

15th Annual Report 2012 - 2013



KJMC
ADVICE MATTERS

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	<i>Executive Director</i>
Mr. R. R. Kumar	<i>Independent Director</i>
Mr. S. C. Aythora	<i>Independent Director</i>
Mr. Nitin Kulkarni	<i>Independent Director</i>

COMPANY SECRETARY

Mr. Hemant Soni

AUDITOR

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

BANKERS

HDFC Bank Limited Citi Bank
Union Bank of India

REGISTRAR & TRANSFERAGENT

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 : 10.00 a.m. to 12.30 p.m. : 1.30 p.m. to 3.30 p.m.

REGISTERED OFFICE

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

GROUP BRANCH OFFICE

New Delhi	Jaipur
221, Hans Bhawan, Bahadur Shah Zafar Marg, New Delhi - 110 002.	41, Jai Jawan Colony II, Tonk Road, Durgapur, Jaipur - 302 018.

FIFTEENTH ANNUAL GENERAL MEETING	
Date	: Saturday, 28th September, 2013
Time	: 10.00 a.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 Fifteenth Annual General Meeting of the Members of KJMC Corporate Advisors (India) Limited (Formerly Known as KJMC Global Market (India) Limited) will be held on Saturday, 28th September, 2013 at 10:00 A.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, 2013, 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 Mr. I. C. Jain, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. R. R. Kumar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. K. S. Aiyar & Co., Chartered Accountants, the retiring Auditors of the Company, as Auditors, who shall hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration:

"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 15th Annual General Meeting upto the conclusion of the 16th Annual General Meeting of the Company at a remuneration to be decided by and between the Board of Directors of the Company and M/s. K. S. Aiyar & Co."

SPECIAL BUSINESS:-

5. 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 appointment of Mr. Girish Jain as 'Whole Time Director' of the Company for a period of three years from 01st April, 2013 to 31st March, 2016 (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 Remuneration Committee and Board of Directors of the Company".

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 Mr. Girish 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".

6. 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 Mr. Rajnesh Jain as 'Whole Time Director' of the

Company for a period of three years from 01st November, 2013 to 31st October, 2016 (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 Remuneration Committee and Board of Directors of the Company".

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 Mr. 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 CORPORATE ADVISORS (INDIA) LIMITED

HEMANT SONI
COMPANY SECRETARY

Place: Mumbai

Date: 29th May, 2013

NOTES:

- A. The related Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, of the Companies Act, 1956 in respect of the item No. 5 and 6 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, 16th Floor, 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 Friday, 27th September, 2013 to Saturday, 28th September, 2013 (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 Mr. I. C. Jain :

Name & Designation	Mr. I. C. Jain, Director
Date of Birth	07th November, 1939
Qualifications	B. Com, FCA
Expertise	He has over four decades of experience in Income Tax Counseling, Corporate Finance, Merchant Banking and Company Audit.
Director of the Company since	09th March, 1998

The other Directorships / Committee Membership of Mr. I. C. Jain are as follows:

Name of the Company	Committee Membership	Board Membership
KJMC Financial Services Limited	Member - Audit Committee, Member - Share Transfer & Investor Grievance Committee	Chairman
KJMC Investment Trust Company Limited	-	Chairman
KJMC Shares and Securities Limited	-	Chairman
Port City Infrastructure Development (I) Limited	-	Director
KJMC Commodities Market India Limited	-	Chairman
KJMC Realty Private Limited	-	Chairman
KJMC Silver Properties Private Limited	-	Chairman
Prathamesh Enterprises Private Limited	-	Director

2. Information of Mr. R. R Kumar:

Name & Designation	Mr. R. R. Kumar, Director
Date of Birth	15th November, 1925
Qualifications	B.A., LL. B.
Expertise	Former Chairman of Union Bank of India, having vast experience in Banking Sector
Director of the Company since	24th May, 2012

The other Directorships / Committee Membership of Mr. R. R. Kumar are as follows:

Name of the Company	Committee Membership	Board Membership
Haldyn Corporation Limited	-	Chairman
Rolta India Limited	Chairman - Audit Committee Member - Remuneration Committee, Member - Investors' Grievance Committee	Director
KJMC Financial Services Limited	-	Director
Golden Tobacco Limited (Formerly known GTC Industries Limited)	Member - Audit Committee, Member - Remuneration Committee, Member - Investors' Grievance Committee	Director
IVP Limited	Member - Audit Committee	Director
Golden Realty & Infrastructure Limited	-	Director
KJMC Asset Management Co. Ltd.	-	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 ANNEXED TO, AND FORMING PART OF THE NOTICE

