

ALMONDZ GLOBAL SECURITIES LIMITED

Corporate Identity Number (CIN) : L74899DL1994PLC059839

Regd. Office : 2nd Floor, 3, Scindia House, Janpath, New Delhi - 110 001

Tel : 011-41514665; Website : www.almondz.com; email id : delhi@almondz.com

NOTICE

TO THE SHAREHOLDERS,

NOTICE is hereby given that the 20th Annual General Meeting of the Members of ALMONDZ GLOBAL SECURITIES LIMITED will be held on Monday, the 29th day of September 2014, at 11.00 a.m. at M P C U Shah Auditorium, Shree Delhi Gujarati Samaj (Regd.), 2, Raj Niwas Marg, Civil Lines, Delhi - 110054, to transact the following business :

ORDINARY BUSINESS :

1. To consider and if thought fit, with or without modification(s), pass the following Resolution as an Ordinary Resolution :
“RESOLVED THAT the Audited Balance Sheet as at 31 March 2014 and the Statement of Profit and Loss of the Company for the year ended on that date, together with Directors’ Report and Auditors’ Report thereon as presented to the meeting, be and are hereby, approved and adopted.”
2. To consider and if thought fit, with or without modification(s), pass the following Resolution as an Ordinary Resolution :
“RESOLVED THAT Mr. Sanjay Tiwari, (DIN : 03407426) Director of the Company, who retires by rotation and being eligible for re-appointment, be and is hereby, re-appointed as a Director of the Company.”
3. To consider and if thought fit, with or without modification(s), pass the following Resolution as an Ordinary Resolution :
“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. AVK & Associates, Chartered Accountants, (New Delhi), Registration No. 002638N, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of 20th Annual General Meeting (AGM) till the conclusion of the twenty-third AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), on such remuneration as may be fixed in this behalf by the Board of Directors of the Company in consultation with the Audit Committee thereof.”

SPECIAL BUSINESS :

4. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution :
“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Atul Kumar Shukla (DIN : 00121601), Director of the Company whose period of office is liable to retirement by rotation as per the Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, to hold the office for a term upto five consecutive years commencing from 29th September, 2014.”
5. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution :
“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Surendar Kumar Sood (DIN : 02741435), Director of the Company whose period of office is liable to retirement by rotation as per the Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, to hold the office for a term upto five consecutive years commencing from 29th September, 2014.”
6. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution :
“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Krishan Lall Khetarpaul (DIN : 01268756), Director of the Company whose period of office is liable to retirement by rotation as per the Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, to hold the office for a term upto five consecutive years commencing from 29th September, 2014.”
7. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution :
“RESOLVED THAT subject to the provisions of Sections 196, 197 and 203 and all other applicable provisions, if any of the Companies Act, 2013 (“the Act”) (including any statutory modification or re-enactment thereof for the time being in force) read

with Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and subject to such approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the Authorities including the Central Government in granting such approvals, permissions and sanctions, consent of the members be and is hereby accorded to the appointment and payment of remuneration of Mr. Navjeet Singh Sobti, (DIN : 00008393) as the Vice Chairman & Managing Director of the Company under the Companies Act, 2013 for a period of five years with effect from 12 August, 2014 to 11 August, 2019 (both days inclusive), on terms and conditions including remuneration as under :

A. Salary

Basic Salary of Rs. 5,00,000/- per month.

B. Perquisites (aggregating upto Rs. 5,00,000/- per month)

- (a) Free furnished Company's owned /hired /leased accommodation alongwith benefits of gas, fuel, water, electricity, telephone, as also upkeep and maintenance of such accommodation.
- (b) Reimbursement of actual medical expenses incurred in India and/or abroad for self and family (including dependent children and parents), subject to one month of basic salary in a year.
- (c) Leave Travel Allowance for self and family (including dependent children and parents) once in a year @ one month of basic salary.
- (d) Club Fees of two Clubs in India (including admission and life membership fees).
- (e) Personal Accident Insurance Premium as per the Rules of the Company.
- (f) Company's Contribution towards Provident Fund and Superannuation Fund as per the Rules of the Company.
- (g) Gratuity as per the Rules of the Company.
- (h) Company's car with a driver.
- (i) Leave and encashment of leave, in accordance with the Rules of the Company.
- (j) Educational support for dependent children including their travel, hostel fees and tuition fees, subject to a maximum of one month's salary in a year.
- (k) Reimbursement of the Actual Corporate Relations expenses.
- (l) Incentive /bonus for each financial year, as may be determined by the Nomination & Remuneration Committee of the Board of Directors of the Company.

In addition to the above, the Vice Chairman & Managing Director shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.

C. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year, during the currency of the tenure of Mr. Navjeet Singh Sobti, the Company has no profits or its profits are inadequate, the Company will pay the salary and perquisites upto the limits as specified above to Mr. Navjeet Singh Sobti as the minimum remuneration as specified in Section II and Section III of part II of Schedule V of the Companies Act, 2013 and subject to the approval of Central Government, if necessary."

RESOLVED FURTHER THAT the Board of Directors or a Committee (which term shall be deemed to include the Nomination and Remuneration Committee of the Board) thereof, be and is hereby, authorized to alter or vary the remuneration within the provisions of Schedule V of the Companies Act, 2013, to the extent the Board of Directors or Committee thereof may consider appropriate, as may be permitted or authorized in accordance with any provisions under the Companies Act, 2013 or schedule(s) appended thereto, for the time being in force or any statutory modification or re-enactment thereof and/or any rules or regulations there under and to do all such acts, deeds, things in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.

RESOLVED FURTHER THAT Mr. Jagdeep Singh, Wholetime Director, and Mr. Ajay Pratap, Company Secretary, be and are hereby, individually authorized, for and on behalf of the Company, to do all the acts, deeds, and things including seeking approval of Central Government, in relation to the aforesaid."

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

"RESOLVED THAT subject to the provisions of Sections 196, 197 and 203 and all other applicable provisions, if any of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and subject to such approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the Authorities including the Central Government in granting such approvals, permissions and sanctions, cosent of the members be and is hereby accorded to the re-appointment and payment of remuneration of Mr. Jagdeep Singh, (DIN : 00008348) as the Wholetime Director of the Company under the Companies Act, 2013 for a period of five years with effect from 1 December, 2014 to 30 November, 2019 (both days inclusive), on terms and conditions including remuneration as under :

A. Salary

Basic Salary of Rs. 2,85,000/- per month.

B. Perquisites

- (a) Free furnished Company's owned /hired /leased accommodation alongwith benefits of gas, fuel, water, electricity, telephone, as also upkeep and maintenance of such accommodation.

OR

House Rent Allowance @ 40% of the Basic Salary as above.

- (b) Company's car & driver.
- (c) Leave and encashment of leave, in accordance with the Rules of the Company.
- (d) Reimbursement of the Actual Corporate Relations expenses.
- (e) Performance linked incentive / bonus at the end of each financial year, as may be determined by the Nomination and Remuneration Committee of the Board of Directors of the Company.

In addition to the above, the Wholtime Director shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.

C. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year, during the currency of the tenure of Mr. Jagdeep Singh, the Company has no profits or its profits are inadequate, the Company will pay the salary and perquisites upto the limits as specified above to Mr. Jagdeep Singh as the minimum remuneration as specified in Section II and Section III of part II of Schedule V of the Companies Act, 2013 and subject to the approval of Central Government, if necessary.

RESOLVED FURTHER THAT the Board of Directors or a Committee (which term shall be deemed to include the Nomination and Remuneration Committee of the Board) thereof, be and is hereby, authorized to alter or vary the remuneration within the provisions of Schedule V of the Companies Act, 2013, to the extent the Board of Directors or Committee thereof may consider appropriate, as may be permitted or authorized in accordance with any provisions under the Companies Act, 2013 or schedule(s) appended thereto, for the time being in force or any statutory modification or re-enactment thereof and/or any rules or regulations there under and to do all such acts, deeds, things in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.

RESOLVED FURTHER THAT Mr. Navjeet Singh Sobti, Vice Chairman & Managing Director and Mr. Ajay Pratap, Company Secretary, be and are hereby, individually authorized, for and on behalf of the Company, to do all the acts, deeds, and things including seeking approval of Central Government, in relation to the aforesaid."

9. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution :

"RESOLVED THAT Mrs. Neelu Jain, (DIN : 00227058) who was appointed by the Board of Directors as an additional director of the Company with effect from 12 August 2014, and who holds office up to the date of the forthcoming Annual General Meeting of the Company in terms of Section 161 (1) of the Companies Act, 2013 ("the Act") and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and she is hereby appointed as director of the Company whose office shall be liable to retire by rotation."

10. 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 Section 188 and all other applicable provisions if any, of the Companies Act, 2013 (the Act) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the company in the form of ratification be and is hereby accorded for sale of company's property situated at apartment No. 42, 3rd Floor, Ahuja Towers, Thiruvengataswamy Road (West), R.S. Puram, Coimbatore, 641002 to North Square Projects Pvt. Ltd., for an aggregate value of Rs. 26,15,000/- only (Rupees Twenty Six Lacs Fifteen Thousand only) and on other terms and conditions as set out under Item No. 10 of the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized {hereinafter referred to as the "Board", which term shall include management committee constituted by the Board of Directors of the Company or any person(s) authorized by the Committee to exercise the powers conferred on the Board of Directors of the Company by this Resolution} to perform and execute all such acts, deeds and things as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto."

11. 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 Section 188 and all other applicable provisions if any, of the Companies Act, 2013 (the Act) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the company be accorded to the Board of Directors of the company to enter into contracts and/or agreements with related parties as defined under the Act with respect to Sale, purchase or supply of goods or materials, leasing of properties, availing or rendering of any services, or any other transactions of whatever nature with related parties with effect from 1st April, 2014 up to the maximum per annum for the year 2014-15 and further years as provided in the table provided in and forming part of the Explanatory statement.

FURTHER RESOLVED THAT the Board of Directors of the company, be and is hereby authorised to determine the actual sums to be involved in the proposed transactions and the terms & conditions related thereto and all other matters arising out of or incidental to the proposed transactions and generally to do all acts deeds and things that may be necessary proper, desirable or expedient and to execute all documents, agreements and writings as may be necessary, proper, desirable or expedient to give effect to this resolution"

By Order of the Board of Directors
For **Almondz Global Securities Limited**

New Delhi
August 12, 2014

Ajay Pratap
Company Secretary

NOTES :

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of the business under Item Nos. 4 to 11 of the Notice, is annexed hereto. The relevant details as required under clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment/ re-appointment as Directors under Item Nos. 4 to 9 of the Notice, are also annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF ON A POLL ONLY AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, IN WRITING, SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.
3. The Register of Members and Share Transfer Books & Register of the Company shall remain closed from Monday, 22 September 2014 to Monday, 29 September 2014, both days inclusive.
4. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent namely Beetal Financial & Computer Services Pvt. Ltd. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Registrar and Share Transfer Agent.
5. As a measure of austerity, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
6. Members/Proxies should bring the Attendance Slip, duly filled in, for attending the Meeting. In case of joint holders attending the meeting, only such joint holder who is first in the order of names, will be entitled to vote.
7. All documents referred to in the accompanying Notice and Explanatory Statement shall be open for public inspection at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. to 1.00 p.m. upto and inclusive of the date of the Annual General Meeting.
8. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are advised to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.
9. Members are hereby informed that pursuant to Section 205A(5) of the Companies Act, 1956 ("The Act"), the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account, to the credit of Investors Education and Protection Fund (IEPF) established by the Central Government under Sub-section (1) of Section 205C of the Act. No claim shall lie against the Company or the Fund in respect of individual amounts of dividends remaining unclaimed and unpaid for a period of seven years and transferred to the Fund, as aforesaid.
10. Those Members who have not so far encashed their Dividend Warrants for the Accounting Year ended 31st March, 2007 or any subsequent years, may immediately approach the Company/Share Transfer Agent for issuance of Demand Drafts in lieu thereof.
11. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
12. The Company is registered with the following depositories for dematerialization of its Equity Shares :
 - i) National Securities Depositories Ltd. (NSDL) at Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013
 - ii) Central Depository Services (India) Ltd. (CDSL), at Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai - 400001The Registration No. granted by NSDL & CDSL is ISIN INE-326B01027.
13. The Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
14. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with RTA/ Depositories.
15. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice.
16. Members desiring any information/clarification on the Annual Accounts are requested to write to the Company at its Registered Office at least 15 days before the date of Annual General Meeting so that the same may be attended to, well in advance.
17. Details of Directors seeking appointment/re-appointment at the Annual General Meeting of the Company are provided in Annexure A of this Notice. The information or details pertaining to these Directors, to be provided in terms of Clause 49 of Listing Agreements, are furnished in the Statement on Corporate Governance in this Annual Report.

By Order of the Board of Directors
For **Almondz Global Securities Limited**

New Delhi
August 12, 2014

Ajay Pratap
Company Secretary

Explanatory Statement (Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 11 of the accompanying Notice :

Item No. 3 :

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

M/s AVK & Associates the Auditors of the Company have completed the term of 2 years. As per the provisions of Section 139 of the Act, no listed company can appoint or re-appoint an audit firm as auditors for more than two terms of five consecutive years.

In view of the above, M/s AVK & Associates, being eligible for re-appointment and based on the recommendation of the Audit Committee, the Board of Directors has, at its meeting held on August 12, 2014, proposed the appointment of M/s AVK & Associates as the statutory auditors of the Company for a period of three years to hold office from the conclusion of this AGM till the conclusion of the twenty-third AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM). The Board commends the Resolution at Item No. 3 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the Resolution at Item No. 3 of the accompanying Notice.

Item Nos. 4 to 6 :

Appointment of Independent Directors

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. Atul Kumar Shukla, Mr. Surendar Kumar Sood and Mr. Krishan Lall Khetarpaul, as Independent Directors at various times, in compliance with the requirements of the clause. Pursuant to the provisions of Section 149 of the Act, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The Nominations and Remuneration Committee has recommended the appointment of these directors as Independent Directors from September 29, 2014 up to September 28, 2019.

Mr. Atul Kumar Shukla, Mr. Surendar Kumar Sood and Mr. Krishan Lall Khetarpaul, non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management. In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval. The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

A brief profile of the Independent Directors to be appointed is given below :

Atul Kumar Shukla (M.Sc.), Non-Executive & Independent Chairman, aged 68 years, is the Former Chairman of Life Insurance Corporation of India and has experience of around 44 years. He had held positions of Chairman/Non-Executive Chairman/Member/Director of many companies, some of them being LIC Housing Finance Ltd., LIC (International) B.S.C. (C) Bahrain, National Stock Exchange of India Ltd., National Commodities & Derivatives Exchange Limited, General Insurance Corporation of India, IL & FS Limited, Gujarat State Financial Corporation, Larsen & Toubro Ltd., Mittal Corp Ltd., India Infoline Trustee Co. Ltd., Gammon India Ltd., Dev Property Development Plc.

Surendar Kumar Sood (Retd. IAS), Non-Executive & Independent Director, aged 66 years, is a 1971 batch Indian Administrative Services officer. During his stint as a distinguished Civil Servant, he has vast and varied experience in administration, industrial development & policy, foreign trade, finance management and mobilization, infrastructure development, legislation & social welfare, and management of commercial enterprises at both CEO & Board level. He held the offices of Deputy Commissioner of Kinnaur & Hamirpur districts in HP; Director Industries HP; Joint Chief Controller of Imports & Exports; in-charge of Eight Northern States from UP to J&K for export promotion, administering CCS & I&E licenses; Secretary to Govt. of HP; in-charge of PWD, IPH Health & Family Welfare, Science & Technology, Tourism, Transport, Urban Development; Principal Secretary, Finance & Planning, GOHP; Joint Secretary, Deptt. of Chemicals & Petrochemicals, GOI; Director General, DGS&D, GOI; Secretary, National Commission for Scheduled Castes; Secretary to the Governor, HP; Joint Secretary, Ministry of Commerce; and Managing Director of State PSUs. He formulated the First Tourism Policy of HP, pioneered installation of hand pumps in hills by using modern scientific advances like Satellite Imagery to locate & harness sub-terranean water channels in the hills as source of pure drinking water for masses. Mr. Sood served as Director of Indian Petrochemicals Corporation Ltd., Petrofil (Baroda), Hindustan Antibiotics Ltd., Indian Drug & Pharmaceuticals Ltd., Hindustan Chemicals Ltd., HP Financial Corporation Ltd., Tourism Development Corporation, HP State Road Transport Corporation, besides acted as the Managing Director of HP Handlooms & Handicrafts Corporation, and HP Infrastructure Development Board HP Mineral & Industrial Development Corporation, HP.

Krishan Lall Khetarpaul (B.Sc. (Hons.) Mathematics, M.A. Economic Statistics, Dip. in Journalism & CAIIB), Non-Executive & Independent Director, aged 71 years, is a seasoned banker having more than 38 years of experience with the Reserve Bank of India. He joined the Reserve Bank of India in 1965 as a Probationary Officer and retired from the services in the year 2003 as its Executive Director. Thereafter, he worked as the Director and CEO of Punjab National Bank Institute of Information Technology.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP except for the appointee directors is/are concerned or interested in the Resolution at Item No. 4 to 6 of the accompanying Notice.

Item No. 7 :

Navjeet Singh Sobti B.Com & (FCA), aged 47 years, is one of the promoter of the Company and serving the Board of the Company for the tenure upto 18 May 2016. On account of resignation of Vinay Mehta from the post of Managing Directorship of the Company, Mr. Navjeet Singh Sobti has been appointed as the Vice Chairman & Managing Director of the Company for a period of 5 years w.e.f., 12 August 2014. Mr. Navjeet Singh Sobti is one of the members of the initial team which promoted the Company. He currently heads the Almondz team and his main areas of specialization include investment banking, corporate advisory services and infrastructure project financing.

A Statement containing the requisite information in accordance with the requirement of Sub Clause (C) of Section II of Part II of Schedule XIII of the Companies Act, 1956 and Section II of Part II of Schedule V of the Act is also attached.

Mr. Navjeet Singh Sobti is interested and concerned in this Resolution. Other than Mr. Sobti, no other director, key managerial personnel or their respective relatives are concerned or interested in this Resolution.

Item No. 8 :

Jagdeep Singh B.Sc & (FCA), aged 49 years, has been appointed as the Wholetime Director of the Company for the period of 5 years ending on 30 November 2014. Now, given the contributions being made by Mr. Jagdeep Singh in the overall growth of the organization and its prospective growth the Board of Directors have re-appointed Mr. Jagdeep Singh as the Whole time Directors of the Company for a further period of 5 years w.e.f. 1 December 2014.

Mr. Jagdeep Singh is having more than 23 years of experience in the field of marketing / distribution of financial products, viz. mutual funds, equity IPOs, private placement of debt instruments, etc. and is one of the important constituents of the Almondz team since incorporation.

A Statement containing the requisite information in accordance with the requirement of Sub Clause (C) of Section II of Part II of Schedule XIII of the Companies Act, 1956 and Section II of Part II of Schedule V of the Act is also attached.

Mr. Jagdeep Singh is interested and concerned in this Resolution. Other than Mr. Singh, no other director, key managerial personnel or their respective relatives are concerned or interested in this Resolution.

Item No. 9 :

The Board at its meeting held on 12 August 2014 appointed Mrs. Neelu Jain as an additional director. She is M.A in English and having vast experience in the field of teaching, administration and human resources. She is also associated as Director in Jan Sikshan Sansthan and works for upliftment and empowerment of women.

In terms of the provisions of Section 161 (1) of the Act, Mrs. Neelu Jain would hold office up to the date of ensuing Annual General Meeting. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Neelu Jain for the office of Director of the Company. Keeping in view the experience and expertise of Mrs. Jain, the Board considers it desirable that the Company should receive the benefit of his valuable experience and advice and accordingly commends the resolution for approval by the members.

Mrs. Neelu Jain is interested and concerned in this Resolution. Other than Mrs. Jain, no other director, key managerial personnel or their respective relatives are concerned or interested in this Resolution.

Other details of the Independent Directors whose appointment is proposed at Item Nos. 4 to 8 of the accompanying Notice, have been given in the annexure attached.

Item No.10 :

The company had purchased a property situated at apartment No. 42, 3rd Floor, Ahuja Towers, Thiruvengataswamy Road (West), R.S. Puram, Coimbatore, 641002 for its own use. However, since last 3 years the Company is not able to use this property for its own purpose and the same has been leased out to a third party not related to the Company. One of the Subsidiary Company namely North Square Projects Private Limited had shown interest to buy that property at the market price. Accordingly, the Company entered into a contract for sale of the property at the consideration determined by the registered valuer and which shall be based on the current market value. The Audit Committee and the Board of Directors of the Company, at its meeting held on 12 August, 2014 has approved the contract in the form of ratification for sale of the property to North Square Projects Pvt. Ltd., at a consideration of Rs. 26,15,000/- only (Rupees Twenty Six Lacs Fifteen Thousand only)

Since the proposed transaction is between the holding and subsidiary company which fall under the ambit of related party as per Section 2(76) of the Companies Act, 2013 the sale to the subsidiary company attracts Section 188 of the Companies Act, 2013 and therefore require your approval.

The disclosures required to be provided under the provisions of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014 are given herein below for perusal of the members.

- (a) Name of the related party and nature of relationship : Subsidiary company
- (b) Name of the director or key managerial personnel who is related, if any : None of the Directors or Key managerial personnel are related.
- (c) Nature of relationship : Subsidiary company
- (d) Nature, material terms, monetary value and particulars of the contract or arrangement : consideration based on the registered valuer report.
- (e) Any other information relevant or important for the members to take a decision on the proposed resolution : Nil

None of the directors or Key managerial person are concerned or interested, financial or otherwise in the resolution.

Item No. 11 :

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain prior approval of the Board of Directors and in case of the Company having a paid up share capital of rupees Ten crore or more, prior approval of the shareholders by way of a Special Resolution must be obtained :

1. Sale, purchase or supply of any goods or materials;
2. Selling or otherwise disposing of, or buying, property of any kind;
3. Leasing of property of any kind;
4. Availing or rendering of any services;
5. Appointment of any agent for purchases or sale of goods, materials, services or property;
6. Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company and
7. Underwriting the subscription of any securities or derivatives thereof, of the Company.

In the light of provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the following transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013)

The disclosures required to be provided under the provisions of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014 are given herein below for perusal of the members.

Name of the Related Party	Nature, material terms, monetary value and particulars of the contract or arrangement	Other details	Maximum Amount per annum (Rs. in crores)
Almondz Insurance Brokers Pvt. Ltd.	Existing agreement for sharing of premises situated at Fifth Floor, 175, Grande Palladium, Kalina, Santacruz (East) Mumbai.	The Company is in possession of several premises. Considering the current strength of the Company, it has certain additional premises that it does not need immediately. Considering availability of extra space at the premises which are not immediately required by the Company, it has provided such excess premises to other related parties on rent, lease, leave and license or any other similar arrangement basis for a period not exceeding sixty (60) months. The amount being charged for the said services is fixed after considering all the relevant factors and are on arms length basis.	2
Almondz Reinsurance Brokers Pvt. Ltd.	Existing agreement for sharing of premises situated at Fifth Floor, 175, Grande Palladium, Kalina, Santacruz (East) Mumbai		1
Almondz Finanz Limited	As a part of regular business, the company sells/purchases Govt., PSU bonds/Securities through Almondz Finanz Ltd. and vice-versa, in the secondary market. Such securities are sold/purchased at arms length or at the rates based on FIMMDA.		200
Almondz Finanz Limited	<ol style="list-style-type: none"> Investment/disinvestment/providing any security(ies) guarantee(s) in connection with loan(s) and/or any form of debt and/or provide inter corporate loan(s) or a combination thereof, to subsidiary companies Intercompany Loans and advances at the rate of interest of prevailing yield of one year, three year, five year or ten year Government Securities closet to the tenor of the loan. To enter into lease, rent, leave and licence or any other similar arrangement for providing space in premises (on arms length basis) which are in possession of Company and are not required for immediate use of the Company. 		100
Almondz Wealth Advisors Limited			5
Skiffle Healthcare Services Limited			10
North Square Projects Pvt. Ltd.			30
Almondz Commodities Pvt. Ltd.			5
Rinku Sobti Fashions Pvt. Ltd.	The Company has taken on lease a premise located at F-33/3, Phase II, Okhla Industrial Area, New Delhi-110020. The amount being paid for the said services is fixed after considering all the relevant factors and are on arms length basis.		0.50
Gurpreet N S Sobti	The Company has also taken on lease a premise located at 109-110, Bhakhatawar Singh Block, Asian Games Village, New Delhi-110049. The amount being paid for the said services is fixed after considering all the relevant factors and are on arms length basis.		0.50
Almondz Finanz Limited	Demat, Brokerage and processing charges.	The Company is stock broker and a depository participant. The company has also license for sale and purchase of securities in the wholesale debt market. The Company receives service charge in the form of brokerage, demat and processing charges	0.20
Avonmore Capital & Management Services Limited			0.10
Almondz Commodities Pvt. Ltd.			0.01
Innovative Money Matters Pvt. Ltd.			0.01
Directors and their relatives			1.00
Almondz Insurance Brokers Pvt. Ltd. Almondz Reinsurance Brokers Pvt. Ltd. Almondz Finanz Limited Almondz Commodities Pvt. Ltd. Almondz Wealth Advisors Limited Avonmore Capital & Management Services Limited Skiffle Healthcare Services Limited North Square Projects Private Limited	Recoveries / payment of expenses	The Company being the main functioning company in the group sometime makes expenses on behalf of group companies and vice versa, which the company recovers/pays on actual basis.	1.00

S. No.	Name of the Director /KMP who is related and nature of their relationship	Name of the Related Party
1	Mr. Navjeet Singh Sobti is common Director /promoter / shareholder	Almondz Commodities Pvt. Ltd. Almondz Finanz Limited Avonmore Capital & Management Services Ltd. Innovative Money Matters Pvt. Ltd. Almondz Wealth Advisors Limited Skiffle Healthcare Services Ltd. Almondz Global Infra-Consultants Limited Rinku Sobti Fashions Pvt. Ltd.
2	Mr. Jagdeep Singh is common Director /promoter / shareholder	Almondz Insurance Brokers Pvt. Ltd. Almondz Reinsurance Brokers Pvt. Ltd. Almondz Commodities Pvt. Ltd. Almondz Finanz Limited Almondz Wealth Advisors Limited Almondz Global Infra-Consultants Limited Skiffle Healthcare Services Ltd.
3	Mr. Govind Prasad Agrawal Director / promoter / shareholder	Almondz Insurance Brokers Pvt. Ltd. Almondz Reinsurance Brokers Pvt. Ltd. Almondz Finanz Limited Avonmore Capital & Management Services Ltd. Almondz Wealth Advisors Limited Almondz Global Infra-Consultants Limited

North Square Projects Pvt. Ltd., is a subsidiary company which fall under the ambit of related party as per Section 2(76) of the Companies Act, 2013.

Except above three Directors, Gurpreet N S Sobti, relative of Mr. Navjeet Singh Sobti, Parmeet Kaur, relative of Mr. Jagdeep Singh no other Director, Key Managerial Personnel, or their respective relatives are in any way, concerned or interested, financial or otherwise, in the resolution set out at Item No. 11 of the Notice.

By Order of the Board of Directors
For **Almondz Global Securities Limited**

New Delhi
August 12, 2014

Ajay Pratap
Company Secretary

STATEMENT CONTAINING INFORMATION AND DISCLOSURES AS REQUIRED PURSUANT TO SUB PARAGRAPH (iv) OF SECTION II, PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013.

The Company hereby declares that it has not invited any public deposits and there is no default in repayment of any of its debts or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial person :

I. General Information :

Sl. No.	Particulars	Disclosure
1.	Nature of Industry	Financial Services
2.	Date or expected date of commencement of commercial production	The Company is already in existence and operation.
3.	In case of new companies, expected date of activities as per project approved by the financial institutions appearing in the prospectus	N. A.
4.	Financial Performance based on given indicators (as on 31 March 2014) – Audited	As mentioned in Annexure A
5.	Foreign investments or collaborators, if any	As on 30 June 2014, Foreign Body Corporate : 11.94%. NRIs : 1.14 %

II. Information about the Appointee :

Sl. No.	Particulars	Disclosure	Disclosure
1	Background details	Mr. Navjeet Singh Sobti is a Fellow member of the Institute of Chartered Accountants of India. He is one of the initial constituents of the team which promoted the Company. He is having expert knowledge in the area of corporate finance, Investment Banking and Infrastructure project planning. The company in his leadership has achieved many milestones and he is holding the credit of steering the Company to its position of strength of being one of the top ranking domestic Investment Bankers in the past years.	Mr. Jagdeep Singh is a Fellow Member of the Institute of Chartered Accountants of India having more than 25 years of experience in the field of management of various public as well rights issues, equity broking operations and distribution of third party financial products.

Sl. No.	Particulars	Disclosure	Disclosure
2.	Past Remuneration (2013-14) –	The members of the Company in its meeting held on 24.06.2011 had approved the remuneration of Rs 1,50,00,000/- p.a for Mr. Navjeet Singh Sobti for his position as Executive Vice Chairman. The Central Government vide its order dated 09.02.12 was pleased to approve the Remuneration of Rs. 1,20,00,000/- p.a. for Mr. Navjeet Singh Sobti. During the past financial year Mr. Navjeet Singh Sobti was paid remuneration of Rs 69,86,468/-.	The members of the Company in its meeting held on 12.10.2010 had approved the remuneration of Rs. 71,82,000/- p.a. with other perquisites for Mr. Jagdeep Singh. The Central Government vide its latest order dated 18.10.2013 was pleased to approve the Remuneration of Rs. 57,87,579/- p.a. for Mr. Jagdeep Singh. During the past financial year Mr. Jagdeep Singh was paid remuneration of Rs. 48,40,544/-
3.	Recognition or awards	N. A.	N. A.
4.	Job Profile and his suitability	Presently, Mr. Navjeet Singh Sobti is looking after overall functions of the company. He has been instrumental in setting up various policy guidelines for the overall functioning of the Company. Under the supervision of the Board of Directors of the Company he has greatly contributed in building up and moving the organization towards growth with his entrepreneurship	Presently, Mr. Jagdeep Singh is looking after the Retail businesses in the Company including Equity Broking and Distribution Operations. He has been instrumental in setting up the network of agents/sub-agents for marketing of various third party retail financial products.
5.	Remuneration proposed	As per the resolution placed	As per the resolution placed
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration of Mr. Navjeet Singh Sobti is in consonance with the given criteria. Taking into consideration the size of the Company, the profile of Mr. Navjeet Singh Sobti, the responsibilities being shouldered by him and the industry benchmarks, the remuneration proposed to be paid to him commensurate with the remuneration packages paid to similar senior level counterpart(s) in comparable industries.	The remuneration of Mr. Jagdeep Singh is in consonance with the given criteria. Taking into consideration the size of the Company, the profile of Mr. Jagdeep Singh, the responsibilities being shouldered by him and the industry benchmarks, the remuneration proposed to be paid to him commensurate with the remuneration packages paid to similar senior level counterpart(s) in comparable industries.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel	On the date of the notice, Mr. Navjeet Singh Sobti is holding 569559 equity shares (constituting 2.20%) of the Company (indirectly holding 12993904 equity shares) constituting an aggregate of 52.40% of paid-up share capital of the Company besides being one of the promoters of the Company. Apart from that, he is not having any other pecuniary relationship with the Company or its managerial personnel	On the date of the notice, Mr. Jagdeep Singh is holding 292700 equity shares (constituting 1.13% of paid-up share capital) and apart from that, he is not having any pecuniary relationship with the Company or its managerial personnel.

III. Other Information :

Sl. No.	Particulars	Disclosure
1.	Reasons of Loss or inadequate profits	Not applicable This disclosure is only an enabling disclosure for payment of aforesaid remuneration in the unlikely scenario of loss / inadequacy of profits. It is pertinent to note that the Company does not foresee any inadequacy of profits in the forthcoming years. Accordingly, the aforesaid remuneration is proposed to be paid as minimum remuneration in the event of loss/absence/ inadequacy of profits due to unavoidable circumstances. However, by way of abundant caution, the Company shall make an application to the Central Government seeking its approval for payment of remuneration to Mr. Navjeet Singh Sobti for the period August 12, 2014 to August 11, 2019 in the event of loss or inadequacy of profits.
2.	Steps taken or proposed to be taken for improvement	Not applicable
3.	Expected increase in productivity and profits in measurable terms	Not applicable

IV. Disclosures :

- The details of remuneration proposed to be paid to the Vice Chairman & Managing Director and the Wholetime Director are contained in the Resolution under Item No 7 & 8 of the Notice read with corresponding Explanatory Statement required under Section 102 of the Companies Act, 2013.
- All the necessary disclosures pertaining to the Directors shall be made in the Director's Report under the heading "Corporate Governance" for the FY 2013-14.

