Company from KJMC Global Market (India) Limited to KJMC Corporate Advisors (India) Limited

Dr. S. K. Jain & Company, Practicing Company Secretary, Partner of S. K. Jain & Co., Mumbai was appointed as scrutinizer for conducting the Postal Ballot procedure, based on whose report the Chairman of the Company announced the result of the Postal Ballot at Registered Office at 2.00 p.m. on June 25, 2012.

Extracts of result of Postal Ballot 2011-2012 declared, which were duly assented by requisite majority of the Members.

9. 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.

10. DISCLOSURES

- * None of the transactions with any of the related party are in conflict with the interest of the Company. Transactions with related parties have been disclosed in Note 30 to the Notes on Accounts in the Annual Report.
- * There is no non compliance of any provision of law by the Company nor any penalty/ stricture imposed on the Company by Stock Exchange(s), SEBI or any other authority, on any matter related to Capital markets, during the last three years.
- * The Company has complied with all the mandatory requirements of the Corporate Governance.
- * The Company does not have any Whistle Blower Policy. However, any employee would not be denied access to the Audit Committee.

11. MEANS OF COMMUNICATION

The Company has promptly reported all material information including quarterly results to the BSE Limited, 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 the BSE 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 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 : Thursday, 20th September, 2012
Time : 3.00 P.M.
Venue : S. K. Somani Memorial Hall, Hindi Vidya Bhavan, 'F' Road, Marine Lines, Mumbai – 400 020.

2. Book Closure :

From Monday 10th September 2012 to Thursday, 20th September 2012 (both days inclusive).

3. Dividend Payment Date

Not applicable since Dividend not recommended/ declared.

4. Financial Calendar (tentative):

Financial Reporting for the Financial Year 2012 - 13	Tentative month of reporting
Un-audited Financial Results for the quarter ending 30 th June, 2012	On or before 14 th August, 2012
Un-audited Financial Results for the half year ending 30 th September, 2012	On or before 14 th November, 2012
Un-audited Financial Results for the quarter ending 31 st December, 2012	On or before 14 th February, 2013
Audited Financial Results for the year ending 31 st March, 2013	On or before 29 th May, 2013

5. Listing of Equity Shares on Stock Exchange

Shares of KJMC Corporate Advisors (India) Limited are listed on BSE Limited. The Company has paid Listing Fees for the current financial year 2012-13 to the BSE Limited (BSE).

6. Stock Code

- (i) BSE Limited (BSE) : B – 532304
- (ii) ISIN - INE602C01011

7. Stock Price Data

Month wise high and low price of the Company's shares at BSE Limited, Mumbai (BSE) from April 2011 to March, 2012:

Month	BSE Limited (BSE)	
	High (in ₹)	Low (in ₹)
April-2011	20.35	19.95
May-2011	20	19.05
June-2011	19.90	19.85
July-2011	20	20
August-2011	19.8	19.8
September-2011	20.5	19.1
October-2011	19.9	15.75
November-2011	16.15	13.9
December-2011	14.1	13.5
January-2012	14.15	12.5
February-2012	12.65	12.05
March-2012	13.5	12.61

8. Compliance Officer

Mr. Hemant Soni, Company Secretary
168, Atlanta, 16th Floor, Nariman Point, Mumbai – 400 021.
Ph: 022- 22885201, email: cosec@kjmc.com

9. Address for correspondence

Shareholders can correspond to Secretarial Department at the Registered Office of the Company at 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.

10. 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.

11. Dematerialisation of Shares

Trading in Equity Shares of the Company is permitted 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 2012, out of total Equity Capital of 31,36,440 Equity Shares, 28,21,123 Equity Shares representing 89.95% 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.

12. Distribution of shareholding as on 31st March, 2012

Range in ₹	Number of shareholders	% of Total Holders
Upto - 5000	3767	95.95
5001 to 10000	63	1.60
10001 to 20000	28	0.71
20001 to 30000	12	0.31
30001 to 40000	8	0.20
40001 to 50000	9	0.23
50001 to 100000	14	0.36
100001 and above	25	0.64
TOTAL	3926	100