ITEM NO. 5

The Remuneration Committee at its meeting held on 28th March, 2013 had recommended appointment of Mr. Girish Jain as a Whole Time Director of Company for a period of three years from 01st April, 2013 to 31st March, 2016, (both days inclusive) on the terms, conditions and remuneration set out in the Explanatory Statement. The Board of Directors, at their meeting held on 01st April, 2013 had approved the recommendations subject to the approval by the members at ensuing Annual General Meeting by way of Special Resolution. The Remuneration Committee and the Board of Directors are of the opinion that the appointment of Mr. Girish Jain will be in the interest of the Company.

The material terms of remuneration payable to Mr. Girish Jain are as under:

1. Basic Salary:

Rs. 1,53,000/- (Rupees One Lakh Fifty Three Thousand 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 'Whole Time 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 in India or Abroad 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 along with driver for Company's works and Private purpose.
- (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, wherever 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. Girish Jain for attending the meetings of the Board of Directors or any Committee thereof, during his tenure as 'Whole Time Director' of the Company.
- b) Compensation for loss of office before the expiry of the terms of office would be payable to the 'Whole Time 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 whole time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Salary, Perquisites and Allowances 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 members as per Schedule XIII of the Companies Act, 1956:

1.	Nature of Industry	Financial Services (Merchant Banker)		
2.	Expected Date of Commencement of Commercial production	Not applicable		
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus.	Not Applicable		
4.	Financial performance based on given indicators.	As per the Audited Accounts of the Company for the following financial years: (₹ in '000')		
		Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
		Total Revenue	87,982	31,539
		Profit Before Tax	19,693	7,599
		Profit for the period	10,440	5,684
5.	Export performance and net foreign exchange collaboration.	Not applicable		
6.	Foreign Investments or collaboration, if any	Not applicable		

Other information:

1.	Reasons for 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 long term economic outlook coupled with importance of 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 Mr. Girish Jain to be appointed as Whole Time Director of the Company:

Mr. Girish Jain is B.E. (Electronics) and PGDBM (Finance) having vast experience in Corporate Finance, Merchant Banking, Broking, Distribution, Accountancy, Audit 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 appointment as 'Whole Time Director' would be in the interest of your Company.

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

ITEM NO. 6

The Remuneration Committee at its meeting held on 17th May, 2013 had recommended re-appointment of Mr. Rajnesh Jain as Whole Time Director of the Company for a period of three years from 01st November, 2013 to 31st October, 2016, (both days inclusive) on the terms, conditions and remuneration set out in the Explanatory Statement. The Board of Directors, at their meeting held on 29th May, 2013 had approved the recommendations subject to the approval by the members at ensuing 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 Mr. Rajnesh Jain will be in the interest of the Company.

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

1. Basic Salary:

Rs. 1,53,000/- (Rupees One Lakh Fifty Three Thousand 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 'Whole Time 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 in India or Abroad 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 along with driver for Company's works and Private purpose.
- (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, wherever 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 'Whole Time Director' of the Company.
- b) Compensation for loss of office before the expiry of the terms of office would be payable to the 'Whole Time 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 Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay

remuneration by way of Salary, Perquisites and Allowances 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 members as per Schedule XIII of the Companies Act, 1956:

1.	Nature of Industry	Financial Services (Merchant Banker)		
2.	Expected Date of Commencement of Commercial production	Not applicable		
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus.	Not Applicable		
4.	Financial performance based on given indicators.	As per the Audited Accounts of the Company for the following financial years: (₹ in '000')		
		Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
		Total Revenue	87,982	31,539
		Profit Before Tax	19,693	7,599
		Profit for the period	10,440	5,684
5.	Export performance and net foreign exchange collaboration.	Not applicable		
6.	Foreign Investments or collaboration, if any	Not applicable		

Other information:

1.	Reasons for 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 long term economic outlook coupled with importance of 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 Mr. Rajnesh Jain to be re-appointed as a Whole Time Director of the Company:

Mr. 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 'Whole Time Director' would be in the interest of your Company.

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

FOR KJMC CORPORATE ADVISORS (INDIA) LIMITED

HEMANT SONI
COMPANY SECRETARY

Place: Mumbai
Date: 29th May, 2013

DIRECTORS REPORT

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

Your Directors herewith present the 15th Annual Report, together with the audited statement of accounts of the Company for the financial year ended 31st March, 2013.

FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March, 2013 is summarized below:

(₹ in "000")

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012	Year Ended 31st March, 2013	Year Ended 31st March, 2012
	Standalone		Consolidated	
Total Revenue	87,982	31,539	115776	60990
Total Expenditure	68290	23940	90429	55491
Profit/(Loss) Before Tax	19693	7599	25347	5499
Provision for Tax				
- Current Tax	3800	1140	3850	1360
- Deferred Tax	8682	1915	12309	1776
- MAT Credit	(3104)	(1140)	(3104)	(1140)
- Prior Period Taxes	(124)	-	(124)	(291)
Profit/(Loss) for the period	10440	5684	12416	3791
Earnings Per Equity Share:				
(1) Basic	3.33	1.81	3.96	1.21
(2) Diluted	3.33	1.81	3.96	1.21

PERFORMANCE REVIEW

During the year under review, your Company earned the total revenue of ₹ 879.82 Lacs as against ₹ 315.39 Lacs in the previous year. The total expenditure during the year under review was ₹ 682.90 Lacs as against ₹ 239.40 Lacs in the previous year. The Net Profit after tax for the year was ₹ 104.40 Lacs as against Net Profit ₹ 56.84 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, Mr. I. C. Jain and Mr. R. R. Kumar, the Directors of the Company are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

Your Board of Directors have appointed of Mr. Girish Jain as Whole Time Director of the Company for a period of three years with effect from 01st April, 2013 to 31st March, 2016 in view of his valuable contribution to the progress of the Company since incorporation of your Company. The Board recommends to the Shareholders the Special Resolution under item no. 5 of the Notice of this Annual General Meeting.

Your Board of Directors have re-appointed of Mr. Rajnesh Jain as Whole Time Director of the Company for a further period of three years with effect from 01st November, 2013 to 31st October, 2016 in view of his valuable contribution to the progress of the Company. The Board recommends to the Shareholders the Special Resolution under item no. 6 of the Notice of this Annual General Meeting.

AUDITORS

M/s. K. S. Aiyar & Co., Chartered Accountants, Mumbai, Statutory Auditors of the Company will retire at the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received letter from the Auditors to the effect that their 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.

PUBLIC DEPOSITS

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, 2013.

SUBSIDIARY COMPANY

KJMC Shares & Securities Limited, KJMC Credit Marketing Limited, KJMC

Capital Market Services Limited and KJMC Commodities Market India Limited are subsidiaries of the 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 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 31st March, 2013, 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, 2013 and of the profit or 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 upto the financial year 2013 - 2014 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, 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 ₹ 690.36 lacs in foreign currency in the current financial year as compared to ₹ 46.56 Lacs in the previous financial 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 KJMC CORPORATE ADVISORS (INDIA) LIMITED

Place: Mumbai
Date: 29th May, 2013

I. C. JAIN
CHAIRMAN

MANAGEMENT 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 providing the entire gamut of Financial Advisory Services and resource mobilization solutions for various Corporates and Institutional clients.

The Company offers following Services:

- (1) Merchant Banking Services (Equity Capital Markets)
- (2) Business Advisory Services
- (3) Syndication of funds through PE / VC / Seed Funds / Angel Investors
- (4) Debt syndication – Term Loan / Working Capital Finance
- (5) Channel Financing
- (6) Advisory on Project Financing, Debt Restructuring, Debt Refinancing and One Time Settlement (OTS)
- (7) Mergers and Acquisition Services
- (8) Corporate Advisory Services

Merchant Banking Services (Equity Capital Markets) :- Management of public issue (Main Board or SME), Rights Issues, Qualified Institutional Placements (QIPs), Institutional Placement Programmes (IPP), GDR, Offer For Sale (OFS), management of buybacks, open offers, advising on Creeping Acquisition, Delisting, and wealth management advisory. Other services including business advisory, financial / legal due diligence, corporate and business structuring, underwriting, private placement of bonds and equities, issue of & buy back of FCCBs, formation of schemes, valuation and certification in relation to ESOPs and Relisting of Shares.

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 / valuation of ESOPs for tax on requisitions etc.