Particulars	Navjeet Singh Sobti	Jagdeep Singh
Name of other companies in which the appointee also holds directorship / s	(a) Almondz Finanz Ltd. (b) Almondz Wealth Advisors Ltd. (c) Almondz Commodities Pvt. Ltd. (d) Express Infra Financial Consultancy Pvt. Ltd. (e) Carya Chemicals Pvt. Ltd. (f) New Age Blocks Pvt. Ltd. (g) Skiffle Healthcare Services Ltd.	(a) Almondz Finanz Ltd. (b) Almondz Insurance Brokers Pvt. Ltd. (c) Almondz Wealth advisors Ltd. (d) Almondz Commodities Pvt. Ltd. (e) Almondz Debt Advisors Ltd. (f) Skiffle Healthcare Services Ltd. (g) Almondz Global Infra-consultant Ltd. (h) Almondz Finanz Ltd.
Name of other companies in which the appointee holds membership/s of the the committee/s of Board	NIL	NIL
Shareholding in Almondz Global Securities Ltd.	569559 equity shares	292700 equity shares

Annexure A

Sl. No.	Particulars / Financial Year	2011-12	2012-13	2013-14
1	Gross Revenue	6078.83	4860.73	4310.94
2	EBITDA	235.05	543.38	1507.12
3	PBT	(393.39)	1.63	787.08
4	PAT	(393.39)	1.63	583.94
5	Paid-up Equity Capital	1553.09	1553.09	1553.09
6	Net Worth	11091.50	11093.14	11677.09
7	EPS	(1.41)	0.01	2.26

**Details of Directors seeking appointment/re - appointment at the Annual General Meeting
(pursuant to clause 49 of listing agreement)**

Name of the Director	Krishan Lall Khetarpaul	Atul Kumar Shukla	Surendar Kumar Sood	Sanjay Tiwari	Navjeet Singh Sobti	Jagdeep Singh	Neelu * Jain
Date of Birth	02.07.1943	20.04.1946	01.03.1948	10.06.1964	20.08.1967	21.09.1965	12.06.1956
Relationship with Directors	None	None	None	None	None	None	None
Expertise in specific functional area	A seasoned banker having more than 40 years of experience in Banking and Finance	Vast and wide experience in the area of insurance, financial services, and corporate governance	vast and varied experience in administration, industrial development & policy, foreign trade, finance management and mobilization, infrastructure development, legislation & social welfare, and management of commercial enterprises	Chartered Accountant with accreditations from the Institute of Chartered Accountants of India and a graduate in Commerce. He has 28 years of experience in Industries ranging from Textile, Cement, Tyre & Engineering to FMCG. He has in-depth knowledge of Middle East, South East and South Asian Markets. His core expertise has been to monitor and manage the operations of varied industries from financial and commercial view point. He has also been instrumental in turning around loss making companies in countries i.e. Malaysia, Egypt, India and Middle East	one of the member of the initial team which promoted the company his main areas of specialization include investment banking, corporate advisory services and infrastructure project financing	more than 23 years of experience in the field of marketing / distribution of financial products, viz mutual funds, equity IPOs, private placement of debt instruments, etc.	She is having vast experience in the field of teaching, administration and human resources. She is also associated as a director in Jan Shikshan and works for upliftment and empowerment of women.
Qualification	M.A (Economics)	M.Sc	M.A., I.A.S	B.Com., FCA	B.Com. (Hons.) FCA	B.Sc (Hons.) FCA	M.A. (English)
Board Membership of other companies as on March 31, 2014 ^o	1	5	NIL	NIL	7	7	N.A.
Chairman / Member of the Committee of the Board of Directors as on March 31, 2014 ^o	3	3	5	NIL	5	6	N.A.
Chairman / Member of the Committee of Directors of other companies in which he / she is a director as on March 31, 2014							
a) Audit Committee	NIL	3	NIL	NIL	NIL	NIL	N.A.
b) Shareholders' Grievance Committee	NIL	1	NIL	NIL	NIL	NIL	N.A.
Number of shares held in the Company as on March 31, 2014 [*]	NIL	NIL	NIL	NIL	569559 (2.20%)	292700 (1.13%)	NIL

^o This does not include position in foreign companies, position as an advisory board member and position in companies under Section 25 of the Companies Act, 1956 (corresponding to companies under Section 8 of Companies Act 2013) but included private limited companies.

[#] Includes shares held jointly with immediate family members.

^{*} Mrs. Neelu Jain has been appointed as an Additional Director w.e.f. 12.08.2014

The instructions for members for voting electronically are as under :

- The voting period begins on 23 September 2014 (10:00 a.m. IST) and ends on 25 September 2014 (6:00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 12 August 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- The shareholders should log on to the e-voting website www.evotingindia.com
- Click on "Shareholders" tab.
- Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below :

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> Physical Shareholders who have not updated their PAN with the Company are requested to use the first two letters of their name in Capital Letter followed by 8 digits folio no in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the folio number. Eg. If your name is Ramesh Kumar with folio number 1234 then enter RA00001234 in the PAN field. Demat Shareholders who have not updated their PAN with their Depository Participant are requested to use the first two letters of their name in Capital Letter followed by 8 digit CDSL/NSDL client id. For example: in case of name is Rahul Mishra and Demat A/c No. is 1205870000001234 then default value of PAN is 'RA00001234.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on 12 August 2014 in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non-Individual Shareholders & Custodians :
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

Other Instructions :

- (xx) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on August 12, 2014.
- (xxi) Ms. Ashu Gupta Practicing Company Secretary (Membership No. 6646), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- (xxii) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (xxiii) Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Ms. Ashu Gupta, Practicing Company Secretary, (Membership No. FCS 6646), at the Registered Office of the Company not later than Thursday, September 25, 2014 (6.00 p.m. IST). Members have the option to request for physical copy of the Ballot Form by sending an e-mail to complianceofficer@almondz.com by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than Thursday, September 25, 2014 (6.00 p.m. IST). Ballot Form received after this date will be treated as invalid. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- (xxiv) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.almondzglobal.com within two days of the passing of the resolutions at the 20th AGM of the Company on September 29, 2014 and communicated to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

Corporate Information

Board of Directors

Atul Kumar Shukla
 Navjeet Singh Sobti
 Jagdeep Singh
 Krishan Lall Khetarpaul
 Surendar Kumar Sood
 Sanjay Tiwari
 Abdul Redha Mustafa Abdul Redha Sultan
 Neelu Jain

- Chairman – Non-Executive & Independent
- Vice Chairman & Managing Director
- Wholetime Director
- Non-Executive & Independent Director
- Non-Executive & Independent Director
- Non-Executive Director
- Non-Executive Director
- Non-Executive Director

Auditors

AVK & Associates
 Chartered Accountants
 317, H-10, Express Arcade,
 Netaji Subhash Place, Pitampura,
 Delhi 110 034

Company Secretary & Compliance Officer

Ajay Pratap

Bankers

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

Registered Office

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

Registrar & Share Transfer Agent

Beetal Financial & Computer Services (P) Ltd.
 "Beetal House" 3rd Floor,
 99, Madangir, Behind Local Shopping Centre,
 Near Dada Harsukhdas Mandir,
 New Delhi - 110 062
 Phones : 011-29961281, 29961282
 Fax : 011-29961280 / 84
 E-mail : beetalrta@gmail.com
 Website : www.beetalfinancial.com

Contents	Page No.
Directors' Report	3
Management Discussion & Analysis Report	7
Report on Corporate Governance	11
Auditors' Report	32
Balance Sheet	35
Statement of Profit & Loss	36
Cash Flow Statement	37
Notes to the Financial Statements	39
Almondz Global Group Consolidated Financial Statements	68

LAST FIVE YEARS AT A GLANCE

Rs. In Lacs*

Sl. No.	Particulars / Financial Year	2009-10	2010-11	2011-12	2012-13	2013-14
1	Gross Revenue	7932.45	7846.78	6078.84	4860.73	4310.94
2	EBITDA	2045.43	1629.48	235.05	543.38	1303.98
3	PBT	1693.03	925.07	(393.39)	1.63	787.08
4	PAT	1077.57	656.25	(368.74)	1.63	583.94
5	Paid-up Equity Capital	1519.31	1529.10	1553.09	1553.09	1553.09
6	Net Worth	10093.64	10710.00	11091.50	11093.14	11677.09
7	Current Assets	13336.30	10059.31	7512.90	6553.70	7748.43
8	Current Liabilities	2030.30	2481.49	2164.36	1445.64	1709.78
9	Provisions	193.37	239.57	55.80	46.35	54.52
10	Total Assets	13036.64	13952.04	15509.50	14631.29	15331.57
11	Current Ratio	6.57 : 1	4.05 : 1	3.47 : 1	4.53 : 1	4.53 : 1
12	Total Assets Turnover	0.61	0.56	0.39	0.33	0.28
13	Fixed Assets Turnover	6.91	1.80	1.48	1.23	1.16
14	EPS	4.22	2.57	(1.41)	0.01	2.26

* Figures may vary on account of reclassification

* Except Sl. Nos. 11 to 14, which are ratios

DELIBERATELY LEFT BLANK

Directors' Report

To the Members of Almondz Global Securities Limited,
The Board of Directors submits the Annual Report of your Company together with the Audited Statement of Accounts for the year ended March 31, 2014.

1. Financial Results

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

(Rs. in Lacs)

	Year Ended 31.03.2014	Year Ended 31.03.2013
Gross Income	4310.94	4860.73
Profit before Interest, Depreciation & Tax	1303.98	543.38
Less : Interest	287.63	309.35
Less : Depreciation	229.28	232.40
Less : Provision for Tax	203.13	—
Net Profit after Tax	583.94	1.63

2. Dividend

It is felt by management of your Company that resources of the company should be conserved. Your Directors have decided not to recommend any dividend for the financial year ended 31 March 2014.

3. Standalone & Consolidated Financials

For the year ended March 31, 2014, your Company earned a total income of Rs. 4310.94 Lacs, as against previous year's total income of Rs. 4860.73 Lacs. As per the Consolidated Accounts, the total income is Rs. 9604.29 Lacs, as against the previous year's income of Rs. 10614.34 Lacs. The Company has earned a profit of Rs. 583.94 Lacs in the current year as compared to a profit of Rs. 1.63 Lacs in the previous year. As per the Consolidated Accounts, the net profit for the year is Rs. 537.07 Lacs as compared to Rs. 568.63 Lacs in 2012-13.

4. Human Resources

At your Company, employees continue to be the key driving force of the organization and remain a strong source of our competitive advantage. We believe in aligning business priorities with the aspirations of employees leading to the development of an empowered and responsive human capital. We strive to create a work environment which encourages innovation and creativity.

As on 31 March 2014, your Company has a diverse employee base with 235 employees all over India. This heterogeneous base is central to sustaining the Company's competitive edge.

The HR function in Almondz Global has been re-aligned and closely integrated with business units in order to support operational agility, to be scalable for the Company's future growth, as well as to achieve higher employee satisfaction. Going forward, the new structure will support greater focus

for strategic initiatives and also provide more leadership growth in the Company.

5. Consolidated Financial Results

As required under Clause 32 of the Listing Agreements with the Stock Exchanges, a Consolidated Financial Statement of the Company and all its subsidiaries is attached. The Consolidated Financial Statements have been prepared in accordance with Accounting Standard (AS-21) issued by the Institute of Chartered Accountants of India.

6. Cash Flow Statement

In conformity with the provisions of Clause 32 of the Listing Agreements with the Stock Exchanges, the Cash Flow Statement for the year ended 31 March 2014 is annexed hereto.

7. Corporate Governance

Corporate Governance is about commitment to values and about ethical business conduct. It stems from the culture and mindset of a management. Measures of Corporate Governance emanate not only from Regulation, but also because managements now clearly understand that good and transparent governance is the cornerstone on which lasting values can be created. Your company strives for excellence with the objective of enhancing shareholders' value and protecting the interest of stakeholders. At Almondz Global Securities, we ensure the practice of the Principles of Good Corporate Governance on which management decisions are based on a set of principles influenced by the values. All functions of the Company are discharged in a professionally sound, competent and transparent manner.

A detailed report on the Company's commitment at adopting good Corporate Governance Practices is enclosed. The Auditors' certificate on compliance with the mandatory provisions of the Corporate Governance Clause (Clause 49 of the Listing Agreement) is annexed therewith.

8. Corporate Governance Report and Management Discussion and Analysis Statement

A report on Corporate Governance is attached to this Report as also a Management Discussion and Analysis statement.

The Annual Report has a detailed chapter on Management Discussion and Analysis, which forms a part of this report.

9. Policy on Insider Trading

Your Company formulated and implemented a Code of Conduct for Prevention of Insider Trading (Code) in accordance with the guidelines specified under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended till date. The Board of Directors appointed Mr. Ajay Pratap, Company Secretary, as the Compliance Officer under the said Code responsible for complying with the procedures, monitoring adherence to the Code for the preservation of price sensitive information, pre-clearance of trade, monitoring of trades and implementation of the Code of Conduct under the overall supervision of the Board of Directors. The said Code, inter alia, prohibits purchase and/or sale of shares of the Company and its client companies by an insider while in possession of

unpublished price sensitive information in relation to the same. The Code of Conduct is available on your Company's website.

10. Directors' Responsibility Statement

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956 ("Act"), and based on the representations received from the operating management, the Directors hereby confirm that:

- i. in the preparation of the Annual Accounts for the year 2013-14, the applicable Accounting Standards have been followed and there are no material departures;
- ii. they have selected such accounting policies in consultation with the statutory auditors and applied them consistently and made 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 the financial year 2013-14 and of the profit of the Company for the said financial year;
- iii. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. they have prepared the Annual Accounts on a going concern basis.

11. Subsidiary Companies

During the year under reporting, the Company had nine subsidiaries namely Almondz Finanz Ltd., Almondz Debt Advisors Ltd. (Step-down Subsidiary), Almondz Commodities Pvt. Ltd., Almondz Wealth Advisors Ltd., Almondz Insurance Brokers Pvt. Ltd., Almondz Re-insurance Brokers Pvt. Ltd. (Step-down Subsidiary) Skiffle Healthcare Services Ltd., North Square Projects Pvt. Ltd., and Almondz Global Infra-Consultant Ltd.

Three Companies namely, Almondz Insurance Brokers Pvt. Ltd., Almondz Re-insurance Brokers Pvt. Ltd., and Almondz Debt Advisors Ltd., ceased to be subsidiaries on account of sale of shareholding in these companies.

A statement pursuant to Section 212 and 212(8) of the Companies Act, 1956 in respect of these subsidiaries is appended to the Balance Sheet. In terms of approval granted by the Central Government under Section 212(8) of the Companies Act, 1956, the annual accounts and other reports specified in Section 212(1) in respect of the subsidiary companies have not been attached to the Balance Sheet. The Company will make available these documents / details to the investors of the Company and the subsidiary companies upon request made in this regard to the Company. In accordance with the requirements of Accounting Standard (AS-21) prescribed by the Institute of Chartered Accountants of India, the Consolidated Financial Statement of the Company and its subsidiaries is annexed to this Annual Report.

12. Particulars required as per Section 212 of the Companies Act, 1956

The Statement pursuant to Section 212 of the Companies Act, 1956, containing the details of the Subsidiary Companies as on 31 March 2014 is enclosed.

13. Fixed Deposits

During the year under Report, your Company had not accepted any public deposits and, as such, no amount on account of principal or interest on public deposits was outstanding on the date of the Balance Sheet.

14. Directors

During the year under report, Mr. Vinay Mehta, has resigned from office of Managing Director w.e.f. 16.07.2014. He also resigned from the Board of Director of the Company of the Company w.e.f. 06.08.2014.

Mr. Navjeet Singh Sobti has been appointed as the Vice Chairman and Managing Director w.e.f. 12.08.2014.

Mr. Sanjay Tiwari retire by rotation at the ensuing 20th Annual General Meeting. Mr. Atul Kumar Shukla, Mr. Surendar Kumar Sood and Mr. Krishan Lal Khetarpaul are the Directors of the Company whose period of office is liable to retirement by rotation as per the Companies Act, 1956. They have submitted declarations that they meet the criteria of independence under Section 149(6) of the Companies Act, 2013 and are eligible for appointment.

The Board recommends for their appointment as Independent Directors of the Company, to hold the office for a term upto five consecutive years commencing from 29th September, 2014."

Mrs. Neelu Jain has been appointed as the additional Director w.e.f. 12.08.2014. She holds office up to the date of the ensuing Annual General Meeting. The Company has received the requisite notices in writing along with the necessary deposit signifying her candidature for the office of Director.

15. Employees Stock Option Plan

To share the value created by the employees and to promote the culture of employee ownership in your Company, your Company introduced the "Almondz Global Securities Employees Stock Option Scheme 2007" ("the Scheme" or "ESOS 2007") for granting, offering and issuing upto 4500000 options or 15% of paid-up share capital of the Company, whichever is lower, in one or more tranches which was also approved by the shareholders on March 4, 2008 through Postal Ballot. Thereafter, the Scheme was amended vide approval of the shareholders of the Company by passing a Special Resolution on 13 April 2010 by way of postal ballot, thereby increasing the number of options which can be granted under the Scheme from 4500000 or 15% of paid-up share capital of the Company, whichever is lower, to 1,50,00,000 or 50% of paid-up share capital of the Company, whichever is lower.

During the year under Report, no options have been granted by the Company and 250000 options lapsed.

Further, during the year under Report, pursuant to the Scheme and the terms of the grants made, an aggregate

of 143336 options got vested in the optionholders as per the applicable vesting schedule of the respective grant.

Details of the options issued under ESOS 2007, as also the disclosures in compliance with Clause 12 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are set out in the Annexure to this Report.

None of the management employees has received options exceeding 5% of the number of the options issued during the year ended 31 March 2014. Likewise, no employee has been issued stock options, during the period under Report, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.

16. Issuance of Equity Shares

During the year under Report, the Company has not issued any equity shares.

17. Listing of Equity Shares

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

18. Ratings for Term Funding

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

19. Auditors & Auditors' Report

The Company, in terms of Section 139 (1) and (2) of the Companies Act, 2013, is required to appoint statutory auditors for a term of five consecutive years i.e., till the conclusion of sixth annual general meeting and ratify their appointment, during the period, in every annual general meeting by an ordinary resolution.

The period for which any firm has held office as auditor prior to the commencement of the Companies Act, 2013 will be taken into account for calculating the period of five consecutive years, as per the fourth proviso to Section 139(2) of the Companies Act, 2013 read with Rule 6(3) of the Companies (Audit and Auditors) Rules, 2014.

M/s. AVK & Associates, who were appointed as statutory auditors of the Company, at the annual general meeting held on 23rd September 2013, are eligible to be appointed for the remaining period of 3 years out of the first term of five consecutive years in terms of the Companies Act, 2013.

The Company has obtained necessary certificate under Section 141 of the Companies Act, 2013 from the auditor conveying their eligibility for the above appointment. The audit committee and board reviewed their eligibility criteria, as laid down under Section 141 of the Companies Act, 2013 and recommended their appointment as auditors for the aforesaid period.

The observations made in the Auditors' Report read with the relevant notes thereon are self-explanatory and hence, do not call for any comments.

20. Secretarial Auditors

As required under Section 204 of the Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company is required to appoint

a Secretarial Auditor for auditing the secretarial and related records of the Company and to provide a report in this regard.

Accordingly, M/s Ashu Gupta & Co., Company Secretaries, Delhi have been appointed as Secretarial Auditors for carrying out the secretarial audit for the financial year 2014-15 for attaching their report with the Board's report to the shareholders.

21. Particulars of Employees

Information as required under Section 217(2A) of the Act, read with Companies (Particulars of Employees) Rule, 1975 and any amendment thereof is given in Annexure forming part of this Report.

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

The particulars as prescribed under Section 217(1)(e) of the Act, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 in relation to Conservation of Energy and Technology Absorption are not applicable to your Company during 2013-14.

23. Foreign Exchange Earnings & Outgo

During the year under review, there were nil foreign exchange earnings and outgo.

24. Acknowledgements

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

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

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

For and on behalf of the Board of Directors

New Delhi
August 12, 2014

ATUL KUMAR SHUKLA
Chairman
(DIN : 00121601)

Annexure 'A' to Directors' Report

PARTICULARS OF EMPLOYEE / S PURSUANT TO SECTION 217(2A) OF THE COMPANIES ACT, 1956

Name of the Employee	Remuneration received (Rs. in Lacs)	Nature of Employment (Permanent/ Contractual)	Other Terms & Conditions	Nature of Duties of the Employee/ Designation	Qualification & Experience of the Employee	Date of Commencement of Employment	Age of the Employee	Last Employment held by such Employee before joining the Company
Navjeet Singh Sobti	69.86	Permanent	Appointed for a period of 5 Years	Executive Vice Chairman	B. Com., FCA	19 May 2011	47	N.A.

Annexure 'B' to Directors' Report

Disclosure pursuant to the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (As on 31 March 2014)

Nature of Disclosure		Particulars
a)	Options granted during the year	NIL
b)	Pricing Formula	N.A.
c)	Options vested during the year	143336
d)	Options exercised during the year	NIL
e)	The total number of shares arising as a result of exercise of options during the year	NIL
f)	Options lapsed during the year	250000
g)	Variation of Terms of Options	The exercise price for all the outstanding options of Tranches First to Fifth were revised to Rs. 26.65 by the Compensation Committee in its meeting held on 7 July 2011.
h)	Money realized by exercise of options (including Tax)	NIL
i)	Total number of options in force (at the end of the year)	ESOS 2007 – 2751000 options
k)	Diluted Earnings per Share	Rs. 2.26

Since no option were granted during the financial year 2013-14 and the previous year 2012-13, the disclosures related to employees-wise details of option granted, difference between employee compensation cost using then intrinsic value and fair value of the options and its impact on EPS of the Company, the description of the method and the significant assumptions to estimate the fair values of the options including weighted average information are not applicable.

Management Discussion and Analysis Report

FORWARD LOOKING STATEMENTS

Statements in this Management Discussion and Analysis of Financial Conditions and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities' laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company assumes no responsibility to publicly amend, modify or revise forward-looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include changes in government/regulatory regulations, tax laws, economic developments within the country and such other factors.

(A) INDUSTRY STRUCTURE & DEVELOPMENT

The gross domestic product (GDP) show that industry grew by just 1.0 per cent in 2012-13 and slowed further in 2013-14, posting a modest increase of 0.4 per cent. The key reasons for poor performance have been contraction in mining activities and deceleration in manufacturing output. Manufacturing and mining sector GDP declined by 0.7 per cent and 1.4 per cent respectively in 2013-14. The underlying cause of the poor performance of these two sectors has been considerable deceleration in investment particularly by the private corporate sector during 2011-12 and 2012-13.

Further, slowdown in construction activities has resulted in capacity underutilization in the steel and cement sectors. Steel and cement consumption rose by just 0.6 per cent and 3.0 per cent respectively in 2013-14. As per the use-based industrial classification of IIP, the index of capital goods declined by 6.0 per cent in 2012-13 and further by 3.6 per cent in 2013-14. Continuing slowdown has impacted the performance of the corporate sector. Sales growth of the corporate sector particularly in respect of listed manufacturing companies for the private sector, declined considerably from 25.3 per cent in Q1 of 2011-12 to 5.0 per cent in Q4 of 2013-14.

As per the latest data available on gross capital formation by industry of use at constant (2004-05) prices, a sharp decline in the growth rates of the fixed investment of mining, manufacturing and private corporate sector has been estimated. The decline is far steeper in case of unregistered manufacturing pointing towards paucity of funds available to the informal sector businesses. During 2013-14, FDI inflow (including equity inflows, reinvested earnings and other capital) was US\$ 36.4 billion. Net FDI inflows had been

\$ 21.6 billion during 2013-14. Overall gross bank credit flow to industry has increased by 14.9 per cent in 2013-14, lower in comparison with 20.9 per cent growth achieved in 2011-12 and 17.8 per cent growth in 2012-13. Credit flow to mining remained near stagnant as it increased by mere 0.05 per cent during 2013-14.

Industry overview

Past two and a half years saw a slowdown in the global economy but, finally there are signs that a path towards a sustainable recovery has started. The advanced economies are gradually recovering after the global financial crisis, growth in developing and emerging markets is finally picking up, after a flat growth in the first quarter of 2013-14. Economic activity strengthened in developed economies. The US is exhibiting modest growth and economies of Europe have also picked up growth momentum.

Parliamentary elections in April brought a single-party majority to India's lower house for the first time since 1984, which should provide an opportunity to initiate reforms that proved difficult for coalition governments. The new government outlined a 10-point plan to revive the Indian economy, prioritizing infrastructure and investment reform, the prompt resolution of interministerial issues, efficient policy execution, and government policy stability. Although the government budget released in July lacked detail on structural reform, greater political certainty should be more conducive to investment, supporting the expectation that infrastructure investment will pick up. The growth expected for FY 2014-15 is 5.5%.

Your Company has built and managed its business through challenging times and this time too we are firm in our resolve to look ahead and turn challenges into opportunities by devising and implementing coherent strategies in an intelligent manner.

(B) OPPORTUNITIES & THREATS

As a financial services intermediary, the company's growth and profitability are, to a large part, dependent on the stable growth and functioning of the Capital markets. The growth of financial services sector will allow the Company to grow businesses in each of the verticals. However, stubborn inflation, high fiscal and Current Account Deficit, slow pace of reforms, and continued Eurozone crisis has led to the sliding of Indian GDP growth to around 5%. Renewed political certainty at the centre will definitely give a boost on the return of growth. Given this none-too-rosy scenario for FY 13-14, the goal for this year for the Company will be to improve operating efficiency.

(C) SEGMENT-WISE PERFORMANCE

The following table sets forth the net revenues, operating expenses and pre-tax earnings of various business segments of the Company :

Rs. in Lacs)

Segment		Year ended 31 March 2014	Year ended 31 March 2013
Debt & Equity Market Operations	Net Revenue	171.15	8.33
	Expenses	164.10	102.37
	Profit before Tax	7.05	(110.70)
Corporate Finance / Advisory Fees	Net Revenue	1597.35	1987.09
	Expenses	1170.79	1471.65
	Profit before Tax	426.56	515.44
Broking Activities	Net Revenue	1798.46	1958.97
	Expenses	1930.16	1706.07
	Profit before Tax	(131.70)	252.90

* Profit before tax from unallocable segment for the FY 2013-14 is Rs. 485.16 Lacs as compared to a loss of Rs. 655.99 Lacs in the previous year.

Debt & Equity Market Operations

Our Debt Market operations comprise dealing/trading in securities, bonds, etc. First half of FY 13-14 witnessed huge concerns regarding current account deficit which led RBI and Government to tighten liquidity in markets followed by three hikes in rates in second half of FY 13-14. These conditions created an upheaval in bond markets which had an impact on fund raising activity as private placement volume dipped sharply in second quarter and could not pick up significantly in second half of FY 13-14. However, higher yields on offer resulted in superior market appetite for tax-free bonds and this segment saw a large uptick in activity. The credit and investment cycle revival is long overdue and the trigger can come by way of revival of economy on the back of a stable and progressive Government at the Centre. Accordingly, debt capital market activity is anticipated to take off from second quarter of FY 14-15 onwards.

Corporate Finance / Advisory

Our Corporate Finance activities include merchant banking (SEBI registered Category-I merchant banker), underwriting, portfolio management, acting as arranger of debts/bonds, etc., corporate & infrastructure advisory and loan syndication. We also have a Private Equity advisory which provides transaction structuring, strategy formulation, target identification, valuations, negotiations i.e. end-to-end execution.

Consequent to SEBI orders which relate to the role of your Company as Merchant Bankers in the IPO's of Bharatiya Global Infomedia Limited & PG Electroplast Limited, SEBI has prohibited your Company from taking new assignment or involvement in any new issue of capital including IPO, follow-on issue etc. from the securities market in any manner whatsoever.

Therefore all activities requiring a merchant banking license have been suspended, impacting our performance in related service lines.

Corporate Finance performance is expected to improve with improvement in the general economic climate and business confidence. Resumption of merchant banking activities is contingent on the outcome of the ongoing SEBI matters.

Broking Activities

Broking activities comprises stock broking, broking and commission of/from mutual funds, equity IPOs, capital gain bonds, fixed deposits of government undertakings, RBI taxable bonds etc. During FY-2013-14 the Company had earned income of Rs. 1798.46 Lacs as compared to Rs. 1958.97 Lacs in the previous. Performance is expected to improve as investor sentiments improve.

(D) OUTLOOK

The interest rate will be the key changer for the capital markets in the current fiscal year. The rupee will also be the biggest worrying factor which during the last 10 years has shown huge weakness against the dollar as well as its Asian peers. On the other hand, lack of triggers in the domestic market coupled with global weakness, especially slowdown in Europe and the Ukraine crisis, will lead to some weakness in the Indian equity market. The tension between Israel and Palestine is also a reason for players to adopt a sell-off position in the market. Investors globally are becoming risk averse and it will also impact local markets. In between if the US increases rates before the middle of 2015 it will also be a huge dampener for markets across the globe, including India, as this would see an outflow of money moving towards the US.

However, investors in India should not be bothered about such weaknesses in the market. There isn't any immediate trigger for the equity market but it is by far a safe haven among its emerging market peers. India is among the only big emerging economy to have escaped a cut in the IMF's update of its world economic outlook. The IMF has retained its forecast of 5.4 per cent growth in Indian economy in 2015 and a stronger 6.4 per cent growth the following year. Indian is not a runaway market but it is a market to construct a strong portfolio for building long-term wealth.

(E) RISKS & CONCERNS

In today's complex business environment, almost every business decision requires executives and managers to balance risk and reward. Effective risk management is therefore critical to an organisation's success. Globalization, with increasing integration of markets, newer and more complex products & transactions and an increasingly stringent regulatory framework has exposed organisations to newer risks. As a result, today's operating environment demands a rigorous and integrated approach to risk management.

Timely and effective risk management is of prime importance to our continued success. The risk for the Company arises mainly out of the risks associated with the operations we carry. Experienced professionals review and monitor risks in our Company.

We manage the following categories of risks :

- ♦ **Market Conditions and Market Risk** – The domestic and global economic conditions and markets will always be a major factor in the business of financial intermediation and adverse change in conditions invariably leaves a larger than normal impact. However, beyond the universality of this risk, the Company's business is exposed to Market Risk only to the extent of its investments in its proprietary debt portfolio. This Market Risk is contained to appropriate levels through well defined and Board laid down policies and is monitored on a daily basis.
- ♦ **Financial Risks :**
 - **Liquidity Risks** – The Company requires funds for its operations, growth and expansion projects. It has sufficient committed lines of credit from various banks in India to fund the operations as well as expansion projects. The Company has a strong continued focus and review mechanism for cash flow management and control on borrowings from the banks. This ensures that while liquidity is maintained for the Company, it does not borrow above generally accepted financials norms and is able to meet the obligations to the banks without any default. For organic growth plans, the primary source is internal accruals of cash.
 - **Interest Risk** – The Company is exposed to the interest rate risks on its borrowings. It evaluates the various sources of short term funding to have a lower blended rate of interest.
- ♦ **Credit Risk** – This risk manifests when debtors do not perform their obligations. Both Credit Risk and Counter-Party Risk have been elaborately defined in our Company's Investment Policy that governs all investment decisions, and its stipulations are strictly adhered.
- ♦ **Operational Risk** – The Company's operations under each of its business verticals are the subject of elaborate and well defined Policies so as to cover all internal processes. The Company also has a system of internal audit that encompasses all operational areas.
- ♦ **Legal & Regulatory Risk** – The Company is in the business of financial intermediation and is committed to adhere to very high compliance standards. This is imperative in any regulated business as the business' continuance is otherwise at risk. Substantial legal liability or a significant regulatory action against the Company could have material adverse financial effects or cause significant reputational harm.
- ♦ **Internal Controls Review** – The Company has strong internal controls and review mechanism. A detailed audit process and audit plan by external agencies cover the key risks identified through the risk management program, wherein existence and effectiveness of the control measures indicated against the risks are verified. The review of the process and findings is done by the senior management on a monthly basis and is an integral part of the performance management of the organisation.

- ♦ **Economic and Political Risks** – The Company is fairly exposed to the domestic and global political and economic risks. The risks arising out of any downturn in the economic conditions of the global markets, as felt in the last year, could have an adverse impact on the performance of the company. Performance and growth is also dependent upon the health of the overall Indian economy and political stability.
- ♦ **Competition Risks** – The Company operates in a highly competitive environment. The demand for the Company's services and solutions depend upon various domestic and global factors and most importantly the customer's plans and ability to incur expenditure/ investment. In the existing market and with existing customers also, new competitors may come in and put pressure on volume and pricing of the Company's services and solutions. To mitigate the above risks, the Company continuously endeavour to maintain a very good relationship with the customers/clients and endeavour to keep introducing enhanced features in services to improve value proposition to its customer/ clients.
- ♦ **Human Resource Risks** – The Company's success depends largely upon the quality and competence of its management team and key personnel. Attracting and retaining talented professionals is, therefore, a key element of the Company's strategy and a significant source of competitive advantage. While the Company has a salary and incentive structure designed to encourage employee retention, a failure to attract and retain talented professionals, or the resignation or loss of key management personnel, may have an adverse impact on the Company's business, its future financial performance and the price of its equity shares.

(F) ADEQUACY OF INTERNAL CONTROLS

The Company has invested in building a system of internal controls to achieve operational efficiency, optimum resource utilization, effective monitoring, and adherence to strict compliance standards. The Company has in place a well defined organization structure with separate business and support lines. Each line has a separate revenue, cost and contribution budget which is monitored periodically.

The budgets are in turn disintegrated over various levels within the business/support verticals to reveal individual performance. There is a well defined delegation of authority and responsibility across the organisation.

(G) OPERATIONAL PERFORMANCE

Almondz is an integrated financial services group, offering a wide range of services to a significant clientele.

The group has interests in investment banking, institutional equity sales, trading, research, and broking, private and corporate wealth management, equity broking, depository services, portfolio management, commodity broking, NBFC (Non-Banking Finance Company) activities, private equity, insurance broking and reinsurance broking. The values of integrity, teamwork, innovation, client focus, performance and partnership shape the corporate vision and drive its purpose.

We provide a wide range of services including debt portfolio management, financial advisory (investment advisory and equity broking services), depository participant services, and private equity – to a diversified client base of corporates.

Our research capabilities and in-depth capital market expertise enables us to design and execute customised solutions for our clients.

Our institutional equities business offers quality research based broking services to domestic and offshore institutional clients.

Our services revolve around three key tenets :

- High Quality Research with a focus on new stock ideas and keeping ahead of competition.
- Intensive Client Servicing with a view to keep investors abreast of important corporate news and market trends.
- Efficient Trade Execution complimented by hassle-free post-trade settlement.

We offer research-based investment advisory and equity broking services to corporate, high net-worth individuals and retail investors across a wide range of financial products. We endeavour to be among the most reputed brokerage houses in India, offering comprehensive investment advisory and investment management services to institutions, corporates, and high net-worth individuals. We provide financial planning, research-based investment consulting services and execution capabilities.

FINANCIAL PERFORMANCE

For the year ended March 31, 2014, your Company earned a total income of Rs. 4310.94 Lacs, as against previous year's total income of Rs. 4860.73 Lacs. As per the Consolidated Accounts, the total income is Rs. 9604.29 Lacs, as against the previous year's income of Rs. 10614.34 Lacs. The Company has earned a profit of Rs. 583.94 Lacs in the current year as compared to a profit of Rs. 1.63 Lacs in the previous year. As per the Consolidated Accounts, the net profit for the year is Rs. 537.07 Lacs as compared to Rs. 568.63 Lacs in 2012-13.