14TH ANNUAL REPORT 2011-2012

13. Shareholding Pattern as on March 31, 2012:

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	1579680	50.37
(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)	1579680	50.37
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)	1579680	50.37
(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	563403	17.96
(b1)	Individuals-shareholders holding normal Share Capital up to Rs. 1 Lac	534151	17.03
(b2)	Individuals-shareholders holding normal Share Capital in excess of Rs. 1 Lac	375896	11.98
(c)	Any other		
(c1)	Clearing Member	10350	0.33
(c2)	NRI	510	0.02
(c3)	OCB's	0	0
	Sub Total B(2)	1484310	47.32
	Total Public Shareholding B(1) + B(2)	1556760	49.63
	Total (A) + (B)	3136440	100.00
C	Shares held by Custodians and against which Depository receipts have been issued	0	0
	Grand Total	3136440	100.00

Note: The total foreign shareholding for the quarter ended March 31, 2012, is 510 shares, which in percentage terms is 0.02% of the issued and subscribed capital.

OTHER INFORMATION

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 of the Company. The code is based on the principle that Directors, Officers and Employees of KJMC Corporate Advisors (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(1)(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 March 31, 2012.

FOR KJMC CORPORATE ADVISORS (INDIA) LIMITED

Place : Mumbai
Date : August 02, 2012

I. C. JAIN
Chairman

CEO and CFO Certification

The CFO i.e. Executive Director of the Company give annual certification on financial reporting and internal controls to the Board in terms of clause 49 of the Listing Agreement. The CFO i.e. Executive Director also give quarterly certification on financial results while placing the financial results before the Audit Committee and Board.

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
KJMC Global Market (India) Limited

We have examined the compliance of conditions of Corporate Governance by the KJMC Global Market (India) Limited for the year ended on 31st March, 2012 as stipulated in clause 49 of the Listing Agreement of the said company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company.

For K. S. Aiyar & Co.
Chartered Accountants
FRN No. 100186W

Sachin A. Negandhi
Partner
(Membership No. 112888)

Place : Mumbai
Date : May 24, 2012



KJMC CORPORATE ADVISORS (INDIA) LIMITED

(Formerly Known as KJMC Global Market (India) Limited)

AUDITORS' REPORT

TO THE MEMBERS OF KJMC GLOBAL MARKET (INDIA) LIMITED

1. We have audited the attached Balance Sheet of **KJMC GLOBAL MARKET (INDIA) LIMITED**, as at March 31, 2012, and also the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - a. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of the books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. in our opinion; the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - e. on the basis of the written representations received from the directors, as on March 31, 2012, and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on March 31, 2012 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f. in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - ii) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For K. S. Aiyar & Co,
Chartered Accountants
Registration No: 100186W

Sachin A. Negandhi
Partner
Membership No.: 112888

Place: Mumbai
Date: May 24, 2012

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our Report of even date on the Accounts for the year ended on March 31, 2012, of KJMC Global Market (India) Limited)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) These fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us, no fixed assets are disposed off during the year.
- (ii) The Company does not have any inventory. Accordingly, clause 4 (ii) (a), (b) & (c) of the Order are not applicable.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (b), (c) and (d) are not applicable.
- (b) As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (f) and (g) are not applicable.

- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and inventory. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) (a) The particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956, have been entered into a register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public to which the provisions of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 apply.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have been informed that the Company is not required to maintain cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956, which has been relied upon.
- (ix) (a) According to the records of the Company, Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, cess and other material statutory dues applicable to it have been generally regularly deposited during the period with the appropriate authorities.
According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other statutory dues which were outstanding, at the period end for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there are no dues of Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty and cess which have not been deposited on account of any dispute.
- (x) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) Based on our audit procedure and according to the information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution / bank. The Company does not have any outstanding debentures.
- (xii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.
- (xiv) On the basis of our examination of books and records of the Company, and according to the information and explanations given to us, in our opinion, the Company has maintained proper records of transactions and contracts in respect of dealing or trading in shares and securities entered into, in which entries were made on a timely basis. As at the balance sheet date the shares, securities and other investments were held in the Company's own name.
- (xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by a related party from the bank.
- (xvi) The Company did not have any term loans outstanding during the year under report, accordingly, the provisions of Clause (xvi) of paragraph 4 of the Order are not applicable.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, no debentures were issued during the period.
- (xx) The Company has not raised any money by way of public issue during the period. Therefore, the provision of clause (xx) of the order is not applicable to the Company.
- (xxi) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the course of our audit.

For K. S. Aiyar & Co,
Chartered Accountants
Registration No: 100186W

Sachin A. Negandhi
Partner
Membership No.: 112888

Place: Mumbai
Date: May 24, 2012