Syndication of funds through PE / VC / Seed Funds / Angel Investors: Private Equity/Venture Capital/Seed Funding/Angel Investors are important sources of fund for unlisted / private companies, next only to promoter's capital. Indigenous as well as overseas PE Funds/ Venture Capital Funds/Seed Funds/Angel Investors are the main investors investing in such companies by way of private placements. The instruments used are equity shares of other instruments convertible into equity such as convertible warrants etc. They normally take exposure in unlisted companies having growth potential and eventual listing which will provide exit route. In the mean time, their interests are governed by appropriate documents which invariably include (i) Subscription Agreement and (ii) Shareholders Agreement. These agreements are extensively debated and negotiated and comforts which normally include seat(s) at the Board of the Directors, affirmative voting rights in the case of material transaction, share transfer covenants such as right of first refusal, tag along, drag along, etc., dividend payment and so on.

Debt syndication – Term Loan / Working Capital Finance: 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 clients' due diligence and monitoring.

Channel Financing: 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.

Advisory on Project Financing, Debt Restructuring, Debt Refinancing and One Time Settlement (OTS): With our rich resource of professionals we evaluate the projects on its Financial and Economic viability and advise suitable financing model for successful completion of the projects. We also assist corporates in restructuring their debt profile including reduction in interest rates, One Time Settlement (OTS) etc.

Mergers and Acquisition Services : Advisory – buy side / sell side, joint ventures & strategic alliances, leveraged buyouts, management buyouts, valuation, taxation advisory services, regulatory compliance, fairness opinion certificates and valuation advisory for inbound & outbound investments etc.

Corporate Advisory Services: 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 total revenue of ₹ 879.82 Lacs as against ₹ 315.39 Lacs in the previous year. The total expenditure during the year under review was ₹ 682.90 Lacs as against ₹ 239.40 Lacs in the previous year. The Net Profit after tax for the year was ₹ 104.40 Lacs as against Net Profit ₹ 56.84 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 is 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 has plans to expand its presence in areas of services that it offers 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.

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:

- Globalisation of Economy and Business
- Low retail penetration of financial services / products in India
- Leveraging strong brand image
- Cross selling of services
- Utilizing technology to provide solutions to customers

Threats:

- Competition from established companies and new entrants
- Execution risk
- Regulatory changes
- High attrition rate of skilled and experienced human capital.
- Volatile economic 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 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.

7. 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 fast growing customer base of your Company. It is our endeavor to create an environment where people can use their capabilities to support our business. Therefore, your Company encourages its employees to have edge over other competitors in the Capital Market.

REPORT ON CORPORATE GOVERNANCE FOR THE F.Y. 2012-2013

In accordance with Clause 49 of the listing agreement with BSE Ltd., the report containing the details of Corporate Governance systems and processes is as under:

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 Directors have been contributing their diversified knowledge, experience and expertise in respective areas of their specialization for the growth of the Company. During the Financial year 2012-2013, Nine (9) Meetings of the Board were held on 16th May, 2012, 24th May, 2012, 25th June, 2012, 27th June, 2012, 02nd August, 2012, 20th September, 2012, 06th November, 2012, 20th December, 2012 and 08th February, 2013. The particulars of Directors as on 31st March, 2013 are as follows:-

Sr. No	Director	Category of Directorship	No. of BM Attended	Last AGM attended	* No. of Other Directorship Held	Committee Membership(s)	
						Chairman	Member
1	Mr. I. C. Jain	Chairman- Non Executive Director	9	Yes	8	1	3
2	Mr. Rajnesh Jain	Executive Director	8	Yes	9	1	2
3	Mr. Girish Jain	Non-Executive Director	8	Yes	8	1	3
4	Mr. Nitin Kulkarni	Non-Executive & Independent Director	9	Yes	1	1	3
5	Mr. S.C. Aythora	Non-Executive & Independent Director	9	Yes	17	2	3
6	Mr. R. R. Kumar (Appointed w.e.f. 24th May, 2012)	Non-Executive & Independent Director	6	Yes	7	2	3
7	Mr. Ghanshyam Lal Srivastava (Resigned w.e.f. 22nd June, 2012)	Non-Executive & Independent Director	1	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.

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:

Pursuant to the provision of Section 292A of the Companies Act, 1956 and clause 49 of the Listing agreement, the Company has Qualified Audit Committee. The Audit Committee provides direction to the audit and risk management function in the Company and monitors the quality of internal audit and management audit. The responsibilities of the Audit Committee include overseeing the financial reporting process to ensure proper disclosure of financial statements, fixing the audit fees and also approving the payment for any other services, reviewing the annual financial statements before submission to the Board, reviewing adequacy of internal control systems, structure and staffing of the internal audit function, reviewing findings of the internal investigations, etc.