(G) HUMAN RESOURCES DEVELOPMENT

The nature of your Company's business requires trained and skilled professionals. Your Company has been successful in attracting and retaining qualified professionals, by offering them a challenging work environment, coupled with competitive compensation including stock ownership. Financial services are a knowledge intensive sector where employee skills form a critical component in service delivery. Your Company is involved in developing comprehensive in-house training sessions to make sure that all employees identify with your Company's vision, purpose and imbibe the ethos of the organisation.

The Company's team strength spread across all business and support lines stood at 235 on 31 March 2014. The Company has a young and vibrant team of qualified professionals.

(H) CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements, drawn up in accordance with the applicable Accounting Standards, form

part of the Annual Report. The Ministry of Corporate Affairs, vide General Circular No. 2/2011 (No. 5/12/2007-CL-III) dated 8th February 2011 granted general exemption from attaching the balance sheet/s of the subsidiaries provided prescribed conditions are complied with by the Holding company.

Pursuant to the aforesaid General Circular, the Balance Sheets, Profit and Loss Accounts, Reports of the Board of Directors and Reports of the Auditors of the Subsidiary Companies, have not been attached to the Balance Sheet of your Company. Your Company undertakes that the annual accounts of its subsidiary companies and the related detailed information shall be made available to our shareholders and shareholders of subsidiary companies seeking such information at any point of time. The requisite financial information relating to all the Subsidiary Companies, in the aggregate, has been disclosed in the Consolidated Financial Statements, as required under the aforesaid General by the Central Government as part of its approval. Further, annual accounts of the Subsidiary Companies and related detailed information will be available for inspection by the members, at the Registered Offices of the Company and the Subsidiary Companies concerned, and also will be made available to the members upon request.

Besides, the details of the accounts of individual subsidiary companies are also put on your Company's website www.almondzglobal.com

(I) CORPORATE SOCIAL RESPONSIBILITY

At Almondz, an essential component of our corporate social responsibility is to care for our community and our endeavour is to make a positive contribution towards the lesser privileged communities by enabling them to be self reliant by supporting a wide range of socio-economic, educational and health initiatives.

(J) STATUTORY DISCLOSURES

The information required under Section 217(2A) of the Companies Act, 1956 and the rules made there under, are given in the annexure appended hereto and forms part of this report.

The provisions of Section 217(1)(e) of the Act relating to conservation of energy and technology absorption do not apply to your Company. The Company has, however, used information technology extensively in its operations.

The report on the Corporate Governance is annexed herewith and forms part of this report.

Corporate Governance Report

[Pursuant to Clause 49 of the Listing Agreements entered into with the Stock Exchanges and forms a part of the Report of the Board of Directors]

The Corporate Governance Report for the year 2013-14 which has been prepared pursuant to the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges contains details relating to the aforesaid year.

I. Company's Philosophy on Corporate Governance

Your Company continues to be committed to the adoption and continuation of the best in corporate governance practices. These governance practices rest on a rigidly held belief in Board accountability to the Company and shareholders, strategic guidance and effective monitoring by the Board, protection of minority interests and rights, equitable treatment of all shareholders as well as superior transparency and timely disclosure. Alongside, the Company continues to strengthen the quality of its disclosures, be transparent in all its dealings, and be fully compliant to all regulatory requirements. The Company believes that it is good corporate governance that alone protects the trust and expectations of the shareholders, customers, employees, government agencies, and the society at large.

The report on Corporate Governance, as per the applicable provisions of Clause 49 of the listing agreement is as under:

II. Board of Directors

- i) At the end of the year under Report, the Company had 8 (Eight) Directors with a Non-Executive Chairman. Of the Eight Directors, Five are Non-Executive Directors (including Five Independent Directors) and Three are Executive Directors. The composition of the Board is

in conformity with Clause 49 of the Listing Agreements entered into with the Stock Exchanges. At the advent of the Companies Act, 2013, two Director being representative of the shareholder company now shall be treated as Non independent Non Executive Director.

- ii) None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2014 have been made by the Directors to the Company.
- iii) The names and categories of the Directors on the Board, their age, their attendance at Board Meetings held during the year and the number of Directorships in other companies and Committee Chairmanships/ Memberships held by them are given herein below.

(A) Composition of Board

The Company has a balanced Board, comprising Executive and Non-Executive Directors which includes independent professionals. The Chairman being Non-Executive, the total strength of Independent Directors exceeds one-third of the total strength of the Board.

Pursuant to The Securities and Exchange Board of India (SEBI) circular dated April 08, 2008 amending Clause 49 of the Listing Agreement the Chairman of your Company is neither a promoter nor related to the promoters of your Company.

DELIBERATELY LEFT BLANK

The following Table gives the composition and other information of our Board pursuant to the annual / initial disclosure made by the Board members including details of attendance on Board Meetings and on Last Annual General Meeting :

Sl. No	Name	Category / Designation	Attendance Particulars			Age (in Years)	No. of Directorship/s in other Companies [^]	No. of Membership/s Chairmanship/s in Board Committees (including those of the Company)*	
			No. of Board Meetings		Last AGM			Member	Chairman
			Held	Attended	Attended				
1	Atul Kumar Shukla	Chairman / Independent Director	4	4	No	68	3	2	2
2	Navjeet Singh Sobti **	Vice Chairman & Managing Director / Promoter Director	4	4	Yes	47	3	Nil	Nil
3	Vinay Mehta ***	Managing Director / Executive Director	4	4	No	60	2	1	1
4	Jagdeep Singh	Executive Director	4	3	Yes	49	5	2	Nil
5	Krishan Lall Khetarpaul	Independent Director	4	3	No	71	1	1	Nil
6	Surendar Kumar Sood	Independent Director	4	4	Yes	66	Nil	Nil	2
7	Abdul Redha Mustafa Abdul Redha Sultan	Non Independent Director	4	Nil	No	45	Nil	Nil	Nil
8	Sanjay Tiwari	Non Independent Director	4	2	No	50	Nil	Nil	Nil
9	Neelu Jain ****	Non Independent Director	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

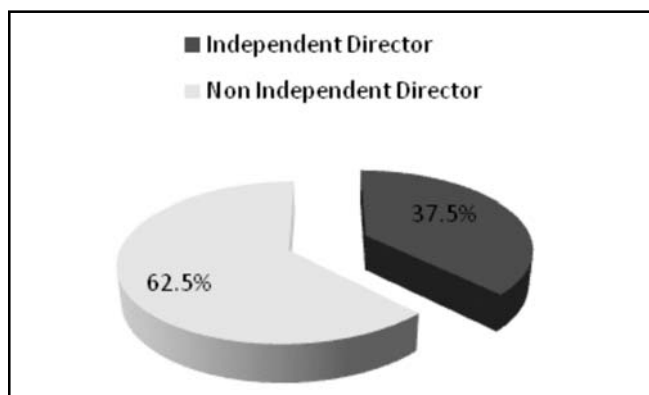
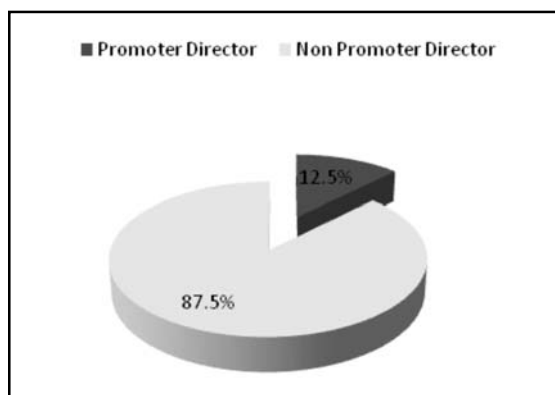
[^] Does not include private companies, foreign companies and companies under Section 25 of the Companies Act, 1956.

* includes membership / chairmanship of Audit Committee and Shareholders' Grievance Committees of the Board of Directors.

** Mr. Navjeet Singh Sobti has been appointed as Vice Chairman & Managing Director of the Company w.e.f. 12.08.2014.

*** Mr. Vinay Mehta, has resigned from office of Managing Director w.e.f. 16.07.2014. He also resigned from the Board of Directors of the Company w.e.f 06.08.2014.

**** Ms. Neelu Jain has been appointed as an Additional Director of the Company w.e.f. 12.08.2014.



The directors of your Company are not related with each other.

As to the limitation on the number of Committee positions a director can hold at a time, i.e. a director shall not be a member in more than 10 committees or act as Chairman of more than 5 committees across all companies in which he/she is a director, the said requirement is complied, as evident from the Table appearing hereinbefore. Furthermore, the directors of your Company are also adhering to the annual requirement of informing the Company about the directorships/committee positions a director occupies in other companies and notifying changes as and when they take place.

Your Company is managed by the Managing Director, Wholetime Director, and the Senior Management Team. The Board reviews and approves strategy and oversees the performance to ensure that the long term objectives of enhancing stakeholder value are met.

Profile of Board :

Atul Kumar Shukla (M.Sc.), Non-Executive & Independent Chairman, aged 68 years, is the Former Chairman of Life Insurance Corporation of India and has experience of around 44 years. He had held positions of Chairman / Non-Executive Chairman/Member / Director of many companies, some of them being LIC Housing Finance Ltd., LIC (International) B.S.C. (C) Bahrain, National Stock Exchange of India Ltd., National Commodities & Derivatives Exchange Limited, General Insurance Corporation of India, IL & FS Limited, Gujarat State Financial Corporation, Larsen & Toubro Ltd., Mittal Corp Ltd., India Infoline Trustee Co. Ltd., Gammon India Ltd., Dev Property Development Plc.

Navjeet Singh Sobti (FCA), Promoter and Vice Chairman & Managing Director, aged 47 years, is one of the members of the initial team which promoted the Company and has steered the Company to its present position of strength of being one of the largest mobilizers of funds from the domestic market for all government organizations and the private sector during past. He currently heads the Almondz team and his main areas of specialization include investment banking, corporate advisory services and infrastructure project financing.

Jagdeep Singh (FCA), Wholetime Director, aged 49 years, has more than 24 years of experience in the field of marketing/distribution of financial products, viz. mutual funds, equity IPOs, private placement of debt instruments, etc. and is one of the important constituents of the Almondz team since incorporation.

Krishan Lall Khetarpaul (B.Sc. (Hons.) Mathematics, M.A. Economic Statistics, Dip. in Journalism & CAIIB), Non-Executive & Independent Director, aged 71 years, is a seasoned banker having more than 40 years of experience with the Reserve Bank of India. He joined the Reserve Bank of India in 1965 as a Probationary Officer and retired from the services in the year 2003 as its Executive Director. Thereafter, he

worked as the Director and CEO of Punjab National Bank Institute of Information Technology.

Surendar Kumar Sood (Retd. IAS), Non-Executive & Independent Director, aged 66 years, is a 1971 batch Indian Administrative Services officer. During his stint as a distinguished Civil Servant, he has vast and varied experience in administration, industrial development & policy, foreign trade, finance management and mobilization, infrastructure development, legislation & social welfare, and management of commercial enterprises at both CEO & Board level. He held the offices of Deputy Commissioner of Kinnaur & Hamirpur districts in HP; Director Industries HP; Joint Chief Controller of Imports & Exports; in-charge of Eight Northern States from UP to J&K for export promotion, administering CCS & I&E licenses; Secretary to Govt. of HP; in-charge of PWD, IPH Health & Family Welfare, Science & Technology, Tourism, Transport, Urban Development; Principal Secretary, Finance & Planning, GOHP; Joint Secretary, Deptt. of Chemicals & Petrochemicals, GOI; Director General, DGS&D, GOI; Secretary, National Commission for Scheduled Castes; Secretary to the Governor, HP; Joint Secretary, Ministry of Commerce; and Managing Director of State PSUs. He formulated the First Tourism Policy of HP, pioneered installation of hand pumps in hills by using modern scientific advances like Satellite Imagery to locate & harness sub-terranean water channels in the hills as source of pure drinking water for masses. Mr. Sood served as Director of Indian Petrochemicals Corporation Ltd., Petrofil (Baroda), Hindustan Antibiotics Ltd., Indian Drug & Pharmaceuticals Ltd., Hindustan Chemicals Ltd., HP Financial Corporation Ltd., HP Mineral & Industrial Development Corporation, HP Tourism Development Corporation, HP State Road Transport Corporation, besides acted as the Managing Director of HP Handlooms & Handicrafts Corporation, and HP Infrastructure Development Board.

Sanjay Tiwari (CA), Non-Executive Director, aged 50 years, is a Chartered Accountant with accreditations from the Institute of Chartered Accountants of India and a graduate in Commerce. He has 27 years of experience in Industries ranging from Textile, Cement, Tyre & Engineering to FMCG. He has in-depth knowledge of Middle East, South East and South Asian Markets. His core expertise has been to monitor and manage the operations of varied industries from financial and commercial view point. He has also been instrumental in turning around loss making companies in countries i.e. Malaysia, Egypt, India and Middle East.

Abdul Redha Mustafa Abdul Redha Sultan, Non Executive Director aged about 45 years . He holds a degree in Finance from San Diego State University, USA). He has played an active role in developing the business environment for the private sector in the sultanate of Oman. He was selected as a honored member of International Who's Who for the year 1999. He has also developed other institutions within the Sultanate. Some of the renowned ventures in which he actively participated include the Oman Chapter of Young Presidents Organizations Inc. (YPO) since 2003

Neelu Jain is M.A in English and having vast experience in the field of teaching, administration and human resources. She is also associated as Director in Jan Sikshan Sansthan and works for upliftment and empowerment of women. She is also a member of the Prevention of Sexual Harrasment Committee of the Company.

(B) Non-Executive Directors' Compensation and Disclosures

All the non-executive directors of your Company are being paid Sitting Fees for each Meeting / s of the Board of Directors or Committee / s thereof, attended by them, as the case may be. During the year under review, the Sitting Fees for attending the Board meeting was Rs. 10000/- each, while the Sitting Fees for attending each meeting of the Committee(s) of the Board of Directors was Rs. 5000/- per meeting.

(C) Other Provisions as to Board and Committees

The Company's Board of Directors plays primary role in ensuring good governance and functioning of the Company.

The Board's role, functions, responsibility and accountability are clearly defined. All relevant information (as legally mandated) is placed before the Board. The Board reviews compliance reports of all laws as applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any. The Members of the Board have complete freedom to express their opinion and decisions are taken after detailed discussion.

During the year 2013-2014, the board met four times on May 27, 2013; August 13 2013, November 11, 2013, and February 6, 2014 and the gap between two meetings did not exceed four months.

The Directors present in the meetings actively participated in the deliberations. Your Company ensures that the gap between two consecutive meetings is not more than four months. The provisions of the Companies Act, 1956 and the requirements of the Listing Agreement are duly complied with.

(D) Board Procedure

The Board of your Company comprises of professionals, experienced and active members. The presence of Independent Directors brings to the Company a wide range of experience and expertise both in their fields and boardroom practices. The Board meetings are held regularly, at least once in a quarter, to review / approve the quarterly results. Additional meetings are held, whenever necessary, to review strategies, operations and to chart out policies and practices.

The Company Secretary prepares the Board agenda and the explanatory notes in consultation with the Managing Director.

All the key issues included in the agenda for consideration of the Board are backed by detailed background information to enable the Board to take informed decisions and the Managing Director ensures

that all the Directors are properly briefed on the matters being discussed. Every Director is free to suggest inclusion of items on the agenda with the permission of the Chair. Board Meetings are scheduled well in advance, dates of the Board meetings are usually informed to all directors and auditors and other concerned officer/s two to three weeks in advance and agenda papers are circulated about seven days prior to the meeting and only in exceptional cases, some of items/related documents are tabled at the meeting. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman. Senior management personnel are called to provide additional information/inputs for the items being discussed by the Board of Directors, as and when necessary.

The draft minutes of proceedings of the meetings of each Board are circulated to all Directors for their confirmation before being recorded in the Minute Books. Comments, if any, received from the Directors are incorporated in the minutes.

All resolutions passed by circulation by the Directors are also placed before the Board, for noting.

The Minutes of Audit Committee and other Committees of the Board are regularly placed before the Board.

The Board periodically reviews compliance reports of all laws applicable to the Company and takes steps to rectify non-compliances, if any. The members of the Board have access to all information of the Company. Every Board Meeting is well attended by sufficient number of Directors.

All the Non-Executive and Independent Directors have extensive professional and business experience and they are free from any material business or other relationships with the Company, which could interfere with the exercise of their independent judgments.

Board Support

The Company Secretary of the Company attends all the Meetings of Board and advises / assures the Board on Compliance and Governance principles.

(E) Code of Conduct

The Board of Directors of your Company laid down and adopted a Code of Conduct under Corporate Governance for all the Directors and the Senior Management Personnel of your Company. The said Code of Conduct has also been posted on the website (www.almondzglobal.com) of the Company.

A Declaration from Mr. Navjeet Singh Sobti, Vice Chairman & Managing Director, of your Company, as to the affirmation of compliance forms part of this Annual Report.

III. Audit Committee

- i) The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956.

ii) The terms of reference of the Audit Committee are broadly as under :

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to :
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Sub-section (2AA) of Section 217 of the Companies Act, 1956;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors, any significant findings and follow-up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders,

shareholders (in case of non-payment of declared dividends) and creditors.

- iii) The Audit Committee Meetings are held at the Registered Office of the Company and are usually attended by the Managing Director, Chief Financial Officer, representatives of the Statutory Auditors and representatives of the Internal Auditors. The Business Line Heads are invited to the meetings, whenever required. The Company Secretary acts as Secretary of the Audit Committee.
- iv) The previous Annual General Meeting of the Company was held on September 23, 2013, however, Mr. Surender Kumar Sood, Chairman of the Audit Committee attended the last Annual General Meeting of the Company.
- v) The composition of the Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below :

(A) Qualified and Independent Audit Committee

During the year under Report, the composition of the Audit Committee was as under :

Sl. No.	Name	Category	Experienced as / Served in the past as
1.	Surender Kumar Sood Chairman	Non-Executive & Independent Director	Retd. IAS having vast experience of Finance and Accounts
2.	Atul Kumar Shukla Member	Non-Executive & Independent Director	Chairman of Life Insurance Corporation of India
3.	Krishan Lall Khetarpaul Member	Non-Executive & Independent Director	Executive Director of Reserve Bank of India

The Audit Committee of your Company comprises of all Non-Executive & Independent Directors and all of them are financially literate in accordance with Explanation-1 under Sub-clause II(A) of the Corporate Governance norms (Clause 49 of the Listing Agreement). Further, Mr. Surender Kumar Sood, Director of the Company, is having accounting and related financial management expertise in consonance with Explanation 2 under Sub-clause II(A) of Corporate Governance norms.

Mr. Surender Kumar Sood, the Non-Executive and Independent Director, is holding the Chairmanship of the Audit Committee of the Company.

The Managing Director and the CFO of the Company are permanent invitees to the meetings of the Committee. The statutory as well as internal auditors of the Company are also invited to the Audit Committee Meetings. The Company Secretary acted as the Secretary to the Audit Committee in all its meetings held during the Financial Year under Report.

(B) Meetings of Audit Committee

During the Financial Year under Report, the Audit Committee meetings were held on May 27, 2013; August 13 2013, November 11, 2013, and February 06, 2014.

For the approval of the Annual Accounts of the Company for FY'13-14, the meeting of the Audit Committee was held on 27 May 2014.

The attendance of the members of the Committee during the Financial Year under Report is as under :

Name / Composition	Category	Meetings Attended / Held
Atul Kumar Shukla (Member)	Non-Executive & Independent	4/4
Krishan Lall Khetarpaul (Member)	Non-Executive & Independent	3/4
Surendar Kumar Sood (Chairman)	Non-Executive & Independent	4/4

The necessary quorum was present at all the meetings.

(C) Review of information by Audit Committee

The Audit Committee of your Company reviewed the management comments / analysis of financial condition and results of operations during all the quarters of the financial year under Report, as well as the internal audit reports, on a quarterly basis.

During the year under Report, all the related party transactions were well accounted for and entered in the Register maintained under Section 301 of the Companies Act, 1956.

IV. Nomination and Remuneration Committee

The Remuneration Committee, during the year, was renamed as the Nomination & Remuneration Committee in compliance with the statutory requirements in this regard.

- i) The broad terms of reference of the Nomination and Remuneration Committee are as under :
 - a) To approve the remuneration and commission / incentive remuneration payable to the Executive Directors, whenever required;
 - b) To approve the remuneration and Annual Performance Bonus payable to the Executive Directors for each financial year;
 - c) Such other matters as the Board may, from time to time, request the Remuneration Committee to examine and recommend / approve.
- ii) No meeting of the Nomination & Remuneration Committee was held during the year.

- iii) The composition of the Nomination & Remuneration Committee during the year under report is given below :

Name / Composition	Category	Meetings Attended / Held
Atul Kumar Shukla (Member)	Non-Executive &	1/1 Independent
Krishan Lall Khetarpaul (Member)	Non-Executive &	1/1 Independent
Surendar Kumar Sood (Chairman)	Non-Executive &	1/1 Independent

Mr. Surendar Kumar Sood is the Chairman of the Nomination & Remuneration Committee.

- iv) Remuneration Policy :

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavours to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and incentive / commission (variable component) to its Managing Director and Executive Directors.

The Nomination & Remuneration Committee decides on the commission / incentive payable to the Managing Director and the Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Companies Act, 1956, based on the performance of the Company as well as that of the Managing Director and each Executive Director.

During the year, the Company paid Sitting Fees to its Non-Executive Directors for attending meetings of the Board and meetings of various Committees of the Board.

- v) Details of Remuneration (including stock options granted) for the year ended March 31, 2014 :

- a) Non-Executive Directors :

Name	Sitting Fees (Rs. Lacs)
Atul Kumar Shukla	0.65
Krishan Lall Khetarpaul	0.50
Surendar Kumar Sood	0.85
Abdul Redha Mustafa Abdul Redha Sultan	Nil
Sanjay Tiwari	0.20

b) Managing Director and Wholetime Directors :

Name & Designation	Salary, Perquisites, & other allowances (in Rs.)	Appointment till
Navjeet Singh Sobti, Executive Vice Chairman *	6986468/-	18 May 2016
Jagdeep Singh, Wholetime Director	4840544/-	30 November 2014
Vinay Mehta, Managing Director **	4162956/-	18 May 2016

* Mr. Navjeet Singh Sobti has been appointed as Vice Chairman & Managing Director w.e.f. 12.08.2014.

** Mr. Vinay Mehta has resigned from the post of Managing Director of the Company w.e.f. 16.07.2014.

vi) Details of Shares of the Company held by the Directors as on March 31, 2014 (based on disclosure made to the Company) are as below :

Name & Designation	No. of Shares held	% share holding
Atul Kumar Shukla, Chairman	Nil	N. A.
Krishan Lall Khetarpaul, Director	Nil	N. A.
Abdul Redha Mustafa Abdul Redha Sultan Director	Nil	N. A.
Surendar Kumar Sood, Director	Nil	N. A.
Sanjay Tiwari, Director	Nil	N. A.
Vinay Mehta, * Managing Director	Nil	N. A.
Navjeet Singh Sobti, ** Executive Vice Chairman	359129	1.39%
Jagdeep Singh, Wholetime Director	292700	1.13%

* Mr. Vinay Mehta has resigned from the post of Managing Director of the Company w.e.f. 16.07.2014.

** Mr. Navjeet Singh Sobti has been appointed as Vice Chairman & Managing Director w.e.f. 12.08.2014.

V. Stakeholders' Relationship Committee

The Share Transfer and Shareholders' Grievance Committee, during the year, was renamed as the Stakeholders' Relationship Committee in compliance with the statutory requirements in this regard.

- i) The Company has a Stakeholders' Relationship Committee of Directors to look into the redressal of complaints of investors such as transfer or credit of shares to demat accounts, non-receipt of dividend / notices / annual reports, etc.

- ii) Four meetings of the Committee were held during the year on 25 April 2013, 27 July 2013, 19 October 2013, and 20 January 2014.

- iii) The composition of the Committee and the details of meetings attended by its members during the year under Report are given below :

Name / Composition	Category	Meetings Attended / Held
Jagdeep Singh (Member)	Wholetime Director	4/4
Vinay Mehta (Member) *	Managing Director	4/4
Surendar Kumar Sood, Chairman	Non-Executive & Independent Director	4/4
Navjeet Singh Sobti Member **	Vice Chairman & Managing Director	N.A.

* Mr. Vinay Mehta ceased to be member on account of his resignation as director w.e.f. 06.08.2014.

** Mr. Navjeet Singh Sobti has been inducted as member w.e.f. 12.08.2014.

- iv) The minutes of the meetings of the Committee are placed in the subsequent Board Meetings held thereafter. The Company Secretary himself closely supervises the shareholders' grievances and co-ordinates with the Regulatory and Other Authorities, if need be. Pursuant to the Securities & Exchange Board of India (SEBI) Circular No. MRD/DoP/Dep/SE/Cir-22/06 dated December 18, 2006, the Company created a specific email ID, i.e. complianceofficer@almondz.com for the purpose of registering complaints by investors and to take necessary follow-up action in relation thereto. The said email ID is also displayed on Company's website.

- v) The Company Secretary, who is also the Compliance Officer under Clause 47 of the Listing Agreement entered into with the Stock Exchanges whereat the shares of the Company are listed, acts as the Secretary of the Committee.

- vi) Name, designation and address of Compliance Officer :

Ajay Pratap
Company Secretary
Almondz Global Securities Limited
2nd Floor, 3 Scindia House,
Janpath, New Delhi – 110001
Tel : 011 4151 4666-669
Fax : 011 4151 4665

- vii) Details of complaints received and redressed during the year under Report :

Opening Balance	Received	Resolved	Closing Balance
Nil	04	04	Nil

The complaints are generally replied to within 7-10 days from their lodgment with the Company.

VI. Other Committees

The Board has constituted various other Committees of Directors to take informed decisions in the best interest of the Company. These Committees monitor the activities falling within their terms of reference.

i) Management Committee

The Company is having a Committee of Executive Directors under the name and style "Management Committee" for taking decisions on routine matters in ordinary course of business with a defined set of roles.

The quorum for the meeting of the Committee is one third of the total number of Members of the Committee or two Members of the Committee, whichever is higher. During the year under review, twenty three meetings of the Committee were held on 8 April 2013, 17 April 2013, 25 April 2013, 2 May 2013, 14 May 2013, 24 May 2013, 29 May 2013, 31 May 2013, 27 June 2013, 8 July 2013, 19 August 2013, 21 August 2013, 9 September 2013, 24 September 2013, 4 October 2013, 8 November 2013, 20 November 2013, 13 December 2013, 01 January 2014, 14 January 2014, 24 February 2014, 03 March 2014, 26 March 2014 and the composition of the Committee and attendance of the Committee members at these meetings was as under :

Name / Composition	Category / Designation	No. of Meetings Attended / Held
Vinay Mehta, Chairman *	Managing Director	20/23
Jagdeep Singh, Member **	Wholetime Director	23/23
Navjeet Singh Sobti, Member ***	Vice Chairman & Managing Director	03/23
Surender Kumar Sood Member ****	Non Executive & Independent Director	N.A.

* Mr. Vinay Mehta ceased to be member on account of his resignation as director w.e.f. 06.08.2014.

** Mr. Jagdeep Singh has been elected as Chairman w.e.f. 12.08.2014.

*** Mr. Navjeet Singh Sobti has been appointed as Vice Chairman & Managing Director w.e.f. 12.08.2014.

**** Mr. Surender Kumar Sood has been inducted as member w.e.f. 12.08.2014.

ii) Capital Expenditure Committee

The Capital Expenditure Committee of the Board overlooks the borrowing needs of the Company from various banks and financial institutions in order to purchase immovable property(ies) at various locations on behalf of the Company; and to finalise various terms and conditions, including execution of various documents / agreements, with respect to the aforesaid borrowings.

The quorum for the meeting of the Committee is one third of the total number of Members of the Committee or two Members of the Committee, whichever is higher.

During the year under report, no meeting of the Committee was held.

iii) Committee for Further Issue of Shares

The Committee for Further Issue of Shares of the Board of Directors of the Company is constituted for the purpose of making further issue and allotment of shares / securities of the Company.

The powers of the Committee are :

- to decide about further increase in the Share Capital of the Company, the nature of Securities to be issued, including the number of Securities to be issued, face value of the Securities, rate of interest, if any, amount of premium, number of Equity Shares to be allotted on conversion, exercise of rights attached with warrants, ratio of exchange of shares and/or warrants and/or any other financial instrument, period of conversion, fixing of record date or book closure, issue schedule and other related or incidental matters;
- to finalise the Offer Documents, Form of Application and Renunciation and other documents in respect of further Securities, appoint Lead Manager(s) and Registrar(s) to the issue and any other Intermediaries as specified in the applicable laws, rules, regulations and guidelines, for the time being in force;
- to allot the Securities as offered and issued, and their Listing with the Stock Exchange(s), etc.

The quorum for the meeting of the Committee is one third of the total number of Members of the Committee or two Members of the Committee, whichever is higher. During the year under report, no meeting of the Committee was held.

During the year under report, the composition of the Committee was as under :

Name / Composition	Category / Designation
Vinay Mehta, Chairman *	Managing Director
Jagdeep Singh, Member **	Wholetime Director
Navjeet Singh Sobti, ***	Vice Chairman & Managing Director
Surender Kumar Sood ****	Non Executive & Independent Director

* Mr. Vinay Mehta ceased to be member on account of his resignation as director w.e.f. 06.08.2014.

** Mr. Jagdeep Singh has been elected as Chairman w.e.f. 12.08.2014.

*** Mr. Navjeet Singh Sobti has been appointed as Vice Chairman & Managing Director w.e.f. 12.08.2014.

**** Mr. Surender Kumar Sood has been inducted as member w.e.f. 12.08.2014.

iv) **Compensation Committee**

The Compensation Committee of the Board of Directors of the Company presently consists of Four Directors including three non-executive and independent directors, one of whom is the Chairman of the Committee.

The terms of reference / powers of the Committee are as follows :

- a. To frame various Plan Series under the Scheme from time to time;
- b. To determine the number of Options to be granted per employee and in aggregate and the times at which such Grants shall be made;
- c. To lay down the conditions under which Options Vested in Optionees may lapse in case of termination of employment for misconduct etc.
- d. To lay down the conditions under which Options Vested in Optionees may lapse in case of voluntary surrender of options by Optionees.
- e. To determine the Exercise Period within which the Optionee should Exercise the Options and that Options would lapse on failure to Exercise the same within the Exercise Period.
- f. To specify the time period within which the Employee shall Exercise the Vested Options in the event of termination or resignation of an Employee.
- g. To lay down, in compliance with the SEBI Guidelines, the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of rights issues, bonus issues, merger, sale of division and other Corporate Action.
- h. To provide for the right of an Optionee to Exercise all the options vested in him at one time or at various points of time within the Exercise Period.
- i. To lay down the method for satisfaction of any tax obligation arising in connection with the Options or the Shares.
- j. To lay down the procedure for cashless Exercise of Options, if any.
- k. To provide for the Options, Vesting and Exercise of Options in case of Employees who are on long leave or whose services have been seconded to any other company or who have joined any other Subsidiary or other company at the instance of the Company.
- l. Framing of suitable policies and systems to ensure that there is no violation of the Securities and Exchange Board of India (Insider Trading) Regulations, 1992 and Securities Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995 by any employee of the Company.

m. To formulate the detailed terms and conditions of the Scheme including terms in relation to the matters enumerated hereinbefore;

n. Administration and superintendence of the Scheme.

The quorum for the meeting of the Committee is one third of the total number of Members of the Committee or two Members of the Committee, whichever is higher.

During the year under Report, no meeting of the Committee was held. The composition of the Committee is as under :

Name / Composition	Category / Designation
Atul Kumar Shukla, Chairman	Non-Executive & Independent
Krishan Lall Khetarpaul, Member	Non-Executive & Independent
Navjeet Singh Sobti, Member *	Vice Chairman & Managing Director
Vinay Mehta, Member **	Managing Director

* Mr. Navjeet Singh Sobti has been appointed as Vice Chairman & Managing Director w.e.f. 12.08.2014.

** Mr. Vinay Mehta ceased to be member on account of his resignation as director w.e.f. 06.08.2014.

v) **Underwriting Committee**

The Board of Directors constituted an Underwriting Committee for the purpose of determining the extent of underwriting commitments of the Company in relation to various issues of securities of the client companies.

The powers of the Committee are to underwrite the issues of securities of the client company / ies upto 20 times the Net Worth of the Company during the Financial Year, for each such issue.

The quorum for the meeting of the Committee is one third of the total number of Members of the Committee or two Members of the Committee, which ever is higher.

During the year under report, no meeting of the Committee was held. The composition and category of the Underwriting Committee was as follows :

Name / Composition	Category / Designation
Navjeet Singh Sobti, Chairman *	Vice Chairman & Managing Director
Jagdeep Singh, Member	Wholetime Director
Vinay Mehta, Member **	Managing Director
Surender Kumar Sood Member ***	Non Executive & Independent Director

* Mr. Navjeet Singh Sobti has been appointed as Vice Chairman & Managing Director w.e.f. 12.08.2014.

** Mr. Vinay Mehta ceased to be member on account of his resignation as director w.e.f. 06.08.2014.

*** Mr. Surender Kumar Sood has been inducted as member w.e.f. 12.08.2014.

vi) Limited Review Committee

Pursuant to Circular No. SEBI/CFD/DIL/LA/3/2007/10/07 dated July 10, 2007 of the Securities and Exchange Board of India amending Clause 41 of the Listing Agreement, the Board of Directors constituted a Committee under the name and style "Limited Review Committee".

The terms of reference / powers of the Committee are as follows :

- a. to approve the financial results of the Company alongwith the Limited Review Report in the eventuality of non-completion / non-placing of limited review report before the Board alongwith the relevant financial results, in order to get those sent to the stock exchanges with which the Company is listed; and
- b. to consider and approve the consolidated financial results of the Company in the eventuality of non-completion / non-placing of the same before the Board meeting / Board, provided the said consolidated results, once approved by the Committee, shall be placed before the Board at its next meeting held thereafter.