The terms of reference and powers of the Audit Committee are as per Clause 49 of the Listing Agreement and also as per Section 292A of the Companies Act, 1956. The Committee met four times during the year i.e. 24th May, 2012, 02nd August, 2012, 06th November, 2012 and 08th February, 2013.

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

Name of Director	Executive/Non-Executive/ Meetings	No. of attended during the year
Mr. Nitin Kulkarni	Independent Chairman- Independent Director	4
Mr. I. C. Jain	Non Executive Director	4

4. SUBSIDIARY COMPANIES

The Company has the following subsidiary companies as on March 31, 2013:

- 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 was reconstituted on 08th February, 2013 and presently it comprises of the following Members:

Name of Director	Executive/Non-Executive/Independent	Meetings Attended
Mr. Nitin Kulkarni	Chairman- Independent Director	1
Mr. R. R. Kumar (Appointed w.e.f. 08th February, 2013)	Independent Director	1
Mr. S. C. Aythora	Independent Director	1
Mr. Girish Jain (Resigned w.e.f. 08th February, 2013)	Non Executive Director	Nil

During the year one committee meeting was held on 28th March, 2013.

6. SHARE TRANSFER AND INVESTOR GRIEVANCE COMMITTEE

(a) Terms of Reference:

The Company's securities are listed on BSE Limited. The role and functions of the Share Transfer and 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 is 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 and Investor Grievance Committee. Accordingly, the Board of Directors formed a Share Transfer and Investor Grievance Committee, consisting of following Directors:

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

During the year, the Company has received 02 (Two) complaints from shareholders and all were resolved within the stipulated time to satisfaction of the shareholders. As on 31st March, 2013, 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 Eight (8) meetings during the year and approved the transfer of shares lodged with the Company and attended the investors' queries & complaints.

7. Remuneration to Directors

(i) Remuneration to Non-Executive Directors for the year ended 31st March, 2013:

Independent Directors are paid sitting fee of ₹ 2000/- for every meeting of the Board of Directors and sitting fees of ₹ 1000/- for meeting of audit committee attended by them.

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

Name of Director	Board Meeting	Audit Committee
Mr. S. C. Aythora	18,000/-	4,000/-
Mr. Nitin Kulkarni	18,000/-	4,000/-
Mr. R. R. Kumar	12,000/-	Nil
Mr. Ghanshyamlal Srivastava	2,000/-	Nil

(ii) Remuneration to the Executive Director for the year ended 31st March, 2013.

Following is the remuneration paid to the Executive Director w.e.f 01st April, 2012 to 31st March, 2013:

Executive Total Director	Basic Salary	Perquisites and allowances	Company's Contribution to funds (₹)	Commission

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
2009-10	AGM	S. K. Somani Memorial Hall, Hindi Vidya Bhavan, 'F' Road, Marine Lines, Mumbai	25/09/2010	4.15 P.M.	1
2010-11	AGM	S. K. Somani Memorial Hall, Hindi Vidya Bhavan, 'F' Road, Marine Lines, Mumbai	24/09/2011	4.15 P.M.	1
2011-12	AGM	S. K. Somani Memorial Hall, Hindi Vidya Bhavan, 'F' Road, Marine Lines, Mumbai	20/09/2012	3.00 P.M.	Nil

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 29 to the Notes on Financial Statements in the Annual Report.
- The Company has complied with the requirements of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital market during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other Statutory Authorities.
- The Company has complied with all the mandatory requirements of the Corporate Governance.
- The Company do not have any Whistle Blower Policy. However, any employee would not be denied access to the Audit Committee.

11. CEO/CFO Certification

In terms of the requirements of Clause 49(V) of the Listing Agreement, a CEO/CFO Certificate on the financial statements of the Company is placed before the Board.

12. MEANS OF COMMUNICATION

The Company has promptly reported all material information including quarterly results to BSE Limited, where the Company's securities are listed. The Company publishes its quarterly, half yearly and yearly, financial results in national and regional newspapers. The Company also sends the financial results to 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 : Saturday, 28th September, 2013
Time : 10.00 a.m.
Venue : S. K. Somani Memorial Hall, Hindi Vidya Bhavan, 'F' Road, Marine Lines, Mumbai – 400 020

2. Book Closure :

Friday, 27th September, 2013 to, Saturday, 28th September, 2013 (both days inclusive)

3. Dividend Payment Date

Not applicable since Dividend not recommended/ declared.