During the year under report, no meeting of the Committee was held. The composition of the Committee was as under :

Name / Composition	Category / Designation
Surender Kumar Sood, Chairman	Non-Executive & Independent Director
Jagdeep Singh, Member	Wholetime Director
Vinay Mehta, Member *	Managing Director
Navjeet Singh Sobti Member **	Vice Chairman & Managing Director

* Mr. Vinay Mehta ceased to be member on account of his resignation as director w.e.f. 06.08.2014.

** Mr. Navjeet Singh Sobti has been appointed as Vice Chairman & Managing Director w.e.f. 12.08.2014.

VII. Management Discussion & Analysis Report

A Management Discussion and Analysis Report is forming part of this Annual Report containing Industry structure and developments, Opportunities and Threats, Outlook, Risks and concerns, Internal control systems and their adequacy, Material developments in Human Resources / Industrial Relations front, including number of people employed.

During the year under report, the Senior Management of your Company did not have any material financial and commercial transactions where they have personal interest having a potential conflict with the interest of the Company at large.

VIII. Shareholders

Brief Particulars of Directors Appointed / Re-appointed

A brief resume of the Directors being appointed / re-appointed at the ensuing Annual General Meeting, the nature of their expertise in specific functional areas alongwith their other directorship / s and membership / chairmanship of the Committee / s (as on 31 March 2014) are hereunder :

Atul Kumar Shukla (M.Sc.), Non-Executive & Independent Chairman, aged 68 years, is the Former Chairman of Life Insurance Corporation of India and has experience of around 44 years. He had held positions of Chairman/Non-Executive Chairman/Member/Director of many companies, some of them being LIC Housing Finance Ltd., LIC (International) B.S.C. (C) Bahrain, National Stock Exchange of India Ltd., National Commodities & Derivatives Exchange Limited, General Insurance Corporation of India, IL & FS Limited, Gujarat State Financial Corporation, Larsen & Toubro Ltd., Mittal Corp Ltd., India Infoline Trustee Co. Ltd., Gammon India Ltd., Dev Property Development Plc.

Mr. Atul Kumar Shukla is holding directorship in five other companies namely Gammon India Ltd., Indiainfoline Trustee Company Ltd., India Venture Advisors Pvt. Ltd., Saa Wellness Pvt. Ltd., Star Union Di-ichi Life Insurance Company Ltd.

Surendar Kumar Sood (Retd. IAS), Non-Executive & Independent Director, aged 66 years, is a 1971 batch Indian Administrative Services officer. During his stint as a distinguished Civil Servant, he has vast and varied experience in administration, industrial development & policy, foreign trade, finance management and mobilization, infrastructure development, legislation & social welfare, and management of commercial enterprises at both CEO & Board level. He held the offices of Deputy Commissioner of Kinnaur & Hamirpur districts in HP; Director Industries HP; Joint Chief Controller of Imports & Exports; in-charge of Eight Northern States from UP to J&K for export promotion, administering CCS & I&E licenses; Secretary to Govt. of HP; in-charge of PWD, IPH Health & Family Welfare, Science & Technology, Tourism, Transport, Urban Development; Principal Secretary, Finance & Planning, GOHP; Joint Secretary, Deptt. of Chemicals & Petrochemicals, GOI; Director General, DGS&D, GOI; Secretary, National Commission for Scheduled Castes; Secretary to the Governor, HP; Joint Secretary, Ministry of Commerce and Managing Director of State PSUs. He formulated the First Tourism Policy of HP, pioneered installation of hand pumps in hills by using modern scientific advances like Satellite Imagery to locate & harness subterranean water channels in the hills as source of pure drinking water for masses. Mr. Sood served as Director of Indian Petrochemicals Corporation Ltd., Petrofil (Baroda), Hindustan Antibiotics Ltd., Indian Drug & Pharmaceuticals Ltd., Hindustan Chemicals Ltd., HP Financial Corporation Ltd., HP Mineral & Industrial Development Corporation, HP Tourism Development Corporation, HP State Road Transport Corporation, besides acted as the Managing Director of HP Handlooms & Handicrafts Corporation, and HP Infrastructure Development Board.

At present Mr. Surendar Kumar Sood is not holding any directorship in any other company.

Krishan Lal Khetarpaul (M.A. Economic Statistics), Non-Executive & Independent Director, aged 71 years, is a seasoned banker having more than 39 years of experience with the Reserve Bank of India. He joined the Reserve Bank of India in 1965 as a Probationary Officer and retired from the services in the year 2003 as its Executive Director. Thereafter, he worked as the Director and CEO of Punjab National Bank Institute of Information Technology.

Mr. Krishan Lall Khetarpaul is Director on the Board of Jasch Industries Limited.

Navjeet Singh Sobti (FCA), Promoter and Executive Vice Chairman, aged 47 years, is one of the members of the initial team which promoted the Company and has steered the Company to its present position of strength of being one of the largest mobilizers of funds from the domestic market for all government organizations and the private sector. He currently heads the Almondz team and his main areas of specialization include investment banking, corporate advisory services and infrastructure project financing. Mr. Navjeet Singh Sobti is holding directorship in 7 companies

Jagdeep Singh (FCA), Wholetime Director, aged 49 years, has more than 23 years of experience in the field of marketing/distribution of financial products, viz. mutual funds, equity IPOs, private placement of debt instruments,

etc. and is one of the important constituents of the Almondz team since incorporation. Mr. Jagdeep Singh is holding Directorship in 7 Companies.

Neelu Jain is M.A in English and having vast experience in the field of teaching, administration and human resources. She is also associated as Director in Jan Sikshan Sansthan and works for upliftment and empowerment of women. She is also a member of the Prevention of Sexual Harrasment Committee of the Company. She is a Director in 1 another Company.

CEO / CFO Certification

A Certificate with respect to the prescribed matter is annexed with the Directors' Report and has been signed by Mr. Navjeet Sigh Sobti, current Vice Chairman & Managing Director, and Mr. Govind Prasad Agrawal, Chief Financial Officer of the Company.

IX. General Body Meetings

i) General Meetings

a) Annual General Meetings :

Details of Meeting	Date of Meeting	Time of Meeting	Venue of Meeting
17th Annual General Meeting (2010-11)	29 Sep., 2011	12:30 P.M.	MPCU Shah Auditorium, Shree Gujarati Samaj (Regd.), 2, Raj Niwas Marg, Civil Lines, Delhi – 110054
18th Annual General Meeting (2011-12)	28 Sep., 2012	01:30 P.M.	MPCU Shah Auditorium, Shree Gujarati Samaj (Regd.), 2, Raj Niwas Marg, Civil Lines, Delhi – 110054
19th Annual General Meeting (2012-13)	23 Sep., 2013	12.00 Noon	MPCU Shah Auditorium, Shree Gujarati Samaj (Regd.), 2, Raj Niwas Marg, Civil Lines, Delhi – 110054

b) Extraordinary General Meeting :

During the year under Report, no extraordinary general meeting of the shareholders of the Company was held.

c) Special Resolutions passed during last three Annual General Meetings.

The details of the Special Resolutions passed at the last 3 (Three) Annual General Meetings are as follows :

Annual General Meeting	Particulars of Special Resolution / s passed
19th Annual General Meeting	Nil
18th Annual General Meeting	Nil
17th Annual General Meeting	(1) Authorisation to alter the Articles of Association of the Company to enable the Company to conduct meetings through electronic mode.
	(2) Authorisation to alter the Articles of Association of the Company to enable the Board of Directors and Committee thereof to conduct meeting through electronic mode.

ii) **Postal Ballot :**

During the year under report, the Company sought shareholders approval through Postal Ballot process pursuant to Section 192A of the Companies Act, 1956 (hereinafter "the Act") read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001 on 24 December 2013 to the following business as set out in the notice dated 11 November 2013 :

1. To alter the Main object clause of the Memorandum of Association of the Company by adding a new clause.

SI No.	Particulars	Resolution No. 1 Special Resolution	
		No. of Postal Ballots	No. of Shares
A	Postal Ballot Forms received	29	13950687
B	Less : Invalid Postal Ballot Forms	1	200
C	Net Valid Postal Ballot Forms of which :	28	13950487
	(i) Total No. of shares with Assent for the resolution	28	13698978
	(ii) Total No. of shares with Dissent for the resolution	Nil	Nil

* % is calculated on the basis of the No. of total votes received.

The aforesaid resolution was passed with the overwhelming requisite majority.

M/s. Ashu Gupta & Co., Practicing Company Secretary, was appointed as Scrutinizer for conducting the Postal Ballot exercise.

Procedure for Postal Ballot

The postal ballot process was undertaken in accordance with the provisions of Section 192A of the Companies Act, 1956, read with the Companies (Passing of Resolution by Postal Ballot), Rules, 2001.

After receiving the approval of the Board/Committee of Directors, the Notice, Explanatory Statement alongwith the Postal Ballot Form and postage-paid self-addressed envelope were dispatched to the members to enable them to consider and vote for or against the proposal within a period of 30 days from the date of dispatch.

The Calendar of Events of the Postal Ballot process was filed with the Registrar of Companies, NCT of Delhi & Haryana within the stipulated period. After the last date of receipt of Postal Ballot, the Scrutinizer, after due verification, submitted her report. Thereafter, the results of the Postal Ballot were declared by the Authorised Person of the Company. The results were also sent to the stock exchanges with which the Company is listed immediately after declaration thereof through fax/mail as well as physical submission and the same were also posted on the website of the Company from time to time.

investments, if any, made by unlisted subsidiary companies of the Company.

- iii) The minutes of the Board meetings of unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

B. Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large

During the year under report, there were no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.

Transactions with related parties as per requirements of Accounting Standard (AS-18) 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India are disclosed in Note No. 2.33 of the Accounts in the Annual Report.

C. Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India. The significant accounting policies which are consistently applied are set out in Note No. 1 of the Accounts.

D. Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

SEBI while investigating the matter of IPOs of the two Companies namely, Bharatiya Global Infomedia Limited

X. Disclosures

A. Subsidiary Companies

- i) There is no material non listed subsidiary of the Company.
- ii) The Audit Committee of the Company reviews the financial statements and, in particular, the

(BGIL) and PG Electroplast Limited (PGIL) wherein Almondz Global Securities Limited was Merchant Banker has passed following orders.

In the matter of BGIL

1. Under Sections 11(1), 11(4) and 11B of SEBI Act, 1992, SEBI has issued an Order on 3rd March, 2014 prohibiting Almondz Global Securities Ltd. (AGSL), Mr. Vinay Mehta and Mr. Sanjay Dewan from taking up any new assignment or involvement in any new issue of capital including IPOs, follow-on issue, etc. in the securities market in any manner whatsoever for a further period of six months from the date of this order. Further, during the said period of six months, it also prohibits them from taking up any assignment or involvement in buy-back of securities under SEBI (Buy-Back of Securities) Regulations, 1998, Open Offer under SEBI (SAST) Regulations, 2011 and Delisting of securities under SEBI (Delisting of Equity Shares) Regulations, 2009.
2. Under section 12(3) of the Securities and Exchange Board of India Act, 1992 read with regulation 28(2) of the Securities and Exchange Board of India (Intermediaries) Regulations, 2008 has issued an order on 11 April 2014 holding that certificate of registration of Almondz be suspended for a period of six months. The suspension of certificate of Almondz for a period of six months shall run concurrently with the directions issued against it vide order dated March 3, 2014.

In the matter of PGEL

Under Sections 11(1), 11(4) and 11B of SEBI Act, 1992, SEBI has issued an Order on 21st March, 2014 prohibiting Almondz Global Securities Ltd. (AGSL), Mr. Vinay Mehta and Mr. Sanjay Dewan from taking up any new assignment or involvement in any new issue of capital including IPOs, follow-on issue, etc. in the securities market in any manner whatsoever for a period of 5 years from the date of interim order dated December 28, 2011. Further, during the said period, it also prohibits them from taking up any assignment or involvement in buy-back of securities under SEBI (Buy-Back of Securities) Regulations, 1998, Open Offer under SEBI (SAST) Regulations, 2011 and Delisting of securities under SEBI (Delisting of Equity Shares) Regulations, 2009.

One another Order viz. under SEBI (Intermediaries) Regulation in case of PGEL is awaited.

In the matter of Bharatiya Global Infomedia Ltd. (BGIL), Almondz Global Securities Ltd. (AGSL) have filed appeal in SAT against SEBI's Order dated 3rd March, 2014 under Section 11(1), 11(4) and 11B of SEBI Act on 28th April, 2014. Another appeal was filed in SAT on 4th June, 2014 against SEBI's Order dated 11th April, 2014 under SEBI(Intermediaries) Regulations.

In the matter of PG Electroplast Ltd. (PGEL), AGSL filed appeal in SAT on 21st July, 2014 against SEBI's Order dated 21st March, 2014 under Section 11(1), 11(4) and 11B of SEBI Act.

Except for the above orders of SEBI, the Company complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there were no strictures or material penalties imposed, by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

The Company is involved in certain legal cases arising in the ordinary course of its business/operations.

E. Non-mandatory requirements

During the year under report, the Company has fulfilled the following non-mandatory requirements as prescribed in Annexure I D to Clause 49 of the Listing Agreements with the Stock Exchanges :

- (a) The Company has a Nomination & Remuneration Committee details of which have been given earlier in this Report.
- (b) The Chairman of the Remuneration Committee was present in the 19th Annual General Meeting held on 23 September 2013 to answer the shareholders' queries.
- (c) The Company has formulated a Whistle Blower Policy establishing mechanism for the employees of the Company to approach the Chairman of the Audit Committee for their genuine concerns about any unethical or unacceptable business practice or any event of misconduct.

XI. Means of Communication

The quarterly and annual results of the Company are published in leading newspapers in India, viz. Financial Express (English) and Jansatta (Hindi). The results are also displayed on the Company's website "www.almondzglobal.com". Press Releases, if any, made by the Company from time to time are also displayed on the Company's website. Presentations to analysts, as and when made, are immediately placed on the website for the benefit of the shareholders and public at large. Apart from the above, the Company also regularly provides relevant information to the stock exchanges as per the requirements of the listing agreements. A Management Discussion and Analysis Report is a part of the Company's Annual Report.

Further, your Company is already maintaining a functional website containing various disclosures / information about the Company for the public at large including basic information as mandated under newly inserted Clause 54 of the Listing Agreement (introduced w.e.f. 01.04.2011), and regularly updating the information available thereon.

As per the requirement of the Clause 41 of the Listing Agreement, the Financial Results are published in leading national newspapers as detailed hereinbelow :

Quarter/ Financial Year ended	Unaudited/ Audited	Name of the Newspaper (version)	Dated of Publication
June 2013 (Qtrly.)	Unaudited	Financial Express (English) & Jansatta (Hindi)	14 August 2013
September 2013 (Qtrly.)	Unaudited	Financial Express (English) & Jansatta (Hindi)	12 November 2013
December 2013 (Qtrly.)	Unaudited	Financial Express (English) & Jansatta (Hindi)	7 February 2014
March 2014 (Annual)	Audited	Financial Express (English) & Jansatta (Hindi)	28 May 2014

XII. Group coming within the definition of “group” as defined in the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969)

The following persons constitute the Group coming within the definition of “group” as defined in the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969), “which exercises, or is established to be in a position to exercise, control, directly or indirectly, over the company” [Section 2(e) (f)] :

- Navjeet Singh Sobti
- Gurpreet N. S. Sobti
- Innovative Money Matters Private Limited
- Avonmore Capital & Management Services Limited
- Any company/entity promoted by any of the above.

The above disclosure has been made, inter alia, for the purpose of Regulation 3(1)(e)(i) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended till date.

XIII. General Shareholders’ information

i) Annual General Meeting :

Date : 29 September 2014
Time : 11.00 A.M.
Venue : MPCU Shah Auditorium,
Shree Delhi Gujarati Samaj (Regd.),
2, Raj Niwas Marg, Civil Lines,
Delhi - 110054

ii) Financial Calendar :

Approval of Unaudited Quarterly Financial Results for the period ended :

- June 30, 2013 — August 13, 2013
- September 30, 2013 — November 11, 2013
- December 31, 2013 — February 06, 2014

Approval of Audited Financial Results for Financial Year ended :

- March 31, 2014 — May 27, 2014

iii) Book Closure Dates :

22 September 2014 – 29 September 2014
for the 20th Annual General Meeting.
(both days inclusive)

iv) Listing on Stock Exchanges :

- Bombay Stock Exchange Limited,
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001
- National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai 400 051

v) Scrip Codes / Symbol :

Bombay Stock Exchange Limited : 531400
National Stock Exchange of India Limited : ALMONDZ
Listing Fees have been duly paid to all the Stock Exchanges, wherever required, for the Financial Year 2014-15.

vi) ISIN No. of the Company’s Equity Shares :

INE-326B01027 as allotted by NSDL & CDSL

vii) Depositories Connectivity :

- National Securities Depository Limited (NSDL)
 - Central Depository Service (India) Limited (CDSL)
- Annual Custodial Fees have been duly paid to both the Depositories for the Financial Year 2014-15.

viii) Corporate Identification Number :

L74899DL1994PLC059839

ix) Market Price Data :

(A) High, Low and number and volume of trades of Company’s equity shares vis-a-vis (Sensex) during each month in the financial year 2013-14 at the Bombay Stock Exchange Limited :

Bombay Stock Exchange Ltd. (BSE)

Month & Year	Month's High	Month's Low	Volume of Trades
April 13	7.85	6.25	7242
May 13	9	5.1	22445
June 13	9	8.11	11455
July 13	9.34	5.9	79869
August 13	7.71	5.77	54811
September 13	9.66	7.17	128
October 13	10.45	8.81	40707
November 13	10.8	9.28	26225
December 13	9.89	8.94	14
January 14	9.32	8.42	43735
February 14	8	7.12	718
March 14	6.94	4.42	604909

* Face Value of Equity Shares of the Company is Rs. 6/- each

Source : www.bseindia.com

- (B) High, Low and number and volume of trades of Company's equity shares during each month in the financial year 2013-14 at the National Stock Exchange of India Limited :

National Stock Exchange of India Ltd. (NSE)

Month & Year	Month's High	Month's Low	Volume of Trades
April 13	7.60	6.55	2733
May 13	—	—	—
June 13	—	—	—
July 13	—	—	—
August 13	—	—	—
September 13	—	—	—
October 13	—	—	—
November 13	—	—	—
December 13	—	—	—
January 14	7.00	6.70	500
February 14	7.00	6.25	1731
March 14	6.65	5.75	33579

* Face Value of Equity Shares of the Company is Rs. 6/- each

Source : www.nseindia.com

x) Reconciliation of Share Capital Audit :

As stipulated by SEBI vide its circulars dated 31 December 2002 and 3 March 2004 read with clarification dated 6 September 2010, a qualified Practising Company Secretary carries out audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the "Reconciliation of Share Capital Audit Report" thereon is submitted to the Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd. with which your Company is listed during the year

under Report. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

xi) Registrar and Transfer Agent (RTA) :

Name & Address :
 Beetal Financial & Computer Services (P) Ltd. (BEETAL)
 Beetal House, 3rd Floor, 99 Madangir,
 Behind Local Shopping Centre,
 Near Dada Harsukhdas Mandir,
 New Delhi 110 062
 Phone Number : 91 11 2996 1281/82
 Fax Number : 91 11 2996 1280/84
 E-mail : beetalrta@gmail.com
 Website : www.beetalfinancial.com

xii) Places for Acceptance of Documents :

- Beetal Financial & Computer Services (P) Ltd.
 Beetal House, 3rd Floor, 99 Madangir,
 Behind Local Shopping Centre,
 Near Dada Harsukhdas Mandir,
 New Delhi - 110 062
- Corporate Secretarial Division
 Almondz Global Securities Ltd.
 2nd Floor, 3 Scindia House,
 Janpath, New Delhi - 110 001

xiii) Share Transfer System :

As on 31 March 2014, 97.75% of the shares of the Company are in the electronic form. Transfer of these shares is done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form, the transfer documents can be lodged either with the Company or with BEETAL at the above mentioned address.

Transfer of shares in physical form is normally processed within 7-10 days from the date of receipt, if the documents are complete in all respects. The Stakeholders' Relationship Committee has delegated the powers of effecting transfers, etc. to the Company Secretary with quarterly reporting to the Committee at its meetings.

DELIBERATELY LEFT BLANK

xiv) Investors Grievance Redressal System :

Investors' queries /grievances are generally attended within a period of 3-5 days from the date of receipt thereof, except in cases involving external agencies or compliance with longer procedural requirements specified by the authorities concerned.

xv) Nomination Facility :

Individual shareholders of physical shares can nominate any person for the shares held by them. This will save the nominee from going through the lengthy process of getting the shares later on transmitted to his/her name.

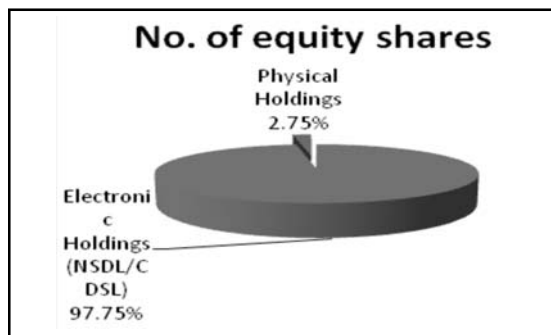
For further details, shareholders may write to BEETAL.

xvi) Consolidation of Folios :

Members holding shares of the Company in physical form through multiple folios are requested to consolidate their shareholding into single folio, by sending their original share certificates along with a request letter to consolidate their shareholding into a single folio, to the BEETAL, the Registrar and Transfer Agent of the Company.

xvii) Status of dematerialization of shares as on March 31, 2014 :

	Electronic holdings (NSDL/CDSL)	Physical holdings	Total
No. of equity shares	25303388	581579	25884967
Percentage	97.75	2.25	100.00



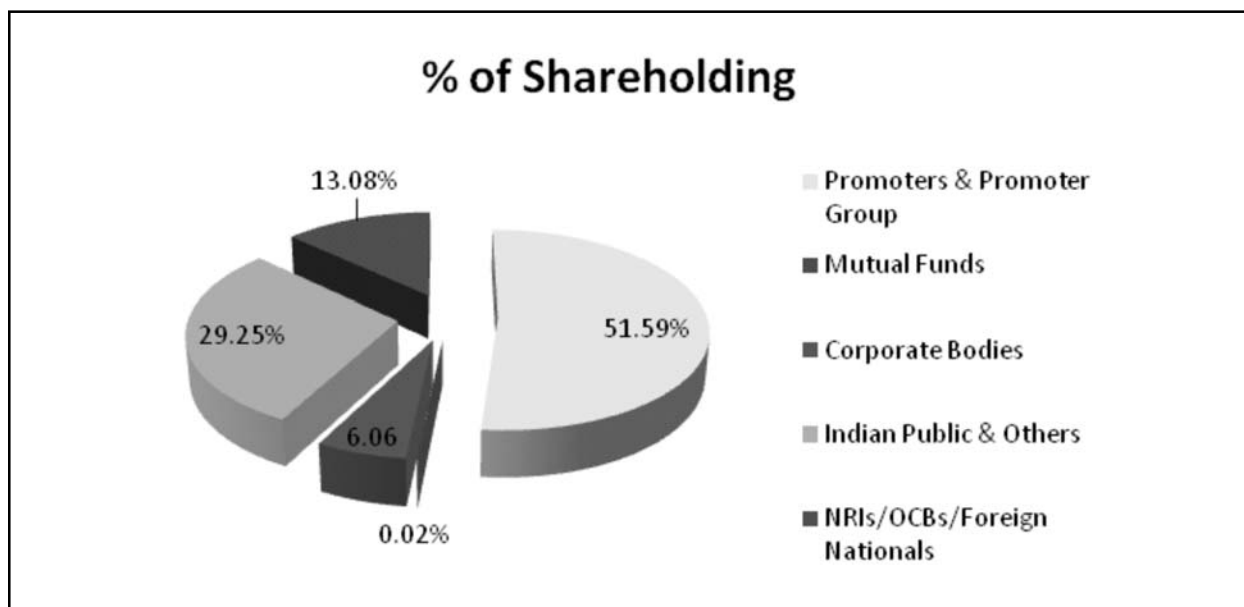
xviii) Shareholding as on March 31, 2014 :

A. Distribution of shareholding as on March 31, 2014 :

Shareholding of Nominal Value of Rupees	No. of Shareholders	%age of Shareholders	Total No. of Shares	%age of Shareholding
1 to 5000	4909	87.83	734205	2.84
5001 to 10000	305	5.46	338545	1.31
10001 to 20000	160	2.86	380118	1.47
20001 to 30000	53	0.95	229279	0.89
30001 to 40000	16	0.29	92681	0.36
40001 to 50000	11	0.20	81368	0.31
50001 to 100000	58	1.04	671356	2.59
100001 and above	77	1.38	23357415	90.23
Total	5589	100.00	25884967	100.00

B. Categories of shareholders (as per Clause 35 of Listing Agreement) as on March 31, 2014 :

Category	No. of Shareholders	%age of Shareholders	No. of Shares held	%age of Shareholding
Promoters & Promoter Group	4	0.07	13353033	51.59
Mutual Funds	2	0.04	4500	0.02
Corporate Bodies	160	2.86	1567886	6.06
Indian Public & Others	5385	96.35	7572787	29.25
NRIs / OCBs / Foreign Nationals	38	0.68	3386761	13.08
Total	5589	100.00	25484967	100.00


xix) Description of Voting Rights :

All shares issued by the Company carry equal voting rights.

xx) Persons holding more than 1% Equity Shares :

The names of the shareholders who hold more than 1% equity shares of the Company as on March 31, 2014 :

Name of Shareholder	No. of shares held	%age shareholding
Avonmore Capital & Management Services Limited	12858814	49.68
Al Anwar Holdings SAOG	3091500	11.94
Dilip Kumar Lakhi	1170117	4.52
Ramila Anant Sanghvi	359536	1.39
Navjeet Singh Sobti	359129	1.39
Jagdeep Singh	292700	1.13
Swift Buildwell Pvt. Ltd.	321356	1.24
B. L. Mahajan	274389	1.06
Total	18727541	72.35

DELIBERATELY LEFT BLANK

xxi) Equity History of the Company :

The Equity history of the Company up to March 31, 2014 :

Date	Particulars	Issued	Cancelled	Cumulative
28 June 1994 (on incorporation)	Issued to promoters	1600	N.A.	1600
7 January 1995	Issued to promoters	618500	N.A.	620100
16 January 1995	Issued to promoters	379900	N.A.	1000000
3 February 1995	Issued to promoters	1520000	N.A.	2520000
31 March 1995	Issued to promoters	980000	N.A.	3500000
30 January 1996	Public Issue (issued to promoters, directors, their friends & relatives, employees & public)	3113100	N.A.	6613100
6 May 1998	Issued to Promoters on Preferential Allotment Basis	4000000	N.A.	10613100
18 March 2006	Issued to Promoters and Other Investor on conversion of warrants allotted on Preferential Allotment Basis	2400000	N.A.	13013100
6 July 2006	Issued to Promoters and Other Investor on conversion of warrants allotted on Preferential Allotment Basis	2983000	N.A.	15996100
19 September 2007	Issued to Promoters and Other Investor on Preferential Allotment Basis	1537500	N.A.	17533600
3 January 2008	Issued to Other Investor on Preferential Allotment Basis	3091500	N.A.	20625100
25 April 2008	Issued to the equity shareholders of the erstwhile Almondz Capital Markets Pvt. Ltd., (as merged with Almondz Global Securities Ltd.) pursuant to the Scheme of Amalgamation as sanctioned by the Hon'ble Delhi High Court Order dated 05 February 2008	4696667	N.A.	25321767
13 August 2010	Issued on exercise of stock options	35000	N.A.	25356767
8 October 2010	Issued on exercise of stock options	128200	N.A.	25484967
8 August 2011	Issued on exercise of stock options	400000	N.A.	25884967

xxii) Due dates of Transfer of Unclaimed Dividend :

Financial Year	Type of Dividend	Date of Declaration	Amount outstanding as on March 31, 2014 (Rounded off in Rs.)	Due Dates for Transfer
2006-07	Final	18 September 2007	434115/-	23 November 2014
2007-08		24 September 2008	165952/-	29 November 2015
2008-09		24 September 2009	117453/-	29 November 2016
2009-10		28 September 2010	158017/-	03 December 2017
2010-11		29 September 2011	196439/-	04 December 2018

xxiii) Financial Results on Company's Website :

The quarterly and annual results of the Company are displayed on its website www.almondzglobal.com. The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares of the Company representing 97.75% of the Company's share capital are dematerialised as on March 31, 2014.

The Company's shares are regularly traded on the Bombay Stock Exchange Limited (BSE) and on National Stock Exchange of India Ltd. (NSE), in electronic form.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE326B01027.

xxiv) Outstanding Warrants or any Convertible instruments, conversion date and likely impact on equity, as on 31 March 2014 :

No. of Convertible instruments	To be Converted Latest By	Impact on Equity after Conversion
2751000 Stock Options	As per the terms of respective grants (maximum within 6 years from the date of respective grants)	The paid-up share capital would be Rs. 171815802/- consisting of 28635967 equity shares of Rs. 6/- each

xxv) Address for correspondence :

Almondz Global Securities Limited
2nd Floor, 3 Scindia House,
Janpath, New Delhi 110001
Tel : 011 4151 4666 / 4669
Fax : 011 4151 4665

Designated E-mail address for investor services :
complianceofficer@almondz.com
Website : www.almondzglobal.com

xxvi) Queries relating to financial statements of the Company may be addressed to :

Mr. Govind Prasad Agrawal / Mr. Rajiv Kumar
Executive Director & CFO / Vice President-Finance & Accounts
Almondz Global Securities Limited
2nd Floor, 3 Scindia House,
Janpath, New Delhi 110 001
Telephone : (011) 4151 4666 / 4669
Facsimile : (011) 4151 4665
E-mail : govind.agrawal@almondz.com /
rajeev.kumar@almondz.com

xxvii) Investors' correspondence may be addressed to :

Mr. Ajay Pratap
Company Secretary
Almondz Global Securities Limited
2nd Floor, 3 Scindia House,
Janpath, New Delhi 110 001
Telephone : (011) 4151 4666 / 4669
Facsimile : (011) 4151 4665
E-mail : ajay.pratap@almondz.com

xxviii) General Do's and Don'ts :

- Shareholders / Beneficial holders should quote their Folio No. / DP Id and Client Id, as the case may be, in all the correspondences with the Company.
- Shareholders / Beneficial holders should mention their Contact Nos. / Fax Nos. and e-mail Id. Such e-mail ID shall be registered in the records of the Company.
- Shareholders are requested to furnish self-attested copy of their PAN card, at the time of submitting the physical share certificate(s) for transfer, transmission, deletion or any other request, to the Company.
- Securities and Exchange Board of India (SEBI), by its Circular No. MRD/DoP / Cir-05/2009 dated 20th May, 2009, and SEBI/MRD / DoP / SE / RTA / Cir-08/2010, dated 7th January, 2010 has made it mandatory for the transferee(s) to furnish the copy of the PAN Card to the Company for registration of physical transfer of shares and for transmission, deletion and transposition of shares in physical form.
- Shareholders are requested to maintain a record of their specimen signature before lodgment of shares with the Company to obviate possibility of difference in signature at a later date.
- Investors holding shares in dematerialised form should send all the communications related to change in address or change in bank details to their Depository Participant.

xxix) Green Initiative in Corporate Governance :

Pursuant to Circular No. 17/2011 dated 21st April, 2011, Ministry of Corporate Affairs has undertaken a Green Initiative in Corporate Governance whereby the shareholders desirous of receiving notices, documents and other communication from the Company through electronic mode, can register their e-mail addresses with the Company.

Your Company encourages the shareholders to register their e-mail addresses with the Company or its Registrar & Transfer Agent, BEETAL, by sending a letter signed by the shareholders on addresses given below and intimate changes in the e-mail ids from time to time.

CERTIFICATE OF COMPLIANCE OF THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To the Members of
Almondz Global Securities Limited

We have examined the compliance of conditions of corporate governance by Almondz Global Securities Limited ("the Company") for the year ended 31 March 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with 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 statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us and the representation made by the Directors and Management of the Company, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We 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 **AVK & ASSOCIATES**
Chartered Accountants
Firm Registration No. 002638N

Parul Gupta
Partner
Membership No. 095539

Place : New Delhi
Dated : 27 May, 2014

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

I, Navjeet Singh Sobti, Vice Chairman & Managing Director of Almondz Global Securities Limited (hereinafter "the Company"), confirm that the Company has in respect of the financial year ended March 31, 2014, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team consists of employees upto the level of Sr. Vice President from top down of the organizational hierarchy as on March 31, 2014.

New Delhi
August 12, 2014

NAVJEET SINGH SOBTI
Vice Chairman & Managing Director
(DIN : 00008393)

CERTIFICATION BY VICE CHAIRMAN & MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER TO THE BOARD

We, Navjeet Singh Sobti, Vice Chairman & Managing Director and Govind Prasad Agrawal, Chief Financial Officer of Almondz Global Securities Limited (hereinafter "the Company"), do hereby certify that :

1. We have reviewed the financial statements and the cash flow statement for the financial year 2013-14 and that to the best of our knowledge and belief :
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the state of affairs of the Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept overall responsibility for the establishing and maintaining Company's internal control system for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and Audit Committee that there were no deficiencies in the design and operation of internal controls that could adversely affect the Company's ability to record process, summarise and report financial data, and that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to the deficiencies. Internal controls are evaluated by the internal audit function in accordance with the scope specified by the Audit Committee. The internal audit function works with all levels of management and reports its findings to the Audit Committee of Board of Directors.
4. We have indicated to the Auditors and to the Audit Committee :
 - a) that there have been no significant changes in internal control over financial reporting during the year;
 - b) all significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements;
 - c) that there were no instances of significant fraud of which we have become aware that involve the management or other employees who have significant role in the Company's internal control system over financial reporting.
5. We further declare that all Board members and senior managerial personnel have affirmed compliance with the code of conduct under Cluase 49 of the Listing Agreement, for the financial year 2013-14.

New Delhi
August 12, 2014

G. P. AGRAWAL
Chief Financial Officer

NAVJEET SINGH SOBTI
Vice Chairman & Managing Director
(DIN : 00008393)

Independent Auditors' Report

To the members of
Almondz Global Securities Limited

1. Report on Financial Statements

We have audited the accompanying financial statements of Almondz Global Securities Limited ("the company"), which comprises the Balance Sheet as at 31st March, 2014, Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The company's management is responsible for preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the general circular 15/2013 dated 13 September, 2013 of Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation & presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said financial statements give the information required by the Act in the manner so required for the companies 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 31 March, 2014;
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

- (iii) in the case of the Cash Flow Statement, of cash flows for the year ended on that date.

5. Emphasis of Matter

Without qualifying our report, attention is drawn to note no. 2.31 to the financial statements. In relation to the two of the merchant banking assignments undertaken by the Company, the Securities Exchange Board of India ('SEBI') has prohibited the Company for five years from the date of interim order from taking up any new assignments or involvement in any new issue of capital including an IPO, follow on issue etc. or involvement in buy back of securities under SEBI (Buy-Back of Securities) Regulations, 1998, open offers under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and delisting of securities under the SEBI (Delisting of Equity Shares) Regulations, 2009 and suspended the certificate of registration of the company with SEBI under Securities and Exchange Board of India (Merchant Bankers) Regulation, 1992 for a period of six months from 3 March, 2014. The company has filed / in process of filing appeals with designated authorities. In view of the uncertainty of the ultimate outcome, the impact, if any, cannot be presently ascertained and therefore, no provisions for any liability or any other adjustments that might be required has not been recognised in the financial statements.

6. Report on other Legal and Regulatory Matters

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the annexure, a statement on the matters specified in the said order.
2. As required by section 227(3) of the Act, 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 purpose 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 those books.
 - (c) the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) in our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs.)
 - (e) on the basis of written representations received from the directors as on March 31, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **AVK & ASSOCIATES**
Chartered Accountants
Firm Registration No. 002638N

Parul Gupta
Partner

Place : Delhi
Dated : 27 May, 2014

Membership No. 095539

Annexure referred to in paragraph 6 of the Independent Auditor's Report to the Members of Almondz Global Securities Limited on the accounts for the year ended 31st March, 2014.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
 2. (a) The Company has conducted verification of stock-in-trade comprising shares, bonds and other securities at reasonable intervals. As informed to us by the management no material discrepancies were noted on such verification.
 - (b) The procedures for verification of stock-in-trade followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records in respect of stock-in-trade.
 3. (a) The Company has given unsecured loans to three Companies listed in the register maintained under Section 301 of the Act. The maximum amount outstanding during the year was Rs. 367,906,512/- and the year end balance of the loans was Rs. 353,760,207/-.
 - (b) In view of above and according to information and explanations given to us, we are of the opinion that the terms and conditions of loan granted by the Company are not, prima facie, prejudicial to the interests of the Company.
 - (c) In the case of loans granted to the Companies listed in the register maintained under Section 301 of the Act, the borrowers have been regular in paying the interest as stipulated in the agreements. The loans are repayable at mutually agreed date between the Company and the borrowers. The repayments have been made by the borrowers as and when stipulated.
 - (d) The Company has not taken any loan secured or unsecured from Companies, firms or other parties covered in the register maintained under Section 301 of the Act.
 4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventories (goods) and sale of goods. We have not observed any material weaknesses in the internal control system during the course of our audit.
 5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangement referred to in Section 301 of the Act have been entered in the register required to be maintained under the said section.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (a) above and exceeding the value of Rs. 5 lac with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
 6. The Company has not accepted any deposits from the public.
 7. In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
 8. The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Act for any of the business activities carried on by the Company.
 9. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Service Tax, Income Tax, Sale Tax, Wealth Tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Excise duty and Customs duty. No amount of unpaid dividend as at 31 March 2014 was due to be deposited in Investor Education and Protection Fund during the year ended 31 March 2014.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Investor Education and Protection Fund, Provident Fund, Employees' State Insurance, Service Tax, Income tax, Sales Tax, Wealth Tax, and other material statutory dues were in arrears as at 31 March, 2014 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, the following dues of Income-tax and Service tax have not been deposited by the Company on account of disputes.

Name of the statute	Nature of dues	Amount (Rs.)	Assessment year to which amount relates	Forum where dispute is pending
The Finance Act, 2000	Service Tax	6,444,100	2008 - 2010	Additional Commissioner, Service Tax, New Delhi
The Finance Act, 2000	Service Tax	1,272,868	2006 - 2010	Additional Commissioner, Service Tax, New Delhi
The Income Tax Act, 1961	Income Tax	4,054,709	2006 - 2007	Income Tax Appellate Tribunal - Delhi Bench
The Income Tax Act, 1961	Income Tax	2,723,937	2007 - 2008	Income Tax Appellate Tribunal - Delhi Bench
The Income Tax Act, 1961	Income Tax	4,410,300	2008 - 2009	Additional Commissioner of Income Tax (TDS), New Delhi

10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the bankers and financial institutions. The Company did not have any outstanding debentures during the year.
12. The Company has not granted any loan and advance on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the Company is not a chit fund nor nidhi / mutual benefit fund / society.
14. According to the information and explanations given to us, the Company has maintained proper records of the transactions and contracts in respect of trading in shares, securities, debentures and other investments and timely entries have been made. Further, such securities and investments have been held by the company in its own name except to the extent of exemption granted under Section 49 of the Companies Act, 1956.
15. In our opinion and according to the information and explanations given to us, the terms and conditions on which the company has given guarantee for loans taken by others from banks or financial institutions are not prejudicial to the interest of the company.
16. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that the funds raised on short-term basis have not been used for long-term investment.
18. According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties covered in the register maintained under Section 301 of the Act. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the company.
19. The Company did not have any outstanding debentures during the year.
20. The Company has not raised any money by public issue.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For AVK & ASSOCIATES
Chartered Accountants
Firm Registration No. 002638N

Parul Gupta
Partner
Membership No. 095539

Place : Delhi
Dated : 27 May, 2014

Balance Sheet as at 31 March 2014

(Amounts in Indian rupees)

Particulars	Note Nos.	As at 31 March 2014	As at 31 March 2013
I Equities and Liabilities			
(1) Shareholders' funds			
a) Share capital	2.1	155,309,802	155,309,802
b) Reserves and surplus	2.2	1,012,399,298	954,004,320
		1,167,709,100	1,109,314,122
(2) Non-current liabilities			
a) Long-term borrowings	2.3	186,873,619	202,453,270
b) Deferred tax liabilities (net)	2.4	1,703,504	—
c) Other long-term liabilities	2.5	1,892,025	2,161,476
d) Long-term provisions	2.6	4,000,757	3,793,400
		194,469,905	208,408,146
(3) Current liabilities			
a) Short-term borrowings	2.7	19,479,201	15,872,364
b) Trade payables	2.8	21,748,992	11,815,982
c) Other current liabilities	2.9	128,298,728	116,875,697
d) Short-term provisions	2.10	1,451,343	842,480
		170,978,264	145,406,523
TOTAL		1,533,157,269	1,463,128,791
II Assets			
(1) Non-current assets			
a) Fixed assets			
i) Tangible assets	2.11	364,131,172	382,911,181
ii) Intangible assets	2.12	5,776,104	9,117,117
iii) Capital work-in-progress		140,857	—
b) Non-current investments	2.13	210,468,405	232,908,552
c) Long-term loans and advances	2.14	143,344,079	151,025,795
d) Other non-current assets	2.15	34,452,995	31,795,950
		758,313,612	807,758,595
(2) Current assets			
a) Inventories	2.16	51,691,459	35,842,577
b) Trade receivables	2.17	103,953,692	121,262,271
c) Cash and cash equivalents	2.18	92,547,457	47,970,501
d) Short-term loans and advances	2.19	386,810,365	343,446,303
e) Other current assets	2.20	139,840,684	106,848,544
		774,843,657	655,370,196
TOTAL		1,533,157,269	1,463,128,791

Significant accounting policies

1

The accompanying notes from 2.1 to 2.35 form an integral part of the financial statements.

As per our report of even date attached.

For **AVK & Associates**

Chartered Accountants

Firm Registration No. 002638N

For and on behalf of the Board of Directors of **Almondz Global Securities Limited****Parul Gupta**

Partner

Membership No.: 095539

Date : 27 May, 2014

Place : New Delhi

Ajay Pratap

Company Secretary

Date : 27 May, 2014

Place : New Delhi

Govind Prasad Agrawal

Chief Finance Officer

Vinay Mehta

Managing Director

DIN : 00244542

Jagdeep Singh

Wholesale Director

DIN : 00008348

Statement of Profit and Loss for the year ended 31 March 2014

(Amounts in Indian rupees)

Particulars	Note Nos.	For the year ended 31 March 2014	31 March 2013
I Revenue from operations	2.21	356,719,643	395,439,712
II Other income	2.22	74,374,964	90,633,790
III Total revenue (I+II)		431,094,607	486,073,502
IV Expenses			
Employee benefit expense	2.23	161,787,001	169,626,276
Finance cost	2.24	28,763,032	30,935,077
Depreciation and amortisation expense	2.11 and 2.12	22,927,714	23,239,890
Other expenses	2.25	231,912,683	261,977,764
Total expenses		445,390,430	485,779,007
V Profit/(loss) before prior period items, tax expenses and Exceptional items		(14,295,823)	294,495
Profit/(Loss) on sale of invesment		94,969,353	—
Service tax payments and interests		(1,844,880)	—
Prior period (expenses)/income (net)	2.26	(120,207)	(130,954)
		93,004,266	(130,954)
VI Profit/(loss) before tax		78,708,443	163,541
VII Tax expense			
– Current tax / MAT		15,853,145	—
– Current tax for earlier year		2,756,816	—
– Deferred tax charge / (credit)		1,703,504	—
VIII Profit/(loss) for the year		58,394,978	163,541
IX Earnings/(loss) per share (face value of Rs. 6 per share)	2.27		
Basic		2.26	0.01
Diluted		2.26	0.01

Significant accounting policies

1

The accompanying notes from 2.1 to 2.35 form an integral part of the financial statements.

As per our report of even date attached.

For **AVK & Associates**

Chartered Accountants

Firm Registration No. 002638N

For and on behalf of the Board of Directors of **Almondz Global Securities Limited**

Parul Gupta

Partner

Membership No.: 095539

Date : 27 May, 2014

Place : New Delhi

Ajay Pratap

Company Secretary

Date : 27 May, 2014

Place : New Delhi

Govind Prasad Agrawal

Chief Finance Officer

Vinay Mehta

Managing Director

DIN : 00244542

Jagdeep Singh

Wholetime Director

DIN : 00008348

Cash Flow Statement for the Year ended 31 March 2014

(Amounts in Indian rupees)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
A. Cash flow from operating activities		
Profit/(loss) before prior period items and taxes	(14,295,823)	294,495
Adjusted for		
Depreciation	22,927,714	23,239,890
(Profit)/loss on sale of fixed assets	(32,300)	1,374,666
Fixed assets written off	929,573	2,794,238
Provision for employee benefits	924,086	189,320
Bad debts written off	4,513,885	22,738,676
Advance/debit balances written off	76,096	118,380
Provision for doubtful advances	1,734,836	—
Provision for doubtful security deposits	100,000	—
Provision for diminution in value of investment	4,307,000	—
(Profit)/loss on sale of investment	—	(125,531)
Excess provision written back	—	(1,921,472)
Excess provision for doubtful debts written back	(75,206)	(20,854,857)
Rent received	(20,212,256)	(8,834,820)
Dividend income	(6,426,000)	—
Interest income	(45,593,803)	(48,235,611)
Excess provision for diminution in value of investment reversed	—	(3,694,000)
Liabilities no longer required written back	(1,078,511)	(6,225,094)
Excess provision for doubtful security deposit reversed	—	(380,000)
	(52,200,709)	(39,521,720)
Less : Exceptional items		
Service tax payments and interests	1,844,880	—
Prior period expense	120,207	130,954
Operating profit before working capital changes	(54,165,796)	(39,652,674)
Adjusted for net changes in working capital		
(Increase)/decrease in inventories	(15,848,882)	37,593,401
(Increase)/decrease in trade receivables	12,869,900	32,886,555
(Increase)/decrease in loans and advances and other current and non-current assets	(43,133,606)	(30,252,150)
Increase/(decrease) in current and non-current liabilities and provisions	22,675,909	(77,079,533)
(Increase)/decrease in bank deposits held as margin money	(16,000,000)	(6,500,000)
Cash flow before extra ordinary items and tax	(93,602,475)	(83,004,401)
Taxes paid	(21,645,074)	(25,214,473)
Net cash generated from/(used in) operating activities (A)	(115,247,549)	(108,218,874)
B. Cash flow from investing activities		
Purchase of fixed assets	(1,736,265)	(9,594,668)
Payments for capital work in progress	(140,857)	1,155,706
Proceeds from sale of fixed assets	32,300	482,949
Fixed deposits (with a maturity more than 90 days) placed	(27,787,743)	(28,128,520)
Fixed deposits (with a maturity more than 90 days) matured	18,742,878	22,300,272
Disposal of Investments/(Investments made)	113,102,500	62,927
Rent received	20,212,256	8,834,820
Dividend received	6,426,000	—
Interest received	43,489,899	38,754,569
Net cash from/(used in) investing activities (B)	172,340,968	33,868,055

Cash Flow Statement for the Year ended 31 March 2014 (Contd.)

(Amounts in Indian rupees)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
C. Cash flow from financing activities		
Proceeds from issue of share capital	—	—
Repayment of secured long term borrowings (net)	(15,579,651)	(15,101,863)
Net increase/(decrease) in cash credit facilities	3,606,837	12,790,770
Net cash from/(used in) financing activities (C)	(11,972,814)	(2,311,093)
Net cash inflows during the year (A+B+C)	45,120,605	(76,661,912)
Cash and cash equivalents (opening balance)	46,354,881	123,016,793
Cash and cash equivalents (closing balance)	91,475,486	46,354,881

Notes

1 The cash flow statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow Statement' of the Companies (Accounting Standards) Rules, 2006.

2 Cash and bank balance include :

Cash and cash equivalents		
— Cash in hand	1,581,961	1,491,929
— Cheque/drafts in hand	—	322,262
— Balances with banks in current account	89,893,525	44,540,690
Cash and cash equivalents (closing balance)	91,475,486	46,354,881
Other bank balances		
Fixed deposits (with a maturity more than 90 days) placed	117,116,340	94,728,520
Unpaid dividend account	1,071,971	1,615,620
Cash and bank balances at the end of the year	209,663,797	142,699,021

3 Other bank balances includes Rs.4,500,000 (Previous year Rs. 4,000,000) earmarked for settlement of certain liabilities and Rs.95,500,000 (Previous year Rs. 79,500,000) pledged with stock exchanges.

The accompanying notes from 2.1 to 2.35 form an integral part of the financial statements.

As per our report of even date attached.

For AVK & Associates

Chartered Accountants

Firm Registration No. 002638N

For and on behalf of the Board of Directors of **Almondz Global Securities Limited**

Parul Gupta

Partner

Membership No.: 095539

Date : 27 May, 2014

Place : New Delhi

Ajay Pratap

Company Secretary

Date : 27 May, 2014

Place : New Delhi

Govind Prasad Agrawal

Chief Finance Officer

Vinay Mehta

Managing Director

DIN : 00244542

Jagdeep Singh

Wholesale Director

DIN : 00008348

1. Significant accounting policies

(i) Basis of preparation

The financial statements are prepared under the historical cost convention, in accordance with the Indian Generally Accepted Accounting Principles (GAAP), Accounting Standards prescribed under the Companies (Accounting Standards) Rules, 2006, relevant pronouncements of the Institute of Chartered Accountants of India (ICAI) and the provisions of the Companies Act, 2013 (to the extent notified) and Companies Act, 1956 (to the extent applicable). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy either to in use.

The financial statements have been prepared on the Revised Schedule VI of the Companies Act 1956. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI of the Companies Act, 1956. Previous year's figures have been regrouped / reclassified wherever considered necessary.

(ii) Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of such estimates include provision for assets and estimated useful life of fixed assets. Actual results could differ from these estimates. Adjustments as a result of differences between actual and estimates are made prospectively.

(iii) Current/Non-current classification

All assets and liabilities are classified as current and non-current.

i) Assets

An asset is classified as current when it satisfies any of the following criteria :

- It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realized within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

ii) Liabilities

A liability is classified as current when it satisfied any of the following criteria :

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities includes current portion of non-current financial liabilities. All other liabilities are classified as non-current.

(iv) Revenue recognition

- Advisory and consultancy services** : Fees is booked on the completion of task / project as per the terms of agreement. However, where the percentage of completion is significant enough to ascertain the outcome reliably, revenue is recognised to the extent it can be accurately measured.
- Broking activities** : Income from broking on distribution operations is recognised on the closure of the issue of mutual funds, bonds, fixed deposits and other money market instruments. Income from equity stock broking operations is accrued on completion of transaction at the stock exchanges for commission from equity broking operations.
- In the case of trading in bonds, the profit / loss from the transaction is recognised on the closure of the deal and consequent physical delivery of the bond.
- Revenue on account of trading in shares is recognized on the basis of each trade executed at the stock exchange during the financial year.
- In respect of non delivery based transactions such as derivatives, the profit and loss is accounted for at the completion of each settlement, however in case of an open settlement the net result of transactions which are squared up on FIFO basis is recognized as Profit/Loss in the account.
- Depository income is accounted for on accrual basis.
- Dividend income is recognised when the right to receive the income is established.
- In the case of fixed income securities / deposits / loan, interest is recognised on a time proportionate basis.
- In respect of other heads of income, the Company follows the practice of recognising income on accrual basis.

(v) **Interest expense**

Interest on borrowings is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable on the borrowings.

(vi) **Expenditure**

Expenses are recognised on accrual basis and provisions are made for all known losses and liabilities. Expenses incurred on behalf of other companies, in India, for sharing personnel, common services and facilities like premises, telephones etc, are allocated to them at cost and reduced from respective expenses.

Similarly, expense allocation received from other companies is included within respective expense classifications.

(vii) **Employee benefits**

The Company's obligations towards various employee benefits have been recognized as follows :

(a) *Short term benefits*

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

(b) *Provident fund (Defined contribution plan)*

Provident fund is a defined contribution plan. The contributions towards provident fund which are being deposited with the Regional Provident Fund Commissioner are charged to the Statement of Profit and Loss.

(c) *Gratuity (Defined benefit plan)*

Gratuity is defined benefit plan. The present value of obligations under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

The Company makes contribution to an insurer managed funds for discharging its gratuity liability.

(d) *Compensated absences (Other long-term benefits)*

The Company provides for leave encashment based on actuarial valuation using projected unit credit method in respect of past service. In respect of compensated absences arising during the tenure of service, the defined benefit obligation is

calculated taking into account the pattern of an ailment of leave. In respect of encashment of leave, the defined benefit is calculated taking into account all types of decrements and qualifying salary projected up to the assumed date of encashment. The valuation of leave encashment benefit is done as at the balance sheet date by an independent actuary. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

(viii) **Fixed assets**

i) **Tangible assets**

Tangible assets are stated at the cost of acquisition or construction, less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable costs of bringing the assets to their working condition for intended use. Borrowing costs directly attributable to acquisition or construction of fixed assets, which necessarily take a substantial period of time to be ready for their intended use are capitalised as part of the cost of such assets to the extent they relate to the period till such assets are ready to be put to use.

Depreciation on tangible assets

- (a) Leasehold improvements are depreciated over the lease period as stated in the lease agreement or over the estimated useful life of the assets, whichever is shorter.
- (b) Other assets are depreciated on straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956 from the date of put to use until the date of sale.
- (c) Depreciation on assets costing up to Rs. 5,000 are depreciated at the rate of 100% on pro-rata basis.
- (d) Depreciation on additions to assets or on sale/adjustment of assets is calculated pro-rata from the date of such addition or up to the date of such sale / adjustment.
- (e) In view of management, the above reflects the estimated useful lives of the respective fixed assets.

ii) **Intangible assets and its amortisation**

Intangible assets are recorded at cost and are amortised over the period the Company expects to derive economic benefits from their use.

(ix) **Impairment**

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. For assets that are not yet available for use, the recoverable is estimated at each balance sheet date. An impairment loss is recognised whenever the carrying amount of an asset or cash generating unit exceeds its recoverable

amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

(x) Investments

Investments are classified into long-term investments and current investments based on intent of the management at the time of making the investment. Investment intended to be held for more than one year from the date such investments are made are classified as long-term investments. All long-term investments are classified as non-current investments in the Balance Sheet. The portions of long-term investments which are expected to be realised within twelve months from the Balance Sheet date are classified as current investments. Current investments are valued at lower of cost and market value, computed category-wise e.g. quoted shares, unquoted shares, government securities and non government securities/bonds. The diminution in current investments is charged to the Statement of Profit and Loss and appreciation, if any, is recognised at the time of sale. Long-term investments, including investments in subsidiaries, are valued at cost unless there is diminution, other than temporary, in their value. Diminution is considered other than temporary based on criteria that include the extent to which cost exceeds the market value, the duration of the market value decline and the financial health of and specific prospects of the issuer.

Investments, which are held as stock in trade as part of the business operations are valued in the same manner as are relatable to Current Investments.

- i) The Cost is arrived at FIFO method and is inclusive of brokerage, transfer expenses and demat charges, if any. The fair value is arrived at with reference to the market value, if available, quotation in any stock exchange or any other available information to indicate a transaction between unrelated willing buyer and willing seller at arms length price.
- ii) In case of unquoted investments, the fair value is arrived on the basis of breakup value as per latest available audited balance sheet of the investee company.
- iii) Interest accrued and/or broken period interest paid on unsold securities is recognized as "Interest Accrued on Investment" under Other Current Assets.

(xi) Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Exchange differences arising on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss. Monetary assets and liabilities

denominated in foreign currency are translated at year-end rates and resultant gains/losses on foreign exchange translations other than in relation to acquisition of fixed assets and long term foreign currency monetary liabilities are recognised in the Statement of Profit and Loss.

(xii) Current and deferred tax

Income-tax expense comprises current tax and deferred tax. Current tax expense is the amount of tax for the period determined in accordance with the income-tax law and deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

(xiii) Provisions, contingent liabilities and contingent assets

A provision is created when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company does not recognise assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, if it has become virtually certain that an inflow of economic benefits will arise, asset and related income is recognised in the financial statements of the period in which the change occurs.

(xiv) Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive potential shares outstanding during the year, except where the results would be anti-dilutive.

(xv) Operating leases

Lease payments under operating lease are recognised as an expense on a straight line basis over the lease term.

(xvi) Employee Stock Option Scheme ("ESOS")

The Employees Stock Option Scheme ("the Scheme") provides for grant of equity shares of the Company to whole-time directors and employees of the Company. The Scheme provides that employees are granted an option to subscribe to equity shares of the Company that vests in a graded manner. The options may be exercised within a specified period. The Company follows the intrinsic value method to account for its stock-based employee compensation plans. Compensation cost is measured as the excess, if any, of the fair market price of the underlying stock over the exercise price on the grant date. The fair market

price is the closing price of the equity shares of the Company on the stock exchange/s on which the shares of the Company are listed, immediately prior to the date of the meeting of Compensation Committee of Board of Directors of the Company in which the options are granted. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date is considered.

(xvii) Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

2. Notes to the financial statements

(Amounts in Indian rupees)

2.1 Share Capital

Particulars	As at 31 March 2014		As at 31 March 2013	
	No. of shares	Amount	No. of shares	Amount
Authorised share capital Equity shares of Rs. 6 each	50,000,000	300,000,000	50,000,000	300,000,000
Issued, subscribed and paid-up Equity shares of Rs. 6 each fully paid-up	25,884,967	155,309,802	25,884,967	155,309,802
Total	25,884,967	155,309,802	25,884,967	155,309,802

The reconciliation of number of shares outstanding and the amount of share capital as at 31 March 2014 and 31 March 2013 is set out below :

Particulars	As at 31 March 2014		As at 31 March 2013	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 6 each fully paid-up				
At the beginning of the year	25,884,967	155,309,802	25,884,967	155,309,802
Add : Shares issued on exercise of employee stock options	—	—	—	—
At the end of the year	25,884,967	155,309,802	25,884,967	155,309,802

Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value Rs. 6 each. Each member of the Company has voting rights on a poll, in proportion to his share in the paid-up equity share capital. On show of hands every member present in person and being holders of equity shares shall have one vote.

Each shareholder is entitled to receive interim dividend when it is declared by the Board of Directors. The final dividend proposed by the Board of Directors are paid when approved by the shareholders at Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the equity shares held by the shareholders.

Detail of shareholders holding more than 5% shares of the Company

Particulars	As at 31 March 2014		As at 31 March 2013	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Avonmore Capital and Management Services Limited	12,858,814	49.68	12,858,814	49.68
Al Anwar Holdings SAOG	3,091,500	11.94	3,091,500	11.94

Notes to the Financial Statements

(Amounts in Indian rupees)

Employees Stock Option Scheme 2007

The Company has instituted an Employee Stock Option Scheme in the year 2007, known as 'Employee Stock Option Scheme ('ESOS' or 'Scheme') 2007. This Scheme was adopted by the Board of Directors on 3 January 2008 and subsequently by shareholders of the Company on 4 March 2008, and is for issue of 4,500,000 options of the Company convertible into equal number of equity shares of the par value of Rs. 6 each. The scheme was further amended by the Board of Directors on 5 March 2010 and subsequently by shareholders of the Company on 13 April 2010 to increase number of options from 4,500,000 options to 15,000,000 options of the Company convertible into equal number of equity shares. A compensation committee comprising independent members of the Board of Directors administers the scheme. The Compensation Committee has framed various plan series under the scheme from time to time. All options had been granted at their intrinsic value defined under the SEBI guidelines.

The activity in the scheme during the year ended 31 March 2014 and 31 March 2013, respectively, is set out below :

Particulars	As at	
	31 March 2014	31 March 2013
Options outstanding at the beginning of the period	3,001,000	3,294,300
Add : New options granted during the year	—	—
Less : Exercised	—	—
Lapsed	250,000	293,300
Options outstanding at the end of the period	2,751,000	3,001,000
Options exercisable at the end of the period	2,641,000	2,727,664

The weighted average share price of options exercised under the scheme during the year ended 31 March 2012 was Rs.26.65. No options were exercised during the year ended 31 March 2014 and 31 March 2013.

Series-wise options outstanding as at 31 March 2014 and 31 March 2013 are summarized in the table mentioned below :

Particulars	For the year ended	
	31 March 2014	31 March 2013
Series 'A'	1,226,000	1,406,000
Series 'B'	975,000	975,000
Series 'C'	—	—
Series 'D'	190,000	190,000
Series 'E'	30,000	40,000
Series 'F'	330,000	390,000

- a) As at 31 March 2014, the Company had 2,751,000 (previous year 3,001,000) number of shares reserved for issue under employee stock option plans. Out of above 2,641,000 (previous year 2,727,664) employee stock options are vested and are exercisable at any point of time.
- b) Since, no options were granted during the current financial year ended 31 March 2014 and previous year ended 31 March 2013, the disclosures relating to the weighted average fair value of the options granted, effect on compensation cost, proforma loss after tax, basic and diluted earnings per share and key assumptions like risk free interest rate, expected life and expected volatility are not applicable.
- c) Disclosures regarding Employees Stock Option Scheme :

Particulars	For the year ended	
	31 March 2014	31 March 2013
1. Options granted during the year	—	—
2. Number of shares reserved for issue under ESOS	2,751,000	3,001,000
3. Employee Stock Option vested and exercisable at any point of time	2,641,000	2,727,664

Notes to the Financial Statements

(Amounts in Indian rupees)

2.2 Reserves and surplus

Particulars	As at	
	31 March 2014	31 March 2013
Securities premium	396,671,970	396,671,970
Capital reserve	81,098,900	81,098,900
Amalgamation reserve	112,719,998	112,719,998
General reserve	17,000,000	17,000,000
Surplus in the Statement of Profit and Loss		
At the beginning of the year	346,513,452	346,349,911
Add : Profit / (loss) for the year	58,394,978	163,541
At the end of the year	404,908,430	346,513,452
Total	1,012,399,298	954,004,320

2.3 Long-term borrowings

Particulars	As at	
	31 March 2014	31 March 2013
Secured term loan		
From banks	—	284,976
From others	186,873,619	202,168,294
Total	186,873,619	202,453,270

Nature of security and terms of repayment of secured borrowings :

Nature of security

Term loan from others amounting to Rs. 186,973,619 (previous year Rs. 202,168,294) are secured by way of equitable mortgage of one of building owned by the Company. Further, the loan has also been guaranteed by Mr. Navjeet Singh Sobti, Executive Vice Chairman of the Company.

Term loans from banks amounting to Rs. Nil (previous year Rs. 284,976) are secured against hypothecation of specific vehicles financed.

Terms of payment

Term loan is taken from financial institution and carries an interest rate of LIBOR minus 100 bps. The interest rate as at year end is 13.50% per annum (previous year 13.40%). The last installment would fall due on 10 July 2020. The loan is repayable in 120 equal monthly installments along with the interest. Loan amounting to Rs. 15,382,363 (previous year Rs. 13,656,258) repayable in next 12 months has been shown as current maturities of secured long-term borrowings in Note 2.9

Loans are repayable in 36 equal monthly installments along with the interest and carries fixed interest rate from 9.08% to 13.75% per annum specific to the respective banks. The last installment would fall due on 15 July 2014. Loan amounting to Rs. 284,976 (previous year Rs. 1,390,724) repayable in next 12 months has been shown as current maturities of secured long-term borrowings in Note 2.9.

Notes to the Financial Statements

(Amounts in Indian rupees)

2.4 Deferred taxes (net)

Particulars	As at	
	31 March 2014	31 March 2013
Deferred tax liability		
Difference in the written down value of fixed assets as per the Companies Act, 1956 and the Income-Tax Act, 1961	11,238,963	21,652,024
Total deferred tax liability	11,238,963	21,652,024
Deferred tax asset		
Provision for doubtful debts	1,477,105	1,896,628
Provision for diminution in investments	4,542,772	3,145,366
Provision for employee benefits	1,745,407	1,454,157
Others	1,770,175	1,571,662
Carried forward losses	—	25,661,215
Total deferred tax asset	9,535,459	33,729,028
Net deferred tax liability/(assets) recognised ¹	1,703,504	—
Deferred tax charged/(credit) to Statement of Profit and Loss	1,703,504	—

¹ The Company has carried out computation of deferred tax in accordance with Accounting Standard 22 - Accounting for Taxes on Income notified in the Companies (Accounting Standards) Rules, 2006. Management is of the view that it is not virtually certain to realise the deferred tax assets arising on carried forward losses and unabsorbed depreciation. Accordingly, in the absence of virtual certainty deferred tax asset has not been recognised.

2.5 Other Long-term liabilities

Particulars	As at	
	31 March 2014	31 March 2013
Security deposits received	1,051,305	1,600,737
Rent equalization reserve	840,720	560,739
Total	1,892,025	2,161,476

2.6 Long-term provisions

Particulars	As at	
	31 March 2014	31 March 2013
Provision for employee benefits		
Gratuity	204,310	—
Compensated absences	3,796,447	3,793,400
Total	4,000,757	3,793,400

2.7 Short-term borrowings

Particulars	As at	
	31 March 2014	31 March 2013
Secured Overdraft from banks	19,479,201	15,872,364
Total	19,479,201	15,872,364

Bank overdrafts are for the working capital requirements of the Company and are secured by way of pledge of fixed deposits amounting to Rs. 25,000,000 with IDBI Bank Limited and Rs.15,000,000 with the Punjab National Bank Limited. The rate of interest is 11.00% per annum with both IDBI Bank Limited and Punjab National Bank Limited.

Notes to the Financial Statements

(Amounts in Indian rupees)

2.8 Trade payables

Particulars	As at	
	31 March 2014	31 March 2013
Trade payables ¹	21,748,992	11,815,982
Total	21,748,992	11,815,982

¹ The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that Micro and Small Enterprises should mention in their correspondence with their customers, the Entrepreneurs Memorandum number as allocated after filing of the Memorandum. Based on information received and available with the Company, there are no trade payables and other current liabilities payable to Micro and Small Enterprises as at 31 March 2014 and 31 March 2013.

2.9 Other current liabilities

Particulars	As at	
	31 March 2014	31 March 2013
Current maturities of secured long-term borrowings [refer to Note 2.3]	15,667,339	15,101,863
Interest accrued but not due on borrowings	1,413,220	1,469,347
Unpaid dividends ¹	1,071,971	1,615,620
Security deposit received	213,300	24,952
Due to clients	69,174,664	66,697,599
Rent equalisation reserve	—	24,926
Expenses payable	15,556,792	10,707,383
Statutory dues payable	11,720,852	8,434,619
Other payables ²	13,480,590	12,799,388
Total	128,298,728	116,875,697

¹ There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.

² The balance includes salary payable amounting to Rs.13,265,931 (previous year Rs. 12,799,338).

2.10 Short-term provisions

Particulars	As at	
	31 March 2014	31 March 2013
Provision for employee benefits		
Gratuity	578,407	—
Compensated absences	800,422	767,455
Other provisions		
Provision for wealth tax	72,514	75,025
Total	1,451,343	842,480

Notes to the Financial Statements

(Amounts in Indian rupees)

2.11 Tangible assets

Cost	As at 1 April 2012	Additions	Deletions	As at 31 March 2013	Additions	Deletions	As at 31 March 2014
Office buildings	342,849,239	—	—	342,849,239	—	—	342,849,239
Leasehold improvements	14,446,061	8,757,854	282,590	22,921,325	152,773	4,909,709	18,164,389
Furniture and fixtures	35,245,417	—	5,305,298	29,940,119	92,330	4,963,181	25,069,268
Computers and peripherals	40,810,101	—	1,764,630	39,045,471	577,495	1,442,670	38,180,296
Office equipment	23,892,331	836,814	1,174,898	23,554,247	663,667	275,305	23,942,609
Vehicles	18,834,960	—	40,750	18,794,210	—	—	18,794,210
Total	476,078,109	9,594,668	8,568,166	477,104,611	1,486,265	11,590,865	467,000,011

Depreciation	As at 1 April 2012	Additions	Deletions	As at 31 March 2013	Additions	Deletions	As at 31 March 2014
Office buildings	10,417,525	5,588,444	—	16,005,969	5,588,444	—	21,594,413
Leasehold improvements	4,767,118	1,937,153	(370,399)	7,074,670	5,463,917	4,798,355	7,740,232
Furniture and fixtures	24,571,703	4,424,675	4,611,651	24,384,727	2,007,261	4,286,534	22,105,454
Computers and peripherals	30,192,771	5,008,500	1,764,630	33,436,641	3,175,158	1,442,670	35,169,129
Office equipment	5,706,099	1,273,566	339,439	6,640,226	1,316,471	133,733	7,822,964
Vehicles	4,890,312	1,781,554	20,669	6,651,197	1,785,450	—	8,436,647
Total	80,545,528	20,013,892	6,365,990	94,193,430	19,336,701	10,661,292	102,868,839

Carrying amounts				As at 31 March 2013			As at 31 March 2014
Office buildings				326,843,270			321,254,826
Leasehold improvements				15,846,655			10,424,157
Furniture and fixtures				5,555,392			2,963,814
Computers and peripherals				5,608,830			3,011,167
Office equipment				16,914,021			16,119,645
Vehicles				12,143,013			10,357,563
Total				382,911,181			364,131,172

2.12 Intangible assets

Cost	As at 1 April 2012	Additions	Deletions	As at 31 March 2013	Additions	Deletions	As at 31 March 2014
Computer software	33,200,662	—	9,892,411	23,308,251	—	—	23,308,251
Painting and sculpture	338,840	—	—	338,840	250,000	—	588,840
Total	33,539,502	—	9,892,411	23,647,091	250,000	—	23,897,091

Amortisation	As at 1 April 2012	Additions	Deletions	As at 31 March 2013	Additions	Deletions	As at 31 March 2014
Computer software	18,648,939	3,192,206	7,442,734	14,398,411	3,475,163	—	17,873,574
Painting and sculpture	97,771	33,792	—	131,563	115,850	—	247,413
Total	18,746,710	3,225,998	7,442,734	14,529,974	3,591,013	—	18,120,987

Carrying amounts				As at 31 March 2013			As at 31 March 2014
Computer software				8,909,840			5,434,677
Painting and sculpture				207,277			341,427
Total				9,117,117			5,776,104

Notes to the Financial Statements

(Amounts in Indian rupees)

2.13 Non-current investments (valued at cost unless otherwise stated)

Particulars	As at	
	31 March 2014	31 March 2013
Long-term, other investments		
(A) Unquoted		
Investment in subsidiaries :		
Almondz Insurance Brokers Private Limited ¹	—	18,633,147
[Nil (previous year 918,000) equity shares of Rs. 10 fully paid-up]		
Almondz Finanz Limited	200,000,000	200,000,000
[20,000,000 (previous year 20,000,000) equity shares of Rs. 10 fully paid-up]		
Almondz Commodities Private Limited	14,900,000	14,900,000
[1,490,000 (previous year 1,490,000) equity shares of Rs. 10 fully paid-up]		
Skiffle Healthcare Services Limited ²	800,000	800,000
[80,000 (previous year 80,000) equity shares of Rs. 10 fully paid up]		
Almondz Global Infra-Consultants Limited	500,000	—
[50,000 (previous year Nil) equity shares of Rs. 10 fully paid-up]		
Almondz Wealth Advisors Limited (Formerly Almondz Retail Equity Ltd.)	500,000	500,000
[50,000 (previous year 50,000) equity shares of Rs. 10 fully paid-up]		
Total	216,700,000	234,833,147
Less : Provision for diminution in value of investment	6,231,595	4,924,595
Net total (a)	210,468,405	229,908,552
Investment in equity shares		
Dijit Prognosys Private Limited	300,000	300,000
[3,000 (previous year 3,000) equity shares of Rs. 100 fully paid-up]		
Network 1 Media Consultant Private Limited	3,000,000	3,000,000
[7,844 (previous year 7,844) equity shares of Rs. 10 fully paid-up]		
Total	3,300,000	3,300,000
Less : Provision for diminution in value of investment	3,300,000	300,000
Net total (b)	—	3,000,000
(B) Quoted		
Investment in equity shares		
Indo Korea Exports Limited	3,896,000	3,896,000
[389,600 (previous year 389,600) equity shares of Rs. 10 fully paid-up]		
Ritesh Polyster Limited	523,860	523,860
[34,600 (previous year 34,600) equity shares of Rs. 10 fully paid-up]		
Ecoplast India Limited	20,000	20,000
[2,500 (previous year 2,500) equity shares of Rs. 10 fully paid-up]		
Vantech Industries Limited	30,000	30,000
[3,000 (previous year 3,000) equity shares of Rs. 10 fully paid-up]		
Total	4,469,860	4,469,860
Less : Provision for diminution in value of investment	4,469,860	4,469,860
Net total (c)	—	—
Total (a + b + c)	210,468,405	232,908,552
Aggregate book value of quoted investments in shares	—	—
Aggregate market value of quoted investments in shares	71,250	83,250
Aggregate book value of unquoted investments in shares and mutual funds	210,468,405	232,908,552

¹ During the year, the company disposed of its stake in one of its subsidiary, Almondz Insurance Brokers Private Limited (AIBPL) by sale of its entire shareholding of 918000 equity shares. The sale is in terms of the decision of the Board of Directors of the company in its meeting held on 11 November, 2012 and approval of Insurance Regulatory Authority of India (IRDA).

² During the previous year the company acquired 80 % of holding in a company Skiffle Healthcare Services Limited (SHSL). As per accounting policy followed by the company, long term investments including investments in subsidiaries are valued at cost unless there is diminution, other than temporary, in their value. The diminution in value has not been provided as the same is considered to be temporary in view of initial stage of the project undertaken by SHSL.

Notes to the Financial Statements

(Amounts in Indian rupees)

2.14 Long-term loans and advances (Unsecured, considered good)

Particulars	As at	
	31 March 2014	31 March 2013
Loans to staff	1,590,000	1,835,000
Capital advances	2,381,189	1,781,189
Security deposits ¹	45,829,056	55,199,952
MAT Credit available	14,333,058	—
Advance income tax and tax deducted at source		
[Net of provision of Rs. 10,454,700 (previous year Rs. 85,844,739)]	78,991,474	90,364,444
Prepaid expenses	919,302	1,845,210
	144,044,079	151,025,795
Less : Provision for doubtful capital advances	600,000	—
Less : Provision for doubtful security deposits	100,000	—
Total	143,344,079	151,025,795

¹ Security deposits

Particulars	As at	
	31 March 2014	31 March 2013
Rented premises	3,059,000	3,005,000
Membership and other deposits with stock exchanges	34,550,000	47,050,000
Others	8,220,056	5,144,952
Total	45,829,056	55,199,952

2.15 Other non-current assets

Particulars	As at	
	31 March 2014	31 March 2013
Long-term deposits with maturity of more than 12 months ¹	34,452,995	31,795,950
Total	34,452,995	31,795,950

¹ Breakup of Long-term deposits with maturity of more than 12 months are as under :

Particulars	As at	
	31 March 2014	31 March 2013
Pledged with Jaipur Stock Exchange	152,995	145,950
Pledged with banks as margin money against Bank Guarantee	1,800,000	4,350,000
Pledged with banks as margin money against Overdraft Facility	32,500,000	25,000,000

Notes to the Financial Statements

(Amounts in Indian rupees)

2.16 Inventories

Particulars	As at	
	31 March 2014	31 March 2013
Equity shares - quoted	27,635,329	19,808,177
Corporate, Central Government and State Government Bonds	24,056,130	16,034,400
Total	51,691,459	35,842,577

Break-up of Inventories held as at 31 March 2014 is as follows :

Particulars	Amount
Equity shares	
Wockhardt Limited	15,691,278
International Paper APPM Limited	3,954,363
Novartis India Limited	3,058,260
Other shares	4,931,428
Bonds	
8.06% Rural Electrification Corporation, 2023	14,137,500
9.98% Industrial Financial Corporation of India Limited, 2030	9,900,000
Other bonds	18,630
Total	51,691,459

Break-up of Inventories held as at 31 March 2013 is as follows :

Particulars	Amount
Equity shares	
Andhra Pradesh Paper Mills Limited	8,278,665
Fairfield Atlas Limited	7,338,491
Linde India Limited (formerly BOC India Limited)	3,754,690
Other shares	436,331
Bonds	
8.70% Rural Electrification Corporation, 2018	14,000,000
8.85% Allahabad Bank, 2016	1,001,900
9.98% Industrial Financial Corporation of India Limited, 2030	1,013,300
Other bonds	19,200
Total	35,842,577

2.17 Trade receivables

Particulars	As at	
	31 March 2014	31 March 2013
Secured, considered good		
Outstanding for more than six months	2,451,687	—
Other debts	36,883,993	60,082,500
Total (a)	39,335,680	60,082,500
Unsecured, considered good		
Outstanding for more than six months	10,555,416	636,535
Other debts	54,062,596	60,543,236
Total (b)	64,618,012	61,179,771
Unsecured, considered doubtful		
Outstanding for more than six months	4,552,643	4,627,851
Less : Provision for doubtful debts	4,552,643	4,627,851
Total (c)	—	—
Total (a+b+c)	103,953,692	121,262,271

Notes to the Financial Statements

(Amounts in Indian rupees)

2.18 Cash and cash equivalents

Particulars	As at	
	31 March 2014	31 March 2013
Cash and cash equivalents		
Cash in hand	1,581,961	1,491,929
Cheques / drafts in hand	—	322,262
Balances with banks in current accounts	89,893,525	44,540,690
Total (a)	91,475,486	46,354,881
Other bank balances		
Unpaid dividend account	1,071,971	1,615,620
Total (b)	1,071,971	1,615,620
Total (a+b)	92,547,457	47,970,501

2.19 Short-term loans and advances (unsecured considered good, unless otherwise stated)

Particulars	As at	
	31 March 2014	31 March 2013
Inter-corporate deposits	—	12,500,000
Loans ¹	343,556,000	281,703,409
Security deposits ²	32,421,089	37,206,839
Balance with service tax authorities	964,950	564,456
Prepaid expenses	4,700,739	3,876,129
Advances for rendering services	2,603,222	4,906,402
Other recoverable	3,699,201	2,610,128
Other advances	—	78,940
Total	387,945,201	343,446,303
Less : Provision for doubtful security deposits	1,134,836	—
Total	386,810,365	343,446,303

¹ Loans

Particulars	As at	
	31 March 2014	31 March 2013
To Related parties	342,800,000	280,511,159
To Staff	756,000	1,192,250
Total	343,556,000	281,703,409

² Security deposits

Particulars	As at	
	31 March 2014	31 March 2013
Rented premises	30,400,884	31,006,634
Others	2,020,205	6,200,205
Total	32,421,089	37,206,839

Notes to the Financial Statements

(Amounts in Indian rupees)

2.20 Other current assets (Unsecured considered good, unless otherwise stated)

Particulars	As at	
	31 March 2014	31 March 2013
Bank deposits with maturity of more than 3 months are as under ¹	117,116,340	94,728,520
Interest accrued on fixed deposits	982,803	744,557
Interest accrued on bonds/securities	1,431,541	283,827
Interest accrued on loan	10,960,207	9,094,549
Unbilled revenue	9,349,793	1,997,091
Total	139,840,684	106,848,544

¹ Breakup of bank deposits with maturity of more than three months are as under :

Particulars	31 March 2014	31 March 2013
Deposit with banks as margin money for bank guarantee submitted with stock exchange	94,000,000	78,000,000
Deposits earmarked by management for settlement of certain statutory liabilities	4,500,000	1,200,000
Deposit with banks held as margin money against bank guarantee	1,116,340	—
Deposit with banks held as margin money against bank overdraft facility	15,000,000	15,000,000

2.21 Revenue from operations

Particulars	For the year ended	
	31 March 2014	31 March 2013
Revenue from operations		
Advisory and consultancy fees	63,550,780	105,188,042
Broking activities	263,103,931	276,510,593
Net gain/(loss) in trading of shares	8,270,121	5,775,843
Net gain/(loss) in trading of securities/bonds	(8,512,905)	8,443,032
Profit/(loss) on derivatives	17,011,862	(13,691,711)
Other operating income	13,295,854	13,213,913
Total	356,719,643	395,439,712

2.21 (a) The following is the summary of net results in trading of shares :

Particulars	For the year ended	
	31 March 2014	31 March 2013
Trading of shares		
Opening stock of shares	19,808,177	3,500,688
Add : Cost of shares purchased	88,534,207	106,014,357
	108,342,384	109,515,045
Less : Closing stock of shares	27,635,329	19,808,177
	80,707,055	89,706,868
Cost of shares sold	88,977,176	95,482,711
Less : Sale of shares		
Net gain/(loss) in trading of shares	8,270,121	5,775,843

Notes to the Financial Statements

(Amounts in Indian rupees)

2.21 (b) The following is the summary of net results in trading of bonds :

Particulars	For the year ended	
	31 March 2014	31 March 2013
Trading of securities / bonds		
Opening stock of securities	16,034,400	69,935,290
Add : Cost of securities purchased	2,377,178,009	1,860,371,151
	2,393,212,409	1,930,306,441
Less : Closing stock of securities	24,056,130	16,034,400
Cost of securities sold	2,369,156,279	1,914,272,041
Less : Sale of securities	2,360,643,374	1,922,715,073
Net gain / (loss) in trading of securities / bonds	(8,512,905)	8,443,032

2.21 (c) The following is the break-up of other operating income :

Particulars	For the year ended	
	31 March 2014	31 March 2013
Delayed payment charges	4,901,889	4,702,890
Interest on Bank deposits pledged with exchanges ¹	7,972,161	7,390,969
Advertisement income	53,400	813,716
Dividend income	368,404	306,338
Total	13,295,854	13,213,913

¹ The interest income on deposits pledged with banks / stock exchange has been included in operating income since the same is directly attributable to primary revenue generating operation of the company.

2.22 Other income

Particulars	For the year ended	
	31 March 2014	31 March 2013
Interest income on		
– Bank deposits	5,059,249	3,970,770
– Others ¹	40,534,554	44,264,841
Dividend from subsidiary	6,426,000	—
Net gain on sale of investments	—	125,531
Rent received	20,212,256	8,834,820
Excess provision no longer required written back	—	5,615,472
Excess provision for doubtful debts written back	75,206	20,854,857
Excess provision for doubtful security deposit reversed	—	380,000
Liabilities no longer required written back	1,078,511	6,225,094
Bad debts recovered	—	46,691
Profit on Sale of fixed assets (net)	32,300	—
Miscellaneous income	956,888	315,714
Total	74,374,964	90,633,790

¹ includes interest on loan to subsidiaries, associates and deposits with body corporate.

2.23 Employee benefit expense

Particulars	For the year ended	
	31 March 2014	31 March 2013
Salaries, wages and bonus	156,570,356	165,046,136
Contribution to provident and other funds	1,073,670	1,064,261
Gratuity and Leave Encashment (refer to note 2.28)	924,086	189,320
Staff welfare expense	3,218,889	3,326,559
Total	161,787,001	169,626,276

Notes to the Financial Statements

(Amounts in Indian rupees)

2.24 Finance cost

Particulars	For the year ended	
	31 March 2014	31 March 2013
Interest expense	28,763,032	30,935,077
Total	28,763,032	30,935,077

2.25 Other expenses

Particulars	For the year ended	
	31 March 2014	31 March 2013
Brokerage and commission	129,432,813	131,760,035
Professional charges	6,944,597	22,654,032
Rent	15,082,180	12,057,461
Bad debts written off	4,513,885	22,738,676
Communication	9,102,370	10,845,485
Advance/debit balances written off	76,096	118,380
Legal and professional	19,170,508	17,579,011
Electricity and water	7,715,735	6,776,599
Travelling and conveyance	6,406,972	6,261,911
Repair and maintenance		
– Office maintenance	3,538,277	5,642,627
– Computer maintenance	2,401,032	3,188,880
– Vehicle repair and maintenance	2,518,489	2,090,690
Business promotion	3,323,071	3,191,177
Printing and stationery	2,052,367	2,137,271
Fixed assets written off	929,573	2,794,238
Auditor's remuneration ¹	828,281	541,950
Rates and taxes	3,611,882	2,387,221
Membership fee and subscription	2,161,324	2,248,731
Provision for diminution in value of investment	4,307,000	—
Provision for doubtful security deposit	100,000	—
Bank charges	2,342,479	2,177,829
Charity and donations	1,252,500	1,426,701
Loss on error trades	481,609	—
SEBI and stock exchange fee and charges	558,687	942,273
Loss on sale of fixed assets (net)	—	1,374,666
Provision for doubtful advances	1,734,836	—
Insurance charges	187,926	184,597
Miscellaneous	1,138,194	1,114,639
	231,912,683	262,235,080
Less : Recovery of expenses	—	257,316
Net total	231,912,683	261,977,764

¹ **Auditor's remuneration (excluding service tax)**

Particulars	For the year ended	
	31 March 2014	31 March 2013
Statutory Auditors		
Statutory Audit fee	700,000	500,000
Certification	83,500	41,950
Others	44,781	—
Total	828,281	541,950

Notes to the Financial Statements

(Amounts in Indian rupees)

2.26 Prior period items

Particulars	For the year ended	
	31 March 2014	31 March 2013
Income		
Interest on deposits with banks	—	73,713
Other income	19,397	26,135
	19,397	99,848
Expenditure		
Legal and professional charges	29,781	44,500
Communication expenses	—	172,188
Brokerage and Commission	99,814	—
Miscellaneous expenses	10,009	14,114
	139,604	230,802
Prior period expenses (net)	120,207	130,954

2.27 Earnings per share

Earnings per share (EPS) are computed in accordance with AS 20—Earnings per Share by dividing the net profit after tax by the weighted average number of equity shares outstanding for the period

Particulars	For the year ended	
	31 March 2014	31 March 2013
Net profit/(loss) after tax available for equity shareholders (A)	58,394,978	163,541
Equity Shares outstanding at the beginning of the year, including shares allotted subsequently pursuant to amalgamation (B)	25,884,967	25,884,967
Weighted average number of shares issued during the year	—	—
Weighted average number of equity shares for Basic EPS (C) (Face value of Rs. 6 each)	25,884,967	25,884,967
Add : Weighted average number of potential equity shares that could arise on conversion of employee stock option granted	—	—
Weighted average number of equity shares for Diluted EPS (Face value of Rs.6 each) (D)	25,884,967	25,884,967
Basic EPS (A/C)	2.26	0.01
Diluted EPS (A/D)	2.26	0.01

2.28 Disclosures required under AS-15-Employee Benefits

The Company has a defined benefit gratuity plan. The present value of obligation is determined based on actuarial valuation using the projected unit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

Notes to the Financial Statements

(Amounts in Indian rupees)

i) Changes in the present value of the defined benefit obligation are as follows :

Particulars	Gratuity	
	For the Year ended	
	31 March 2014	31 March 2013
Opening defined benefit obligation	18,031,285	19,036,662
Interest cost	1,195,591	1,528,604
Current service cost	2,349,870	2,466,389
Past service cost (vested benefits)	—	—
Actual return on plan assets	2,142,622	(1,194,697)
Benefits paid	(4,033,323)	—
Actuarial (gain)/loss on obligation	(541,182)	(5,000,370)
Closing defined benefit obligation	17,002,241	18,031,285

ii) Changes in the fair value of plan assets are as follows

Particulars	Gratuity	
	For the Year ended	
	31 March 2014	31 March 2013
Opening fair value of plan assets	18,110,225	19,304,922
Expected return	1,512,416	1,765,481
Contributions by employer	—	—
Benefits paid	(4,033,323)	—
Actuarial gain / (losses)	630,206	(2,960,178)
Closing fair value of plan assets	16,219,524	18,110,225

iii) Statement of Profit and Loss

Particulars	Gratuity	
	For the Year ended	
	31 March 2014	31 March 2013
Current service cost	2,349,870	2,466,389
Interest cost	1,195,591	1,528,604
Expected return on plan assets	(1,512,416)	(1,765,481)
Past service cost (vested benefits)	—	—
Actuarial (gain)/loss	(1,171,388)	(2,040,192)
Net benefit expense	861,657	189,320

iv) Balance sheet

Particulars	Gratuity	
	For the Year ended	
	31 March 2014	31 March 2013
Defined benefit obligation	17,002,241	18,031,285
Fair value of plan assets	16,219,524	18,110,225
Plan Asset / (Liability)	(782,717)	78,940

Note : Liability in respect of compensated absences at the end of the current year amounts to Rs. 4,596,869 (previous year Rs. 4,560,855).

Notes to the Financial Statements

(Amounts in Indian rupees)

v) Principal Actuarial Assumptions are as follows :

Particulars	Gratuity		Leave Encashment	
	For the year ended		For the year ended	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Mortality table (LIC)	(1994-96)	(1994-96)	(1994-96)	(1994-96)
Discount rate	9.10%	8.20%	9.10%	8.20%
Expected rate of return on plan assets	9.00%	9.00%	—	—
Rate of escalation in salary per annum	7.50%	7.50%	7.50%	7.50%
Employee turnover up to 30 years of age	1.00%	1.00%	5%	5%
Above 30 years but up to 44 years of age	1%*	1%*	3%	3%
Above 44 years of age	1%*	1%*	1%	1%

The estimates of future salary increase considered in actuarial valuation after taking into account the inflation, seniority, promotion and other relevant factors such as demand in the employment market and supply.

* Withdrawal Rates 1% at each age and service related

Completed years of service	Withdrawal Rate
0 – 2	10.00%
3 – 4	5.00%
5 – 9	2.50%
10 or above	1.00%

vi) Amount recognised in the current year and previous four years :

Gratuity	31 March 2014	31 March 2013	31 March 2012	31 March 2011	31 March 2010
Defined benefit obligation	17,002,241	18,031,285	19,036,662	19,985,832	11,525,653
Fair value of plan assets	16,219,524	18,421,763	19,616,460	15,648,845	10,028,005
Surplus / (Deficit)	(782,717)	390,478	579,798	(4,336,987)	(1,497,648)
Experience adjustment in plan liabilities (Gain) / Loss	3,126,310	(5,281,757)	(3,255,148)	836,939	(920,062)
Experience adjustment in plan assets (Gain) / Loss	480,370	2,960,178	(140,332)	(299,309)	(1,279)

Notes to the Financial Statements

(Amounts in Indian rupees)

2.29 Contingent Liabilities

	Particulars	As at 31 March 2014	As at 31 March 2013
1	Suit filed by clients on the Company for recovery on account of unauthorized trades on stock exchanges/deficiency in services. These matters are pending before various dispute resolution authorities.	152,547	2,008,206
2	Suit filed by previous employees on the Company for recovery of their dues from Company. These matters are pending before various courts.	596,544	446,544
3	Show cause notice for service tax demand in relation to the financial year ended 31 March 2007 and 31 March 2008. Appeal filed with Service Tax Tribunal R. K . Puram, New Delhi. Hearing awaited.	6,444,100	3,221,550
4	Show cause notice for service tax demand in relation to the financial year ended 31 March 2006 till the financial year ended 31 March 2009. Reply filed with Assistant Commissioner of Service Tax, M G Road, New Delhi. Hearing awaited.	1,272,868	1,272,868
5	Corporate guarantee issued for Almondz Finanz Limited, a wholly owned subsidiary of the Company.	300,000,000	300,000,000
6	Corporate guarantee issued for Almondz Commodities Private Limited, a subsidiary of the Company.	50,000,000	50,000,000
7	Income-tax demand raised by Assessing Officer in respect of financial year ended 31 March 2006. Hearing pending at ITAT, Loknath Bhawan, Khan Market, New Delhi.	4,054,709	4,054,709
8	Income-tax demand raised by assessing officer in respect of financial year ended 31 March 2007. Hearing pending at ITAT, Loknath Bhawan, Khan Market, New Delhi.	2,723,937	2,723,937
9	TDS demand raised by Assessing Officer in respect of financial year ended 31 March 2008. Application for amendment filed with concerned department. Reply awaited.	4,410,300	4,410,300
10	Demand of service tax liability on account of short deposit of tax for the period May and June, 2003 vide their order no.50/2011 dated 28.02.2011 by Assistant Commissioner Service Tax, Range-1. Order received from the department in which demand deleted	—	419,819
	Total	369,655,005	368,557,933

2.30 Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs.6,105,680 (previous year Rs.6,105,680).

2.31 In relation to the two of the merchant banking assignments undertaken by the Company, the Securities Exchange Board of India ('SEBI') has prohibited the Company for five years from the date of interim order from taking up any new assignments or involvement in any new issue of capital including an IPO, follow on issue etc.or involvement in buy back of securities under SEBI (Buy-Back of Securities) Regulations, 1998, open offers under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and delisting of securities under the SEBI (Delisting of Equity Shares) Regulations, 2009 and suspended the certificate of registration of the company with SEBI under Securities and Exchange Board of India (Merchant Bankers) Regulation, 1992 for a period of six months from 3 March, 2014. The company has filed/in process of filing appeals with designated authorities.

Notes to the Financial Statements

(Amounts in Indian rupees)

2.32 Details of income and expenditure in foreign currency :

Income earned in foreign currency

S. No.	Particulars	For the year ended	
		31 March 2014	31 March 2013
1	Professional fee received	—	—
	Total	—	—

Expenditure incurred in foreign currency

S. No.	Particulars	For the year ended	
		31 March 2014	31 March 2013
1	Books and periodicals expenses	—	—
2	Director sitting fee	—	20,000
	Total	—	20,000

2.33 Related Party Disclosures

(A) Names of related parties and description of relationship :

(i) Investing parties in respect of which the company is an associate

Avonmore Capital and Management Services Limited (ACMS)
 Almondz Insurance Brokers Private Limited (AIBPL) [with effect from 1 January 2014]
 Almondz Re-insurance Brokers Private Limited (ARBPL)
 (Subsidiary of Almondz Insurance Brokers Private Limited) [with effect from 1 January 2014]
 Almondz Debt Advisors Limited (ADAL) [with effect from 19 August 2013]

(ii) Subsidiaries (entities over which the Company exercises control)

Almondz Finanz Limited (AFL)
 Almondz Debt Advisors Limited (ADAL) (Subsidiary of Almondz Finanz Limited) [upto 18 August 2013]
 Almondz Commodities Private Limited (ACPL)
 Almondz Wealth Advisors Limited (AWAL) [Formerly Almondz Retail Equity Limited]
 Almondz Insurance Brokers Private Limited (AIBPL) [upto 31 December 2013]
 Almondz Re-insurance Brokers Private Limited (ARBPL)
 (Subsidiary of Almondz Insurance Brokers Private Limited) [upto 31 December 2013]
 Skiffle Healthcare Services Limited (SHSL)
 Almondz Global Infra-Consultant Limited (AGICL) [with effect from 12 December 2013]

(iii) Enterprises over which Key Managerial Personnel and relatives of such personnel exercise significant influence

Innovative Money Matters Private Limited (IMMPL)
 Rinku Sobti Fashions (P) Limited (RSFPL)
 New Age Block Private Limited (NABPL)

(iv) Key Managerial Personnel

Mr. Vinay Mehta
 Mr. Navjeet Singh Sobti
 Mr. Jagdeep Singh
 Mr. Govind Prasad Agrawal

(v) Relatives of Key Managerial Personnel

Mrs. Bulbul Dhir Mehta
 Mrs. Gurpreet N.S. Sobti
 Navjeet Singh Sobti (HUF)
 Jagdeep Singh (HUF)
 Mr. Surinderjeet Singh
 Mrs. Bimla Kaur
 Mr. Manpreet Singh
 Mrs. Parmeet Kaur
 Radha Madhav Centre for Social and Cultural Development (Trust in which a Key Managerial Personnel is a Trustee)

Notes to the Financial Statements

(Amounts in Indian rupees)

B) Transactions during the year and the balances outstanding with the related parties :

For the year ended 31 March 2014

(i) Transactions with subsidiaries, enterprise in respect of which the Company is an associate and enterprises in which key managerial personnel or their relatives exercise significant influence.

Particulars	AFL	ACPL	AWAL	SHSL	AGICL	ACMS	AIBPL	ARBPL	IMMPL	RSFPL	NABPL
Income											
Sale of shares / Securities	313,954,276	—	—	—	—	—	—	—	—	—	—
Sale of Investment (Shares of AIBPL)	—	—	—	—	—	113,602,500	—	—	—	—	—
Processing Fees	875,000	—	—	—	—	—	—	—	—	—	—
Interest received	38,411,120	—	118,151	1,229,458	—	—	—	—	—	—	—
Dividend received	—	—	—	—	—	—	6,426,000	—	—	—	—
Recovery of expenses	—	528,584	—	—	—	—	5,851,296	16,948,573	—	—	—
Brokerage received	441,983	—	—	—	—	196,265	—	—	2,978	—	—
Delay payment charges received on broking activities	28,104	—	—	—	—	58,388	—	—	822	—	—
Depository charges received on broking activities	15,939	1,328	—	—	—	6,647	—	—	1,124	—	—
Expenditure											
Purchase of bonds	743,573,686	—	—	—	—	—	—	—	—	—	—
Rent Paid	—	—	—	—	—	—	—	—	—	2,064,000	—
Assets / Liabilities											
Loan granted	785,520,000	—	5,400,000	16,800,000	—	—	—	—	—	—	—
Repayment of loan granted	739,931,159	—	3,000,000	2,500,000	—	—	—	—	—	—	—
Interest receivable	36,289,006	—	106,336	1,106,512	—	—	—	—	—	—	—
Interest Receivable on Repayment	35,611,193	—	—	25,003	—	—	—	—	—	—	—
Advances given	12,218,354	—	217,213	312,966	18,760	—	—	—	—	—	36,800,000
Repayment of advances given	11,320,729	—	217,213	312,966	18,760	—	—	—	—	—	35,400,000
Gratuity recovered	214,659	—	—	—	—	—	—	—	—	—	—
Closing Balances											
Non-current investments	200,000,000	14,900,000	500,000	800,000	500,000	—	—	—	—	—	—
Trade receivables	897,625	3,793	—	—	—	—	144,799	—	—	—	—
Short-term loans and advances (loan and advances given)	321,000,000	—	2,400,000	19,400,000	—	—	—	—	—	—	—
Other current assets (Interest accrued on loan)	9,747,359	—	106,336	1,106,512	—	—	—	—	—	—	—
Trade payables	4,602,235	—	—	—	—	909,181	—	—	—	—	—

Notes to the Financial Statements

(Amounts in Indian rupees)

- (ii) Transactions with key managerial personnel and enterprises in which key managerial personnel or their relatives exercise significant influence.

Particulars	Vinay Mehta	Navjeet Singh Sobti	Jagdeep Singh	Govind Prasad Agrawal	Bulbul Dhir Mehta	Gurpreet N.S. Sobti	Jagdeep Singh (HUF)	Surinderjit Singh	Bimla Kaur	Manpreet Kaur	Parmeet Kaur	Radha Madhav Centre for Social & Cultural Development
Income												
Brokerage received	18,619	5,256	3,102	—	4,834	—	—	2	19	3,593	5,451	—
Delay payment charges received on broking activities	—	—	—	—	—	—	—	—	—	—	5	—
Depository charges received on broking activities	1,530	449	716	—	687	—	449	478	506	758	558	—
Expenditure												
Rent paid	—	—	—	—	—	3,600,000	—	—	—	—	—	—
Donation paid	—	—	—	—	—	—	—	—	—	—	—	460,000
Managerial remuneration	4,162,956	6,986,468	4,840,544	3,789,000	—	—	—	—	—	—	—	—
Assets / Liabilities												
Advances Given	—	—	—	600,000	—	—	—	—	—	—	—	—
Advances Given Repayment	—	—	—	600,000	—	—	—	—	—	—	—	—
Closing Balance												
Trade Payables	—	39,765	—	—	—	—	—	—	—	—	—	—

For the year ended 31 March 2013

- (iii) Transactions with subsidiaries, enterprise in respect of which the Company is an associate and key managerial personnel

Particulars	AFL	ACPL	AREL	AIBPL	ARBPL	SHCL	ACMS	Mr. Vinay Mehta	Mr. Navjeet Singh Sobti	Mr. Jagdeep Singh
Income										
Sale of shares / securities	13,215,175	—	—	—	—	—	—	—	—	—
Interest received	41,942,355	—	—	—	—	27,781	117,452	—	—	—
Dividend received	—	—	—	—	—	—	—	—	—	—
Reimbursable expenses	—	—	—	—	—	—	—	—	—	—
Recovery of expenses	—	2,471,767	—	2,624,268	14,338,615	—	—	—	—	—
Brokerage received	6,047,810	—	—	1,460	—	—	2,475,555	13,294	—	7,635
Delay payment charges received on broking activities	—	—	—	—	—	—	431	—	—	—
Depository charges received on broking activities	12,516	—	—	—	—	—	5,039	618	187	485
Expenditure										
Purchase of bonds	340,194,517	—	—	—	—	—	—	—	—	—
Rent Paid	—	—	—	—	—	—	—	—	—	—
Remuneration	—	—	—	—	—	—	—	7,255,464	7,544,524	4,841,675

Notes to the Financial Statements

(Amounts in Indian rupees)

Particulars	AFL	ACPL	AREL	AIBPL	ARBPL	SHCL	ACMS	Mr. Vinay Mehta	Mr. Navjeet Singh Sobti	Mr. Jagdeep Singh
Assets / Liabilities										
Loan granted	363,800,000	—	—	—	—	5,100,000	38,200,000	—	—	—
Repayment of loan granted	331,188,841	—	—	—	—	—	38,200,000	—	—	—
Issue of share capital	—	—	—	—	—	—	—	—	—	—
Security premium received	—	—	—	—	—	—	—	—	—	—
Closing balances										
Non-current investments	200,000,000	14,900,000	500,000	18,633,147	—	800,000	—	—	—	—
Trade receivables	290,005	—	2,540	68,983	206,873	—	111,395	—	—	1,698
Short-term loans and advances (loan and advances given)	275,411,159	—	—	—	—	5,125,003	—	—	—	—
Trade payables	9,069,546	—	—	—	—	—	—	—	—	—
Employees stock option exercised during the year	—	—	—	—	—	—	—	—	—	—
Employees stock option outstanding	—	—	—	—	—	—	—	—	—	—

- (iv) Transactions with key managerial personnel and enterprises in which key managerial personnel or their relatives exercise significant influence.

Particulars	IMMPL	RSFPL	Navjeet Singh Sobti (HUF)	Mrs. Gurpreet N.S. Sobti	Mrs. Bulbul Dhir Mehta	Jagdeep Singh (HUF)	Mr. Surinderjit Singh	Mrs. Bimla Kaur	Mrs. Manpreet Singh	Mrs. Parmeet Kaur
Income										
Sale of shares / securities	—	—	—	—	—	—	—	—	—	—
Brokerage received	6,583	—	—	—	3,609	370	10	10	21,133	636
Delay payment charges received on broking activities	—	—	—	—	—	—	—	—	—	—
Depository charges received on broking activities	1,030	—	—	—	277	261	215	215	1,081	289
Expenditure										
Rent Paid	—	1,553,952	—	3,600,000	—	—	—	—	—	—
Loans and advances to others	—	—	—	—	—	—	—	—	—	—
Closing balances										
Trade receivables	—	—	—	—	—	—	—	—	—	—
Short-term loans and advances	—	1,032,000	—	—	—	—	—	—	—	—
Trade payables	—	—	—	—	—	—	—	—	16,673	37,589

2.34 Segment Reporting

For the year ended 31 March 2014

Particulars	BUSINESS SEGMENTS				
	Debt & equity market operations	Corporate finance & advisory fees	Broking activities	Un-allocable	Total
Segment Revenue					
Segment Revenue	17,115,123	159,735,446	179,846,715	22,359	356,719,643
Segment Results					
Segment Results including other income but before interest income, interest expenses, taxes and exceptional items	704,855	42,627,060	(16,654,667)	(57,803,843)	(31,126,594)
Add : Interest Income	—	29,768	4,402,785	41,161,250	45,593,803
Less : Interest Expenses	—	—	370,868	28,392,164	28,763,032
Add : Exceptional items	—	—	(547,354)	93,551,620	93,004,266
Profit before Tax	704,855	42,656,828	(13,170,104)	48,516,863	78,708,443
Less : Provision for Tax for the year				17,556,649	17,556,649
Less : Prior Period Tax				2,756,816	2,756,816
Net Profit after tax	704,855	42,656,828	(13,170,104)	28,203,399	58,394,978
Other Information					
Segmental Assets	82,723,739	56,693,127	292,266,946	1,101,473,457	1,533,157,269
Segmental Liabilities	580,228	20,528,918	116,362,976	227,976,047	365,448,169
Capital expenditure	125,000	320,070	81,458	1,209,737	1,736,265
Depreciation	933,215	933,215	601,397	20,459,888	22,927,714
Non cash expenditure other than depreciation (net of non-cash income)	74,123	1,959,822	3,541,034	6,743,856	12,318,835

Notes to the Financial Statements

(Amounts in Indian rupees)

For the year ended 31 March 2013

Particulars	BUSINESS SEGMENTS				
	Debt & equity market operations	Corporate finance & advisory fees	Broking activities	Un-allocable	Total
Segment Revenue					
Segment Revenue	833,502	198,708,714	195,897,496	—	395,439,712
Segment Results					
Segment Results including other income but before Interest income, interest expenses, taxes and prior period expense (net of income)	(11,070,303)	51,543,684	20,422,783	(77,902,204)	(17,006,040)
Add : Interest Income	—	—	5,681,853	42,553,758	48,235,611
Less : Interest Expenses	—	—	732,025	30,203,052	30,935,077
Less : Prior period expenses (net of income)	—	—	82,795	48,159	130,954
Profit before Tax	(11,070,303)	51,543,684	25,289,816	(65,599,657)	163,541
Less : Provision for Tax for the Year	—	—	—	—	—
Less : Prior Period Tax	—	—	—	—	—
Net Profit after tax	(11,070,303)	51,543,684	25,289,816	(65,599,657)	163,541
Other Information					
Segmental Assets	37,972,673	48,321,232	349,805,331	1,027,029,555	1,463,128,791
Segmental Liabilities	652,171	10,438,736	98,224,622	244,499,140	353,814,669
Capital expenditure	—	—	1,997,919	7,596,749	9,594,668
Depreciation	114,549	114,549	2,076,412	20,934,380	23,239,890
Non cash expenditure other than depreciation (net of non-cash income)	—	40,642,890	209,728	(111,819)	40,740,799

Notes :

- (I) **Business Segments :** The Company's business segments have been classified as above. This business segregation forms the basis for review of operating performance by the management. The following are the business segments identified by the management :
- **Debt Market operations** comprises dealing/trading in securities and bonds which involves exposure to market risk.
 - **Corporate finance** comprises merchant banking, underwriting commission, corporate and infrastructure advisory and loan syndication fees and arranger of debts/bonds, etc. These are mainly in the nature of services involving no or negligible risk.
 - **Broking activities** comprises Stock and Share broking on National Stock Exchange of India Limited and Bombay Stock Exchange Limited and other related ancillary services, broking and commission of mutual funds, equity initial public offerings, capital gain bonds, fixed deposits of government undertakings and RBI taxable bonds, etc. These are mainly in the nature of services involving no or negligible risk. During the current financial year, segment Distribution activities and Equity division activities were merged to segment Broking activities. Previous year figures have accordingly been regrouped and / or re-arranged.
- (II) The shareholders of the Company approved transfer or otherwise disposal of the Company's undertakings comprising debt arrangement operations, portfolio management services and wholesale debt market operations to Almondz Finanz Limited, a 100% subsidiary of the Company. However, the procedural formalities for implementing the approval granted by the shareholders have not yet been finalised. The Board has decided not to proceed further in the matter for the time being.

Notes to the Financial Statements

(Amounts in Indian rupees)

(III) Accounting policies for segment reporting

- Segments are identified by the management, keeping in view the dominant source and nature of risks and returns and the internal organization and management structure.
- Revenue and expenses have been identified to a segment on the basis of relationship to the operating activities of the segment.
- Revenue and expenses, which relate to the company as a whole and are not allocable to a segment on reasonable basis, have been disclosed as 'unallocable'.
- Segment assets and liabilities represent assets and liabilities in respective segments. Tax related assets, and other assets and liabilities that are not reported or cannot be allocated to a segment on a reasonable basis, have been disclosed as 'unallocable.'

2.35 Operating lease obligations

The Company has taken various office premises on operating lease. The total of the future minimum lease payments under non-cancellable operating lease are as follows :

Operating lease obligations

Particulars	For the Year ended	
	31 March 2014	31 March 2013
Lease payments for the year	14,898,238	20,156,972
Minimum lease payments due :		
Not later than one year	14,200,716	16,321,081
Later than one year but not later than five years	22,506,312	30,447,275
Later than five years	976,800	1,932,598

As per our report of even date attached.

For **AVK & Associates**

Chartered Accountants

Firm Registration No. 002638N

For and on behalf of the Board of Directors of **Almondz Global Securities Limited**

Parul Gupta

Partner

Membership No.: 095539

Date : 27 May, 2014

Place : New Delhi

Ajay Pratap

Company Secretary

Date : 27 May, 2014

Place : New Delhi

Govind Prasad Agrawal

Chief Finance Officer

Vinay Mehta

Managing Director

DIN : 00244542

Jagdeep Singh

Wholesale Director

DIN : 00008348

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANY**

(Rs. In Lacs)

Subsidiary	Almondz Finanz Limited
Financial period ended	March 31, 2014
Holding Company's interest	100% in equity shares (Wholly owned Subsidiary)
Shares held by the Holding Company in Subsidiary Company fully paid up	20,000,000 equity shares of Rs. 10/- each
Net aggregate profit/loss of the subsidiary for the current period so far as it concerns the members of the holding Company	
a) dealt with or provided for in the accounts of the holding Company	5.78 (Profit)
b) not dealt with or provided for in the accounts of the holding Company	Nil
Net aggregate profit/loss of the subsidiary for the previous financial year so far as it concerns the members of the holding Company	
a) dealt with or provided for in the accounts of the holding Company	8.35 (Profit)
b) not dealt with or provided for in the accounts of the holding Company	Nil

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANY**

(Rs. In Lacs)

Subsidiary	Almondz Commodities Private Limited
Financial period ended	March 31, 2014
Holding Company's interest	85.14% in equity shares (Subsidiary)
Shares held by the Holding Company in Subsidiary Company fully paid up	1,490,000 equity shares of Rs. 10/- each
Net aggregate profit/loss of the subsidiary for the current period so far as it concerns the members of the holding Company	
a) dealt with or provided for in the accounts of the holding Company	10.63 (Loss)
b) not dealt with or provided for in the accounts of the holding Company	1.86 (Loss)
Net aggregate profit/loss of the subsidiary for the previous financial year so far as it concerns the members of the holding Company	
a) dealt with or provided for in the accounts of the holding Company	7.91 (Loss)
b) not dealt with or provided for in the accounts of the holding Company	1.38 (Loss)

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANY**

(Rs. In Lacs)

Subsidiary	Almondz Wealth Advisors Limited (Formerly Almondz Retail Equity Limited)
Financial period ended	March 31, 2014
Holding Company's interest	100% in equity shares (Wholly owned Subsidiary)
Shares held by the Holding Company in Subsidiary Company fully paid up	50,000 equity shares of Rs. 10/- each
Net aggregate profit/loss of the subsidiary for the current period so far as it concerns the members of the holding Company	
a) dealt with or provided for in the accounts of the holding Company	9.38 (Profit)
b) not dealt with or provided for in the accounts of the holding Company	Nil
Net aggregate profit/loss of the subsidiary for the previous financial year so far as it concerns the members of the holding Company	
a) dealt with or provided for in the accounts of the holding Company	0.26 (Profit)
b) not dealt with or provided for in the accounts of the holding Company	Nil

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANY**

(Rs. In Lacs)

Subsidiary	Skiffle Healthcare Services Limited
Financial period ended	March 31, 2014
Holding Company's interest	80% in equity shares (Subsidiary)
Shares held by the Holding Company in Subsidiary Company fully paid up	80,000 equity shares of Rs. 10/- each
Net aggregate profit/loss of the subsidiary for the current period so far as it concerns the members of the holding Company	
a) dealt with or provided for in the accounts of the holding Company	49.75 (Loss)
b) not dealt with or provided for in the accounts of the holding Company	12.44 (Loss)
Net aggregate profit/loss of the subsidiary for the previous financial year so far as it concerns the members of the holding Company	
a) dealt with or provided for in the accounts of the holding Company	4.87 (Loss)
b) not dealt with or provided for in the accounts of the holding Company	1.22 (Loss)

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANY**

(Rs. In Lacs)

Subsidiary	Almondz Global Infra-Consultant Limited *
Financial period ended	March 31, 2014
Holding Company's interest	100% in equity shares (Subsidiary with effect from 16 December 2013)
Shares held by the Holding Company in Subsidiary Company fully paid up	50,000 equity shares of Rs. 10/- each
Net aggregate profit/loss of the subsidiary for the current period so far as it concerns the members of the holding Company	
a) dealt with or provided for in the accounts of the holding Company	0.43 (Loss)
b) not dealt with or provided for in the accounts of the holding Company	Nil
Net aggregate profit/loss of the subsidiary for the previous financial year so far as it concerns the members of the holding Company	
a) dealt with or provided for in the accounts of the holding Company	N.A.
b) not dealt with or provided for in the accounts of the holding Company	N.A.

* Almondz Global Infra-Consultant Limited became a subsidiary of Almondz Global Securities Limited with effect from 16 December 2013

Independent Auditors' Report

To the Board of Directors of
Almondz Global Securities Limited

1. Report on Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Almondz Global Securities Limited (the "company") and its subsidiaries (together referred to as the "group"), which comprises the consolidated Balance Sheet as at 31st March, 2014, consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Consolidated Financial Statements

The company's management is responsible for preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said consolidated financial statements give the information required by the Act in the manner so required for the companies and give a true and fair view in conformity with the accounting principles generally accepted in India :

- (i) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31 March, 2014;
- (ii) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the consolidated Cash Flow Statement, of cash flows for the year ended on that date.

5. Other Matters

We did not audit the financial statements / consolidated financial statements of certain subsidiaries, whose financial statements / consolidated financial statements reflect total assets (net) of Rs. 29,364,444 as at March 31, 2014, total revenue (net) of Rs. 11,289,047 net loss of Rs. 5,280,630 and net cash inflow amounting to Rs. 53,96,576 for the year ended on that date. These financial statements / consolidated financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the report of the other auditors.

The consolidated statement of profit & loss include unaudited consolidated statement of profit and loss of a subsidiary drawn up to 31-12-2013 reviewed by the management for consolidation (Income from operations Rs. 487,042,420 & Expenses Rs. 406,888,526). The shareholding in subsidiary was disposed off on 01-01-2014.

For **AVK & ASSOCIATES**
Chartered Accountants
Firm Registration No. 002638N

Parul Gupta

Partner

Place : New Delhi
Dated : 27 May, 2014

Membership No. : 095539

Consolidated Balance Sheet as at 31 March 2014

(Amounts in Indian rupees)

	Note Nos.	As at 31 March 2014	As at 31 March 2013
I Equity and Liabilities			
(1) Shareholders' funds			
a) Share capital	2.1	155,309,802	155,309,802
b) Reserves and surplus	2.2	1,031,622,335	1,027,924,753
		1,186,932,137	1,183,234,555
(2) Minority Interest		392,557	70,208,160
(3) Non-current liabilities			
a) Long-term borrowings	2.3	193,888,629	203,118,261
b) Deferred tax liabilities, net	2.4	—	—
c) Other long-term liabilities	2.5	2,122,025	2,911,476
d) Long-term provisions	2.6	4,937,561	17,690,943
		200,948,215	223,720,680
(4) Current liabilities			
a) Short-term borrowings	2.7	129,497,037	209,259,968
b) Trade payables	2.8	18,469,606	22,770,031
c) Other current liabilities	2.9	287,120,274	171,966,049
d) Short-term provisions	2.10	1,688,704	29,036,946
		436,775,621	433,032,994
TOTAL		1,825,048,530	1,910,196,389
II ASSETS			
(1) Non-current assets			
a) Fixed assets			
i) Tangible assets	2.11	383,280,550	400,453,088
ii) Intangible assets	2.12	5,875,970	11,074,982
iii) Capital work-in-progress		140,857	—
iv) Intangible assets under development		—	1,555,000
b) Non-current investments	2.13	78,053,089	50,646,619
c) Deferred tax assets (net)	2.4	(1,360,600)	9,542,731
d) Long-term loans and advances	2.14	145,284,079	194,484,857
e) Other non current assets	2.15	41,827,995	47,179,479
		653,101,940	714,936,756
(2) Current assets			
a) Inventories	2.16	280,657,259	332,478,880
b) Trade receivables	2.17	257,440,945	184,311,011
c) Cash and bank balances	2.18	121,472,234	197,534,984
d) Short-term loans and advances	2.19	295,572,002	357,556,094
e) Other current assets	2.20	216,804,150	123,378,664
		1,171,946,590	1,195,259,633
		1,825,048,530	1,910,196,389

Significant accounting policies

1

The accompanying notes from 2.1 to 2.34 form an integral part of the financial statements.

As per our report of even date attached.

For **AVK & Associates**

Chartered Accountants

Firm Registration No. 002638N

For and on behalf of the Board of Directors of **Almondz Global Securities Limited****Parul Gupta**

Partner

Membership No.: 095539

Date : 27 May, 2014

Place : New Delhi

Ajay Pratap

Company Secretary

Date : 27 May, 2014

Place : New Delhi

Govind Prasad Agrawal

Chief Finance Officer

Vinay Mehta

Managing Director

DIN : 00244542

Jagdeep Singh

Wholesale Director

DIN : 00008348

Consolidated Statement of Profit and Loss for the year ended 31 March 2014

(Amounts in Indian rupees)

	Note Nos.	Year ended 31 March 2014	Year ended 31 March 2013
I Revenue from operations	2.21	941,105,903	1,017,105,176
II Other income	2.22	19,323,143	44,329,627
III Total revenue (I+II)		960,429,046	1,061,434,803
IV Expenses			
Employee benefit expense	2.23	421,727,992	486,583,835
Finance cost	2.24	42,068,537	40,542,431
Depreciation and amortisation expense	2.11 & 2.12	25,878,663	25,274,679
Other expenses	2.25	367,593,433	427,825,884
Total expenses		857,268,625	980,226,829
V Profit/(loss) before prior period items and tax expense		103,160,421	81,207,974
Add/(Less): Profit/(Loss) on sale of investments		8,707,363	(286,139)
Add/(Less): Service tax payments		(1,844,880)	—
Add/(Less): Prior period incomes/(expense) (net)	2.26	(115,871)	5,325,125
VI Profit/(loss) before tax		109,907,033	86,246,960
VII Tax expense			
— Current tax		53,061,627	32,462,807
— Current tax for previous year		2,758,976	2,888,719
— Deferred tax charge/(credit)		378,982	(5,968,116)
VIII Profit for the year		53,707,448	56,863,550
Less: Minorities share		392,557	27,584,296
IX Net surplus carried to reserves and surplus		53,314,891	29,279,254
X Earnings per share (Rs.) - Par value of Rs. 6 per share	2.27		
Basic		2.06	1.13
Diluted		2.06	1.13

Significant accounting policies

1

The accompanying notes from 2.1 to 2.34 form an integral part of the financial statements.

As per our report of even date attached.

For AVK & Associates

Chartered Accountants

Firm Registration No. 002638N

For and on behalf of the Board of Directors of **Almondz Global Securities Limited**

Parul Gupta

Partner

Membership No.: 095539

Date : 27 May, 2014

Place : New Delhi

Ajay Pratap

Company Secretary

Date : 27 May, 2014

Place : New Delhi

Govind Prasad Agrawal

Chief Finance Officer

Vinay Mehta

Managing Director

DIN : 00244542

Jagdeep Singh

Wholesale Director

DIN : 00008348

Consolidated Cash Flow Statement for the Year ended 31 March 2014

(Amounts in Indian rupees)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
A. Cash flow from operating activities		
Profit before exceptional items and taxes	103,160,421	81,207,974
Adjustments for		
Depreciation	25,878,663	25,274,679
(Profit)/loss on sale of fixed assets	(32,300)	1,374,666
(Profit)/loss on sale of investments	—	(125,531)
Fixed assets written off	930,719	3,018,042
Provision for employee benefits	6,344,942	6,665,013
Provision for diminution in value of investments	3,000,000	—
Provision for non performing assets	6,525,580	—
Bad debts written off	4,513,885	22,754,816
Advance/debit balances written off	76,096	118,380
Provision for doubtful debts	100,000	14,740,286
Provision for Doubtful advances	1,734,836	—
Rent Received	(5,812,256)	(834,820)
Excess provision no longer required written back	(365,504)	(6,445,900)
Contingent provision on standard assets	—	103,100
Interest received	(9,414,718)	(8,657,350)
Interest expense	40,843,352	39,458,808
Provision for doubtful debts written back	(75,206)	(20,854,857)
Liabilities no longer required written back	(1,078,511)	(6,369,672)
	176,329,999	151,427,634
Less: Exclusion on disposal of subsidiary	98,714,680	—
Less: Service Tax payment	1,844,880	—
Less/(Add): Prior period expense/(Income)	115,871	(5,325,125)
Operating profit before working capital changes	75,654,568	156,752,759
(Increase)/decrease in inventories	51,821,621	(53,402,248)
(Increase)/decrease in trade receivables	(77,668,613)	(7,467,610)
(Increase)/decrease in loans and advances and other current assets	36,527,507	(20,432,704)
Increase/(decrease) in current liabilities and provisions	65,605,447	(113,727,461)
(Increase)/decrease in bank deposits held as margin money	16,000,000	6,500,000
Cash flow before extra ordinary items and tax	167,940,530	(31,777,264)
Taxes paid	(56,199,585)	(79,362,766)
Net cash generated from/(used in) operating activities (A)	111,740,945	(111,140,030)
B. Cash flow from investing activities		
Purchase of fixed assets	(15,285,113)	(21,443,550)
Payments/proceeds for capital work in progress	(140,857)	(159,294)
Proceeds from sale of fixed assets	31,154	534,272
Fixed deposits (with a maturity more than 90 days) placed	(59,987,743)	(56,509,401)
Fixed deposits (with a maturity more than 90 days) matured	33,137,923	34,500,272
Investments made	(30,406,470)	(27,069,832)
Rent Received	5,812,256	834,820
Interest received	9,414,718	7,251,545
Net cash from/(used in) investing activities (B)	(57,424,132)	(62,061,168)

Consolidated Cash Flow Statement for the Year ended 31 March 2014 (Contd.)

(Amounts in Indian rupees)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
C. Cash flow from financing activities		
Proceeds from issue of share capital	—	—
Adjustments for acquisition/(disposal) of minority interest	—	(105,069)
Repayment of secured long term borrowings (net)	(9,229,631)	(15,546,064)
Proceeds from short term borrowings (net)	1,000,000	(111,440)
Repayment of short term borrowings (net)	(448,355)	—
Net increase/(decrease) in cash credit facilities	(80,314,576)	82,024,107
Interest paid	(40,843,352)	(39,712,484)
Net cash from/(used in) financing activities (C)	(129,835,914)	26,549,050
Net cash inflows during the year (A+B+C)	(75,519,101)	(146,652,148)
Cash and cash equivalents (opening balance)	195,919,364	342,571,512
Cash and cash equivalents (closing balance)	120,400,263	195,919,364

Notes

1 The cash flow statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow Statement', of the Companies (Accounting Standards) Rules, 2006.

2 Cash and bank balances includes :

Cash and cash equivalents

Cash in hand	2,981,332	1,861,876
Cheques in hand	2,301,100	3,059,745
Balances with scheduled banks		
— on current account	114,867,831	174,650,539
— on deposit account	250,000	16,347,204

	120,400,263	195,919,364
Unpaid dividend account (not available for use of the company)	1,071,971	1,615,620

Cash and cash equivalents (closing balance)	121,472,234	197,534,984
--	--------------------	--------------------

Other bank balances

Fixed deposits (with a maturity more than 90 days) placed	118,445,737	102,528,520
---	-------------	-------------

Cash and bank balances at the end of the year	239,917,971	300,063,504
--	--------------------	--------------------

3 Other bank balances include Rs. 4,500,000 (Previous year Rs. 4,000,000) earmarked for settlement of certain liabilities and Rs. 96,375,000 (Previous year Rs. 80,500,000) pledged with stock exchanges.

The accompanying notes from 2.1 to 2.34 form an integral part of the financial statements.

As per our report of even date attached.

For **AVK & Associates**

Chartered Accountants

Firm Registration No. 002638N

For and on behalf of the Board of Directors of **Almondz Global Securities Limited**

Parul Gupta

Partner

Membership No.: 095539

Date : 27 May, 2014

Place : New Delhi

Ajay Pratap

Company Secretary

Date : 27 May, 2014

Place : New Delhi

Govind Prasad Agrawal

Chief Finance Officer

Vinay Mehta

Managing Director

DIN : 00244542

Jagdeep Singh

Wholesale Director

DIN : 00008348

1. Significant Accounting Policies

(i) Principles of Consolidation

The consolidated financial statements relate to Almondz Global Securities Limited hereinafter referred to as the "Company" and its subsidiaries, together hereinafter referred to as the "Almondz Global Group" comprise the following :

Name of the Subsidiary Company	Incorporated on	Country of Incorporation	% of voting power held as at	
			31 March 2014	31 March 2013
Almondz Finanz Limited (AFL)	12 May 2006	India	100%*	100%*
Almondz Commodities Private Limited (ACPL)	17 August 2005	India	85.14%*	85.14%*
Almondz Wealth Advisors Limited (AWAL) (formerly Almondz Retail Equity Limited)	25 September 2008	India	100%*	100%*
Almondz Insurance Brokers Private Limited (AIBPL) (Till 31.12.2013)	27 March 2003	India	Nil	51%
Almondz Reinsurance Brokers Private Limited (Subsidiary of Almondz Insurance Brokers Private Limited) (ARBPL) (Till 31.12.2013)	27 December 2006	India	Nil	99.995% (indirect holding)
Almondz Debt Advisors Limited (ADAL) (a wholly owned subsidiary of Almondz Finanz Limited) (Till 12.08.2013)	16 December 2011	India	Nil	100% (indirect holding)
Skiffle Healthcare Services Limited ** (SHSL)	14 December 2012	India	80%	80%
Almondz Global Infra-Consultant Limited (AGICL)	12 December 2013	India	100% *	N.A.
* including shares of beneficial interest through other persons.				
** Subsidiary w.e.f. 15.02.2013				

In the preparation of these consolidated financial statements, investment in the Subsidiary companies has been accounted for in accordance with AS 21 (Accounting for Consolidated Financial Statements) prescribed by Companies (Accounting Standards) Rules, 2006. The consolidated financial statements are prepared, subject to the above, on the following basis :

- Subsidiary company is consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating all significant intra-group balances and intra-group transactions and unrealised profits or losses, except where cost cannot be recovered.
- The difference of the cost to the Company of its investment in Subsidiary over its proportionate share in the equity of the investee company, as at the date of acquisition of stake is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
- Minority interest, if any, in net profits of consolidated subsidiary for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Company. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in absence of the contractual obligation on the

minorities, the same is accounted for by the holding company.

- AFL is beneficially owned by Almondz Global Securities Limited (AGSL) to the extent of 100% of the shareholding, wherein 600 equity shares are held by other persons as nominee of AGSL, which for the purpose of these financial statement has been assumed to be held by AGSL, and thus minority interest has not been separately identified.
- AWAL is beneficially owned by Almondz Global Securities Limited (AGSL) to the extent of 100% of the shareholding, wherein 600 equity shares are held by other persons as nominee of AGSL, which for the purpose of these financial statement has been assumed to be held by AGSL, and thus minority interest has not been separately identified.
- AGICL is beneficially owned by Almondz Global Securities Limited (AGSL) to the extent of 100% of the shareholding, wherein 6 equity shares are held by other persons as nominee of AGSL, which for the purpose of these financial statement has been assumed to be held by AGSL, and thus minority interest has not been separately identified.
- As far as possible, the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented

in the same manner as the Company's separate financial statements..

- (e) The financial statements of the entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company i.e. year ended 31 March 2014, except the consolidation of consolidated statement of profit and loss of AIBPL for nine months ended 31 December 2013 (Income Rs. 487,042,420 & Expenses Rs. 406,888,526) since the entire shareholding in AIBPL was disposed of on 1-1-2014.

(ii) Basis of preparation

The consolidated financial statements are prepared under the historical cost convention, in accordance with the Indian Generally Accepted Accounting Principles (GAAP), Accounting Standards prescribed under the Companies (Accounting Standards) Rules, 2006, relevant pronouncements of the Institute of Chartered Accountants of India (ICAI) and the provisions of the Companies Act, 1956/2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy either to in use.

The consolidated financial statements have been prepared based on the Revised Schedule VI of the Companies Act, 1956. All assets and liabilities have been classified as current or non-current as per company's normal operating cycle and other criteria set out in the Revised Schedule VI of the Companies Act, 1956. Previous year's figures have been regrouped/ reclassified wherever considered necessary.

(iii) Use of estimates

The preparation of consolidated financial statements in conformity with GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of such estimates include provision for assets and estimated useful life of fixed assets. Actual results could differ from these estimates. Adjustments as a result of differences between actual and estimates are made prospectively.

(iv) Current / Non-current classification

All assets and liabilities are classified as current and non-current.

i) Assets

An asset is classified as current when it satisfies any of the following criteria :

- a. It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;

- c. It is expected to be realized within 12 months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

ii) Liabilities

A liability is classified as current when it satisfied any of the following criteria.

- a. It is expected to be settled in the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is due to be settled within 12 months after the reporting date; or
- d. The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities includes current portion of non-current financial liabilities. All other liabilities are classified as non-current.

(v) Revenue recognition

- a. *Advisory and consultancy services* : Fees is booked on the completion of task / project as per the terms of agreement. However, where the percentage of completion is significant enough to ascertain the outcome reliably, revenue is recognised to the extent it can be accurately measured.
- b. *Broking activities*: Income from broking on distribution operations is recognised on the closure of the issue of mutual funds, bonds, fixed deposits and other money market instruments. Income from equity stock broking operations and commodity broking operation is accrued on completion of transaction at the respective stock exchanges.
- c. In the case of trading in bonds, the profit/ loss from the transaction is recognised on the closure of the deal and consequent delivery of the bond.
- d. Revenue on account of trading in shares is recognized on the basis of each trade executed at the stock exchange during the financial year.
- e. In respect of non delivery based transactions such as derivatives, the profit and loss is accounted for at the completion of each settlement, however in case of an open settlement, the net result of transaction which are squared up on FIFO basis is recognized as Profit / Loss in the account.
- f. Dividend income is recognised when the right to receive the income is established.
- g. Depository income is accounted for on accrual basis.

- h. In case of fixed income securities / deposits / loans, interest is recognised on a time proportionate basis.
- i. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- j. In case of General Insurance business, income will accrue after the risk has been incepted and acknowledged by the insurance company.
- k. In case of Life Insurance business, income will accrue when the proposal is accepted by the insurance company.
- l. Brokerage income from reinsurance contracts is recognized when the payment of premium to the reinsurers becomes certain on settlement of premium by the cedent.
- m. Brokerage income on treaty business is accounted for on settlement of treaty premium between cedent and reinsurer.
- n. In respect of NBFC activities of the subsidiary, "AFL" the revenue recognition policies are in accordance with Non-banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 ('prudential norms') as amended from time to time by the Reserve Bank of India and Accounting Standards (AS) issued under the Companies (Accounting Standards) Rules, 2006 for income recognition. Reversal of income, necessitated by these guidelines, has been netted off from income from operations.
- o. In respect of other heads of income, the Company follows the practice of recognising income on accrual basis.

(vi) **Provision for standard and non-performing assets**

Provisions for standard and non-performing assets of a NBFC subsidiary "AFL" are created in accordance with the Non-banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. Further, specific provisions are also created based on the management's best estimate of the recoverability of non-performing assets.

(vii) **Interest expense**

Interest on borrowings is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable on the borrowings.

(viii) **Expenditure**

Expenses are recognised on accrual basis and provisions are made for all known losses and liabilities. Expenses incurred on behalf of other companies, in India, for sharing personnel, common services and facilities like premises, telephones, etc. are allocated to them at cost and reduced from respective expenses.

Similarly, expense allocation received from other companies is included within respective expense classifications.

(ix) **Employee benefits**

The Company's obligations towards various employee benefits have been recognised as follows :

(a) *Short term benefits*

All employee benefits payable / available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

(b) *Provident fund (Defined contribution plan)*

Provident fund is a defined contribution plan. The contribution towards provident fund which are being deposited with the Regional Provident Fund Commissioner are charged to the Statement of Profit and Loss.

(c) *Gratuity (Defined benefit plan)*

Gratuity is defined benefit plan. The present value of obligations under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the statement of profit and loss.

The Company makes contribution to an insurer managed funds for discharging its gratuity liability.

(d) *Compensated absences (Other long-term benefits)*

The group provides for leave encashment based on actuarial valuation using projected unit credit method in respect of past service. In respect of compensated absences arising during the tenure of service, the defined benefit obligation is calculated taking into account the pattern of availment of leave. In respect of encashment of leave, the defined benefit is calculated taking into account all types of decrements and qualifying salary projected upto the assumed date of encashment. The valuation of leave encashment benefit is done as at the balance sheet date by an independent actuary. Actuarial gains and losses are recognised immediately in the statement of profit and loss.

(x) Fixed assets

(i) Tangible assets

Tangible assets are stated at the cost of acquisition or construction, less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable costs of bringing the assets to their working condition for intended use. Borrowing costs directly attributable to acquisition or construction of fixed assets, which necessarily take a substantial period of time to be ready for their intended use are capitalized as part of the cost of such assets to the extent they relates to the period till such assets are ready to put to use.

Depreciation on tangible assets

- (a) Leasehold improvements are depreciated over the lease period as stated in the lease agreement or over the estimated useful life of the assets, whichever is shorter.
- (b) Other assets are depreciated on straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956 from the date of put to use until the date of sale.
- (c) Depreciation on assets costing up to Rs. 5,000 are depreciated at the rate of 100% on pro-rata basis.
- (d) Depreciation on additions to assets or on sale/adjustment of assets is calculated pro-rata from the date of such addition or up to the date of such sale / adjustment.
- (e) In view of management, the above reflects the estimated useful lives of the respective fixed assets.

(ii) Intangible assets and its amortisation

Intangible assets are recorded at cost and are amortised over the period the Company expects to derive economic benefits from their use.

(xi) Impairment

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. For assets that are not yet available for use, the recoverable is estimated at each balance sheet date. An impairment loss is recognised whenever the carrying amount of an asset or cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of profit and loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

(xii) Investments

Investments are classified into long-term investments and current investments based on intent of the

management at the time of making the investment. Investment intended to be held for more than one year from the date such investments are made, are classified as long-term investments. All long-term investments are classified as non-current investments in the balance sheet. The portions of long-term investments which are expected to be realised within twelve months from the balance sheet date are classified as current investments. Current investments are valued at lower of cost and market value, computed category-wise e.g. quoted shares, unquoted shares, government securities and non government securities/bonds. The diminution in current investments is charged to the statement of profit and loss and appreciation, if any, is recognised at the time of sale. Long-term investments, including investments in subsidiaries, are valued at cost unless there is diminution, other than temporary, in their value. Diminution is considered other than temporary based on criteria that include the extent to which cost exceeds the market value, the duration of the market value decline and the financial health of and specific prospects of the issuer.

Investments, which are held as stock in trade as part of the business operations are valued in the same manner as are relatable to Current Investments.

- i) The Cost is arrived at FIFO method and is inclusive of brokerage, transfer expenses and demat charges, if any. The fair value is arrived at with reference to the market value, if available, quotation in any stock exchange or any other available information to indicate a transaction between unrelated willing buyer and willing seller at arm's length price.
- ii) In case of unquoted investments, the fair value is arrived on the basis of breakup value as per latest available audited balance sheet of the investee company.
- iii) Interest accrued and/or broken period interest paid on unsold securities is recognized as "Interest Accrued on Investment" under Other current assets.

(xiii) Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rates prevailing at the date of the transaction. Exchange differences arising on settlement of foreign currency transactions are recognised in the statement of profit and loss. Monetary assets and liabilities denominated in foreign currency are translated at year-end rates and resultant gains/losses on foreign exchange translations other than in relation to acquisition of fixed assets and long term foreign monetary liabilities are recognised in the Statement of Profit and Loss.

(xiv) Current and deferred tax

Income-tax expense comprises current tax and deferred tax. Current tax expense is the amount of tax for the period determined in accordance with the income-tax law and deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax

liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

(xv) **Provisions, contingent liabilities and contingent assets**

A provision is created when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company does not recognise assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, if it has become virtually certain that an inflow of economic benefits will arise, asset and related income is recognised in the financial statements of the period in which the change occurs.

(xvi) **Earnings per share**

Basic earnings per share is computed using the weighted average number of equity shares outstanding

during the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive potential shares outstanding during the year, except where the results would be anti-dilutive.

(xvii) **Operating leases**

Lease payments under operating lease are recognised as an expense on a straight line basis over the lease term.

(xviii) **Employee Stock Option Scheme ("ESOS")**

The employees stock option Scheme ("the Scheme") provides for grant of equity shares of the company to whole-time directors and employees of the company. The scheme provides that employees are granted an option to subscribe to equity shares of the company that vests in a graded manner. The options may be exercised within a specified period. The company follows the intrinsic value method to account for its stock-based employee compensation plans. Compensation cost is measured as the excess, if any, of the fair market price of the underlying stock over the exercise price on the grant date. The fair market price is the closing price of the equity shares of the company on the stock exchange/s on which the shares of the company are listed, immediately prior to the date of the meeting of compensation committee of board of directors of the company in which the options are granted. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date is considered.

(xix) **Cash and cash equivalents**

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

2. Notes to the Consolidated Financial Statements

(Amounts in Indian rupees)

2.1 Share Capital

Particulars	As at 31 March 2014		As at 31 March 2013	
	No. of shares	Amount	No. of shares	Amount
Authorised share capital Equity shares of Rs. 6 each	50,000,000	300,000,000	50,000,000	300,000,000
Issued, subscribed and fully paid-up Equity shares of Rs. 6 each fully paid-up	25,884,967	155,309,802	25,884,967	155,309,802
Total	25,884,967	155,309,802	25,884,967	155,309,802

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

The reconciliation of number of shares outstanding and the amount of share capital as at 31 March 2014 and 31 March 2013 is set out below :

Particulars	As at 31 March 2014		As at 31 March 2013	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 6 each fully paid-up				
At the beginning of the year	25,884,967	155,309,802	25,871,973	155,231,838
Add : Shares issued on exercise of employee stock options	—	—	—	—
Add : Adjustment on account of disposal of cross holding by a subsidiary of the company	—	—	12,994	77,964
At the end of the year	25,884,967	155,309,802	25,884,967	155,309,802

Rights, preferences and restrictions attached to equity shares

The company has only one class of shares referred to as equity shares having a par value Rs. 6 each. Each member of the company has voting rights on a poll, in proportion to his share in the paid-up equity share capital. On show of hands every member present in person and being holder of equity shares shall have one vote.

Each shareholder is entitled to receive interim dividend when it is declared by the Board of Directors. The final dividend proposed by the board of directors are paid when approved by the shareholders at Annual General Meeting.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion of the equity shares held by the shareholders.

Detail of shareholders holding more than 5% shares of the Company

Particulars	As at 31 March 2014		As at 31 March 2013	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Avonmore Capital and Management Services Limited	12,858,814	49.68	12,858,814	49.68
Al Anwar Holdings SAOG	3,091,500	11.94	3,091,500	11.94

Employees Stock Option Scheme 2007

The company has instituted an employee stock option scheme in the year 2007, known as 'Employee Stock Option Scheme ('ESOS' or 'Scheme') 2007. This scheme was adopted by the board of directors on 3 January 2008 and subsequently by shareholders of the company on 4 March 2008, and is for issue of 4,500,000 options of the company convertible into equal number of equity shares of the par value of Rs. 6 each. The scheme was further amended by the board of directors on 5 March 2010 and subsequently by shareholders of the company on 13 April 2010 to increase number of options from 4,500,000 options to 15,000,000 options of the company convertible into equal number of equity shares. A compensation committee comprising independent members of the board of directors administers the scheme. The compensation committee has framed various series under the scheme from time to time. All options has been granted at their intrinsic value defined under the SEBI guidelines.

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

The activity in the scheme during the year ended 31 March 2014 and 31 March 2013, respectively, is set out below :

Particulars	As at	
	31 March 2014	31 March 2013
Options outstanding at the beginning of the period	3,001,000	3,294,300
Add : New options granted during the year	—	—
Less : Exercised	—	—
Forfeited	250,000	293,300
Options outstanding at the end of the period	2,751,000	3,001,000
Options exercisable at the end of the period	2,641,000	2,760,964

The weighted average share price of options exercised under the scheme during the year ended 31 March 2012 was Rs. 26.65. No option were exercised during the year ended 31 March 2014 and 31 March 2013.

Series-wise options outstanding as at 31 March 2014 and 31 March 2013 are summarized in the table mentioned below :

Particulars	For the year ended	
	31 March 2014	31 March 2013
Series 'A'	1,226,000	1,406,000
Series 'B'	975,000	975,000
Series 'C'	—	—
Series 'D'	190,000	190,000
Series 'E'	30,000	40,000
Series 'F'	330,000	390,000

- a) As at 31 March 2014, the Company had 2,751,000 (previous year 3,001,000) number of shares reserved for issue under employee stock option plans. Out of above 2,641,000 (previous year 2,727,664) employee stock options are vested and are exercisable at any point of time.
- b) Since, no options were granted during the current financial year ended 31 March 2014 and previous year ended 31 March 2013, the disclosures relating to the weighted average fair value of the options granted, effect on compensation cost, proforma loss after tax, basic and diluted earnings per share and key assumptions like risk free interest rate, expected life and expected volatility are not applicable.
- c) Disclosures regarding Employees Stock Option Scheme :

Sr. No.	Particulars	For the year ended	
		31 March 2014	31 March 2013
1	Options granted during the year	—	—
2	Number of shares reserved for issue under ESOS	2,751,000	3,001,000
3	Employee Stock Option vested and exercisable at any point of time	2,641,000	2,760,964

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2.2 Reserves and surplus

Particulars	As at	
	31 March 2014	31 March 2013
(a) Securities premium		
At the beginning of the year	396,671,970	396,671,970
Add : Addition due to exercise of employee stock options	—	—
At the end of the year	396,671,970	396,671,970
b) Capital reserve		
i) On forfeiture of amount received against share warrants		
At the beginning of the year	81,098,900	81,098,900
Add : Forfeiture of amount received against share warrants	—	—
At the end of the year	81,098,900	81,098,900
ii) On consolidation (Net)	—	(1,865,511)
	81,098,900	79,233,389
(c) Amalgamation reserve	112,719,998	112,719,998
(d) General reserve	17,000,000	17,000,000
(e) Special Reserve created under section 45-IC of the RBI Act, 1934 ¹		
At the beginning of the Year	5,284,919	5,117,860
Add : Transferred from Surplus	115,557	167,059
Balance at the end of Year	5,400,476	5,284,919
(f) Surplus in the Statement of Profit and Loss		
At the beginning of the year	417,014,477	387,902,282
Less : Exclusion of accumulated profit/(losses) of subsidiaries (Net)	51,482,820	—
Add : Profit/(Loss) after tax as per Statement of Profit and Loss	53,314,891	29,279,254
Less : Appropriations		
Less : Transfer to Special reserve ¹	115,557	1,67,059
At the end of the year	418,730,991	417,014,477
Total (a+b+c+d+e+f)	1,031,622,335	1,027,924,753

¹ Special reserve represents reserve fund created under section 45-IC of the Reserve Bank of India Act, 1934 (RBI Act). As per section, the company is required to transfer sum not less than twenty percent of its net profit to special reserve every year. This reserve can be utilised for the purposes as specified by the Reserve Bank of India from time to time.

2.3 Long-term borrowings

Particulars	As at	
	31 March 2014	31 March 2013
Secured term loan		
From banks	7,015,010	284,976
From others	186,873,619	202,833,285
Total	193,888,629	203,118,261

Nature of security and terms of repayment of secured borrowings :**Nature of security**

- (i) Term loans from banks amounting to Rs. Nil (previous year Rs. 284,976) are secured against hypothecation of specific vehicles financed.
- (ii) Term loan from bank amounting to Rs. 7,015,010 (previous year Rs. Nil) are secured by charge on fixed asset on related machineries & vehicle with additional guaranteed by Mr. Navjeet Singh Sobti in his personal capacity.
- (iii) Term loan from others amounting to Rs. 186,973,619 (previous year Rs. 202,168,294) is secured by way of equitable mortgage of building financed. Further, the loan has also been guaranteed by Mr. Navjeet Singh sobti in his personal capacity.
- (iv) Term loan from others amounting to Rs. NIL (Previous year Rs. 664,991) are secured against hypothecation of specific vehicle financed.

Terms of payment

Loans are repayable in 36 equal monthly installments along with the interest and carries fixed interest rate from 9.08% to 13.75% per annum specific to respective banks. The last installment would fall due on 15 July 2014. Loan amounting to Rs. 284,976 (previous year Rs. 1,390,724) repayable in next 12 months has been shown as current maturities of secured long-term borrowings in note 2.9

Loans are repayable in 48 to 60 equal monthly installments along with the interest and carries fixed interest rate of 13.00% per annum. Loan amounting to Rs. 1,536,405 (previous year Rs. Nil) repayable in next 12 months has been shown as current maturities of secured long –term borrowings in note 2.9

Term loan is taken from financial institution and carries an interest rate of LIBOR minus 100 bps. The interest rate as at year end is 13.50% per annum (previous year 13.40%). The last installment would fall due on 10 July 2020. The loan is repayable in 120 equal monthly installments along with the interest. Loan amounting to Rs. 15,382,363 (previous year Rs. 13,656,258) repayable in next 12 months has been shown as current maturities of secured long-term borrowings in note 2.9

(Intentionally left blank)

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2.4 Deferred taxes (net)

Particulars	As at	
	31 March 2014	31 March 2013
Deferred tax asset		
Provision for doubtful debts	1,477,105	7,295,827
Provision for diminution in value of investments	4,542,772	3,145,366
Provision for employee benefits	1,870,804	6,377,045
Miscellaneous expenditure to the extent not written off or adjusted	—	7,394
Carried forward losses	—	25,661,215
Others	2,049,963	1,880,847
Total deferred tax asset	9,940,644	44,367,694
Deferred tax liability		
Difference in the written down value of fixed assets as per the Companies Act, 1956 and the Income-Tax Act, 1961	11,301,244	22,747,959
Total deferred tax liability	11,301,244	22,747,959
Deferred tax asset/(liability) not recognised (net)	—	12,077,004
Deferred tax asset/(liability) recognised (net) ¹	(13,60,600)	9,542,731
Deferred tax charged/(credit) to Statement of Profit and Loss	378,982	(5,968,116)

¹ The "Almondz Global Group" has carried out computation of deferred tax in accordance with Accounting Standard 22 - Accounting for Taxes on Income notified in the Companies (Accounting Standards) Rules, 2006. The deferred tax liability of Rs. 1,360,600 disclosed in the consolidated financial statement represents deferred tax liability, consolidated on a line by line basis.

2.5 Long-term liabilities

Particulars	As at	
	31 March 2014	31 March 2013
Security deposits received	1,281,305	2,350,737
Rent equalisation reserve	840,720	560,739
Total	2,122,025	2,911,476

2.6 Long-term provisions

Particulars	As at	
	31 March 2014	31 March 2013
Provision for employee benefits		
Gratuity	444,127	9,363,643
Contingent provision for standard assets	667,344	667,344
Compensated absences	3,826,090	7,659,956
Total	4,937,561	17,690,943

2.7 Short-term borrowings

Particulars	As at	
	31 March 2014	31 March 2013
Secured		
From banks *	109,017,836	448,355
overdraft from banks **	19,479,201	208,811,613
	128,497,037	209,259,968
Unsecured		
Loan from related company	1,000,000	—
Total	129,497,037	209,259,968

* Secured by exclusive charge on Govt. Securities in demat form, State & Central government guaranteed bonds / PSU / SLU / Non PSU and exclusively charge on receivables. The limits are additionally guaranteed by Mr. Navjeet Singh Sobti in his personal capacity and corporate guarantee of Almondz Global Securities Limited.

** Bank overdraft of Rs. 19,479,201 are for the working capital requirement of the company and is secured by way of pledge of fixed deposits amounting to Rs. 25,000,000 with IDBI Bank Limited and Rs. 15,000,000 with Punjab National Bank. The rate of interest is 11.00% per annum in both cases.

2.8 Trade payables

Particulars	As at	
	31 March 2014	31 March 2013
Trade payables ¹	18,469,606	22,770,031
Total	18,469,606	22,770,031

¹ The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that Micro and Small Enterprises should mention in their correspondence with their customers the entrepreneurs, memorandum number as allocated after filing of the memorandum. Based on information received and available with the company, there are no trade payables and other current liabilities payable to Micro and Small Enterprises as at 31 March 2014 and 31 March 2013.

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2.9 Other current liabilities

Particulars	As at	
	31 March 2014	31 March 2013
Current maturities of long-term debt	17,203,744	15,101,863
Interest accrued but not due on borrowings	1,505,352	1,469,347
Unpaid dividend ¹	1,071,971	1,615,620
Due to clients	221,520,316	87,279,756
Rent equalisation reserve ²	—	24,926
Expenses payable	15,793,640	16,059,347
Reinsurance premium payable (Net)	—	13,009,597
Statutory dues	13,809,405	24,251,189
Other payables	15,689,522	13,129,452
Security deposit received	213,300	24,952
Interest accrued and due	313,024	—
Total	287,120,274	171,966,049

¹ There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.

² The amount of rent reserve relates to those rented premises where lease agreement is about to expire, and the management has intention to discontinue with the rent premises.

2.10 Short-term provisions

Particulars	As at	
	31 March 2014	31 March 2013
Provision for employee benefits		
Gratuity	710,701	1,358,730
Compensated absences	872,531	1,373,782
Other employee related payables	—	26,225,000
	1,583,232	28,957,512
Other provisions		
Provision for wealth tax	72,514	75,025
Provision for taxes (net)	32,958	4,409
	105,472	79,434
Total	1,688,704	29,036,946

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2.11 Tangible assets

Cost	As at 1 April 2012	Additions	Deletions	Other adjust- ment	As at 31 March 2013	Additions	Deletions	Other adjust- ment *	As at 31 March 2014
Office Buildings	342,849,239	—	—	—	342,849,239	—	—	—	342,849,239
Leasehold improvements	14,446,061	9,652,671	282,590	(12,081)	23,804,061	1,286,184	4,909,709	—	20,180,536
Plant & Machinery	—	5,101,590	—	(20,824)	5,080,766	10,977,313	—	—	16,058,079
Furniture and fixtures	36,473,153	847,106	5,305,298	(18,215)	31,996,746	384,089	4,963,181	(1,866,405)	25,551,249
Computers and peripherals	45,025,251	1,972,350	1,764,630	—	45,232,971	605,295	1,442,670	(5,242,550)	39,153,046
Office equipments	27,300,103	2,613,133	1,410,559	(203)	28,502,474	1,169,769	275,305	(4,385,314)	25,011,624
Vehicles	22,876,745	—	40,750	—	22,835,995	612,463	—	(4,041,785)	19,406,673
Total	488,970,552	20,186,850	8,803,827	(51,323)	500,302,252	15,035,113	11,590,865	(15,536,054)	488,210,446

Depreciation	As at 1 April 2012	Additions	Deletions	Other adjust- ment	As at 31 March 2013	Additions	Deletions	Other adjust- ment *	As at 31 March 2014
Office Buildings	10,417,525	5,588,444	—	—	16,005,969	5,588,444	—	—	21,594,413
Leasehold improvements	4,767,118	1,953,806	(370,399)	—	7,091,323	5,704,334	4,798,355	—	7,997,302
Plant & Machinery	—	28,705	—	—	28,705	633,813	—	—	662,518
Furniture and fixtures	24,752,958	4,749,895	4,611,651	—	24,891,202	2,288,640	4,286,534	(683,399)	22,209,909
Computers and peripherals	32,542,711	5,629,193	1,764,630	—	36,407,271	3,882,169	1,442,670	(2,837,365)	36,009,408
Office equipments	6,289,266	1,558,101	351,296	—	7,496,071	1,629,904	133,733	(976,050)	8,016,192
Vehicles	5,783,766	2,165,523	20,669	—	7,928,620	2,080,545	—	(1,569,011)	8,440,154
Total	84,553,344	21,673,667	6,377,847	—	99,849,164	21,807,849	10,661,292	(6,065,825)	104,929,896

Carrying amounts					As at 31 March 2013				As at 31 March 2014
Office Buildings					326,843,270				321,254,826
Leasehold improvements					16,712,738				12,183,234
Plant & Machinery					5,052,061				15,395,561
Furniture and fixtures					7,105,544				3,341,340
Computers and peripherals					8,825,697				3,143,638
Office equipments					21,006,403				16,995,432
Vehicles					14,907,375				10,966,519
Total					400,453,088				383,280,550

* Adjustments represents fixed assets of AIBPL excluded on disposal of shareholding

(Intentionally left blank)

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2.12 Intangible assets

Cost	As at 1 April 2012	Additions	Deletions	Other adjust- ment	As at 31 March 2013	Additions	Deletions	Other adjust- ment *	As at 31 March 2014
Computer software	34,570,933	1,256,700	9,892,411	—	25,935,222	—	—	(1,906,246)	24,028,976
Painting and sculpture	338,840	—	—	—	338,840	250,000	—	—	588,840
Goodwill	237,600	—	—	—	237,600	—	—	(237,600)	—
Total	35,147,373	1,256,700	9,892,411	—	26,511,662	250,000	—	(2,143,846)	24,617,816

Amortisation	As at 1 April 2012	Additions	Deletions	Other adjust- ment	As at 31 March 2013	Additions	Deletions	Other adjust- ment *	As at 31 March 2014
Computer software	19,180,631	3,567,220	7,442,734	—	15,305,117	3,954,964	—	(765,648)	18,494,433
Painting and sculpture	97,771	33,792	—	—	131,563	115,850	—	—	247,413
Goodwill	—	—	—	—	—	—	—	—	—
Total	19,278,402	3,601,012	7,442,734	—	15,436,680	4,070,814	—	(765,648)	18,741,846

Carrying amounts					As at 31 March 2013				As at 31 March 2014
Computer software					10,630,105				5,534,543
Painting and sculpture					207,277				341,427
Goodwill					237,600				—
Total					11,074,982				5,875,970

* Adjustments represents fixed assets of AIBPL excluded on disposal of shareholding

(Intentionally left blank)

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2.13 Non-current investments (valued at cost unless otherwise stated)

Particulars	As at	
	31 March 2014	31 March 2013
(A) Quoted equity shares		
Indo Korea Exports Limited 389,600 (previous year 389,600) equity shares of Rs. 10 fully paid up	3,896,000	3,896,000
Ritesh Polyster Limited 34,600 (previous year 34,600) equity shares of Rs. 10 fully paid up	523,860	523,860
Ecoplast India Limited 2,500 (previous year 2,500) equity shares of Rs. 10 fully paid up	20,000	20,000
Saint Gobain Sekurit India Limited Nil (previous year 104,845) equity share of Rs. 10 fully paid up	—	5,593,530
Kwality Dairy India Limited 1,571,428 (previous year 671,428) equity share of Re 1 fully paid up	58,053,089	22,053,089
Vantech Industries Limited 3,000 (previous year 3,000) equity shares of Rs. 10 fully paid up	30,000	30,000
Total	62,522,949	32,116,479
Less : Provision for diminution in value of investments	4,469,860	4,469,860
Net Total (i)	58,053,089	27,646,619
(B) Unquoted equity shares		
Dijit Prognosys Private Limited 3,000 (previous year 3,000) equity shares of Rs. 100 fully paid up	300,000	300,000
Network 1 Media Consultant Pvt. Ltd. 7,844 (previous year 7,844) equity shares of Rs. 10 fully paid up	3,000,000	3,000,000
Shriram New Horizons India Limited (formerly New Horizons India Limited) 4,00,000 (previous year 4,00,000) equity shares of Rs. 10 fully paid up	20,000,000	20,000,000
Total	23,300,000	23,300,000
Less : Provision for diminution in value of investment	3,300,000	300,000
Net Total (ii)	20,000,000	23,000,000
Total (i + ii)	78,053,089	50,646,619

Particulars	As at	
	31 March 2014	31 March 2013
Aggregate book value of quoted investments	58,053,089	27,646,619
Market value of quoted investments	49,649,803	22,331,050
Aggregate book value of unquoted investments	230,468,405	23,000,000

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2.14 Long-term loans and advances (Unsecured, considered good)

Particulars	As at	
	31 March 2014	31 March 2013
Capital advances	1,781,189	1,781,189
Security deposits	8,185,056	5,144,952
Rental deposits	3,059,000	3,637,000
Security deposits with stock exchanges	36,425,000	49,425,000
Loans to staff	1,590,000	1,835,000
Prepaid expenses	919,302	1,845,210
Mat credit available	14,333,058	—
Advance income-tax [Net of provision of Rs. 10,454,700 (previous year Rs. 85,844,739)]	78,991,474	130,816,506
Total	145,284,079	194,484,857

2.15 Other non-current assets

Particulars	As at	
	31 March 2014	31 March 2013
Interest accrued on fixed deposit but not due	—	2,84,087
Long term deposits with maturity of more than 12 months *	41,827,995	46,895,392
Total	41,827,995	47,179,479

* Long-term deposits with maturity of more than 12 months includes :

- Rs. 152,995 (previous year Rs. 145,950) being pledged with Jaipur stock exchange.
- Rs. 1,800,000 (previous year Rs. 4,350,000) pledged with banks as margin money against Bank Guarantee.
- Rs. 5,000,000 (previous year Rs. 5,000,000) made with banks as margin money for obtaining bank guarantees submitted with commodity exchange.
- Rs. 32,500,000 (previous year Rs. 25,000,000) pledged with banks as margin money against overdraft facility.

(Intentionally left blank)

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2.16 Inventories

Particulars	As at	
	31 March 2014	31 March 2013
Equity shares - quoted	46,110,452	37,856,979
Corporate, Central Government and State Government Bonds	234,241,130	294,457,670
Spectacles & Consumables	305,677	164,231
Total	280,657,259	332,478,880

Break-up of Inventories held as at 31 March 2014 is as follows :

Particulars	Amount
Equity shares	
Wockhardt Limited	17,519,478
International Paper APPM Limited	8,857,800
Novartis India Limited	3,058,260
HOV Services Limited	2,525,376
Orient abrasives Limited	1,270,663
L&T Finance Holding Limited	736,000
Kwality Dairy (India) Limited	7,211,447
Other Shares	4,931,428
Bonds	
11.90% Neelachal Ispat Nigam Limited, 2024	91,000,000
9.70% Power Finance Corporation, 2021	50,005,000
8.06% Rural Electrification Corporation, 2023	28,387,500
9.98% Industrial Financial Corporation of India Limited, 2030	14,870,000
8.83% Government of India, 2023	49,960,000
Other bonds	18,630
Spectacles	84,712
Consumables	220,965
Total	280,657,259

Break-up of Inventories held as at 31 March 2013 is as follows :

Particulars	Amount
Equity shares	
Andhra Pradesh Paper Mills Limited	9,577,813
Fairfield Atlas Limited	11,956,981
Linde India Limited (formerly BOC India Limited)	15,346,435
Indiabulls Power Limited	409,000
Unity Infraprojects Limited	130,419
Other Shares	436,331
Bonds	
8.70% Rural Electrification Corporation, 2018	115,431,400
8.85% Allahabad Bank, 2016	21,039,900
9.98% Industrial Financial Corporation of India Limited, 2030	30,371,505
8.94% Power Finance Corporation of India	5,000,500
9.65% West Bengal State Electricity Distribution Company Limited	6,000,600
8.91% Power Finance Corporation Ltd, 2017	71,110,500
9.10% PNB Housing Finance	45,484,065
Other bonds	19,200
Spectacles	27,474
Consumables	136,757
Total	332,478,880

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2.17 Trade receivables

Particulars	As at	
	31 March 2014	31 March 2013
Secured, considered good		
Outstanding for more than six months	2,451,687	—
Other debts	32,490,684	69,110,480
Total (a)	34,942,371	69,110,480
Unsecured, considered good		
Outstanding for more than six months	16,219,277	28,726,535
Other debts	206,279,297	86,473,996
Total (b)	222,498,574	115,200,531
Unsecured, considered doubtful		
Outstanding for more than six months	4,552,643	22,486,753
Less : Provision for doubtful debts	4,552,643	22,486,753
Total (c)	—	—
Total (a+b+c)	257,440,945	184,311,011

2.18 Cash and bank balances

Particulars	As at	
	31 March 2014	31 March 2013
Cash and cash equivalents		
Cash in hand	2,981,332	1,861,876
Cheques / drafts in hand	2,301,100	3,059,745
Balances with banks in current accounts	114,867,831	174,650,539
Deposits with maturity of less than 3 months	250,000	16,347,204
	120,400,263	195,919,364
Other bank balances		
Unpaid dividend account (not available for use of the company)	1,071,971	1,615,620
Total	121,472,234	197,534,984

(Intentionally left blank)

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2.19 Short-term loans and advances (unsecured considered good, unless otherwise stated)

Particulars	As at	
	31 March 2014	31 March 2013
Loans to body corporates		
Secured	72,265,310	71,260,400
Security deposits – stock exchange	1,150,000	8,425,000
Security deposits – others	3,530,205	8,408,956
Security deposits – rentals	30,400,884	42,703,614
Loans to employees	801,000	1,425,677
Balance with statutory / government authorities	1,229,571	4,690,934
Prepaid expenses	5,034,985	9,024,356
Advance income tax	3,576,681	4,986,177
[Net of provision of Rs. 4,603,771 (previous year Rs. 46,174,227)]		
Deposit with a company	171,902,683	200,065,925
Advances for rendering services	2,603,222	4,906,402
Capital advance	250,000	—
Other recoverable	3,962,297	1,658,653
Total	296,706,838	357,556,094
Less : Provision for doubtful security deposits	1,134,836	—
Total	295,572,002	357,556,094

2.20 Other current assets (Unsecured considered good, unless otherwise stated)

Particulars	As at	
	31 March 2014	31 March 2013
Deposits with maturity of more than 3 months but less than 12 months *	118,445,737	102,528,520
Interest accrued on bonds / securities	5,130,927	7,967,792
Interest accrued on loans	2,919,448	9,328,494
Interest accrued but not due	8,440,017	1,517,148
Income accrued but not due	72,500,000	—
Unbilled revenue	9,368,021	2,036,710
Total	216,804,150	123,378,664

* Bank deposits with maturity of more than 3 month includes :

- Rs. 94,000,000 (previous year Rs. 78,000,000) being deposit with the banks as margin money for bank guarantees submitted with stock exchanges.
- Rs. 4,500,000 (previous year Rs. 1,200,000) earmarked by the management for the settlement of certain statutory liabilities.
- Rs. 15,000,000 (previous year – 15,000,000) being deposit with banks held as margin money against bank overdraft facility.
- Rs. 1,116,340 (previous year Rs. Nil) being deposits with banks held as margin money against bank guarantee.

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2.21 Revenue from operations

Particulars	For the year ended	
	31 March 2014	31 March 2013
Revenue from operations		
Advisory and consultancy fees	144,213,751	130,823,966
Sale of spectacles	1,265,789	20,761
Broking activities	753,964,401	819,230,142
Interest income on loan	37,818,782	38,862,579
Net gain/(loss) in trading of securities/bonds	(41,049,470)	36,267,402
Profit/(loss) on derivatives	20,857,051	(31,866,285)
Net gain/(loss) in trading of shares	8,950,075	7,759,158
Other operating income	14,807,833	15,674,432
Others	277,691	333,021
Total	941,105,903	1,017,105,176

2.21 (a) The following is the summary of net results in trading of bonds :

Particulars	For the year ended	
	31 March 2014	31 March 2013
Trading of securities/bonds		
Opening stock of securities	294,457,670	237,683,790
Add : Cost of securities purchased	6,418,297,036	6,803,575,564
	6,712,754,706	7,041,259,354
Less : Closing stock of securities	234,241,130	294,457,670
Cost of securities sold	6,478,513,576	6,746,801,684
Less : Sale of securities	6,437,464,106	6,783,069,086
Net gain/(loss) in trading of securities/bonds	(41,049,470)	36,267,402

2.21 (b) The following is the summary of net results in trading of shares :

Particulars	For the year ended	
	31 March 2014	31 March 2013
Trading of shares		
Opening stock of shares	37,856,979	41,392,842
Add : Cost of shares purchased	173,272,655	394,819,502
	211,129,634	436,212,344
Less : Closing stock of shares	46,110,452	37,856,979
Cost of shares sold	165,019,182	398,355,365
Less : Sale of shares	173,969,257	406,114,523
Net gain/(loss) in trading of shares	8,950,075	7,759,158

2.21 (c) The following is the break-up of other operating income :

Particulars	For the year ended	
	31 March 2014	31 March 2013
Advertisement income	53,400	813,716
Delayed payment charges	4,993,820	4,943,774
Processing fee & Others	—	68,621
Interest on fixed deposits pledged with exchanges *	8,981,984	9,342,870
Dividend income	778,629	505,451
Total	14,807,833	15,674,432

* The interest income on deposits pledged with banks/stock exchanges has been included in operating income since the same is directly attributable to primary revenue generating operation of the company.

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2.22 Other income

Particulars	For the year ended	
	31 March 2014	31 March 2013
Interest income on		
— Bank deposits	8,638,894	6,163,101
— Others ¹	775,825	2,494,249
Net gain on sale of investments	—	125,531
Rent received	5,812,256	834,820
Excess provision no longer required written back	365,504	6,445,900
Provision for doubtful debts written back	75,206	20,854,857
Liabilities no longer required written back	1,078,511	6,369,672
Bad debts recovered	—	46,691
Foreign exchange fluctuation gain	2,333,679	429,943
Miscellaneous income	210,968	564,863
Profit on sale of fixed assets (Net)	32,300	—
Total	19,323,143	44,329,627

¹ Includes interest on loan to associates and deposits with body corporate.

2.23 Employee benefit expense

Particulars	For the year ended	
	31 March 2014	31 March 2013
Salaries, wages and bonus	393,208,692	452,379,069
Contribution to provident and other funds	15,068,502	16,905,707
Gratuity and leave encashment	6,344,942	6,665,013
Staff welfare expense	6,526,731	9,770,894
Recruitment expenses	579,125	863,152
Total	421,727,992	486,583,835

The exercise prices of all the Company's stock options granted are equal to fair market price on the respective grant dates, accordingly there is no compensation cost to be recognised as per the accounting policy followed by the company.

2.24 Finance cost

Particulars	For the year ended	
	31 March 2014	31 March 2013
Interest expense	40,843,352	39,458,808
Other borrowing cost	1,225,185	1,083,623
Total	42,068,537	40,542,431

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2.25 Other expenses

Particulars	For the year ended	
	31 March 2014	31 March 2013
Advance /debit balances written off	76,096	118,380
Advertisement expenses	512,743	10,900
Bad debts written off	4,513,885	22,754,816
Bank charges	3,338,469	2,805,258
Business promotion expense	11,225,493	11,191,456
Charity and donations	1,307,500	1,503,301
Communication expenses	15,928,017	20,300,809
Commission and brokerage	134,592,529	139,422,687
Repair and maintenance :		
– Computer maintenance	3,759,594	4,960,274
– Office maintenance	6,037,193	8,276,910
– Vehicle repair and maintenance	5,280,102	5,492,662
Rent	32,082,863	38,119,472
Provision for non performing assets	6,525,580	—
Provision for diminution in value of investments	3,000,000	—
Provision for doubtful debts	100,000	14,740,286
Provision for doubtful advance	1,734,836	—
Professional charges	12,426,227	23,030,591
Electricity, generator and water charges	9,941,865	9,412,822
Travelling and conveyance expenses	44,451,278	46,798,348
Insurance charges	6,887,736	8,342,360
Fine & penalty	1,204,200	—
Fixed assets written off	930,719	3,018,042
Loss on sale of fixed assets (net)	—	1,374,666
Rates and taxes	4,130,985	3,210,343
Printing and stationery	5,178,652	7,163,775
Loss on exchange fluctuation	1,042,994	—
Legal and professional charges ¹	43,891,459	50,061,597
Loss on error trades	481,609	—
SEBI and stock exchange fee and charges	596,687	1,004,885
Membership and subscription	2,546,051	2,800,461
Interest on tax deducted at source	651,297	164,477
Contingent provision on standard assets	—	103,100
Consumables	1,593,496	197,602
Miscellaneous expenses	1,623,278	1,702,920
	367,593,433	428,083,200
Less : Recovery of expenses	—	(257,316)
Net total	367,593,433	427,825,884

¹ **Auditor's remuneration (excluding service tax)**

Particulars	For the year ended	
	31 March 2014	31 March 2013
Statutory Auditors		
Statutory Audit fee	831,250	641,250
Certification fee	90,700	—
Others	60,503	178,781
Tax audit fee	37,500	17,500
Total	1,019,953	837,531

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2.26 Prior period items

Particulars	For the year ended	
	31 March 2014	31 March 2013
Income		
Brokerage and commission	—	5,485,441
Profit on foreign exchange difference	—	102,840
Interest on deposit with banks	—	73,713
Other income	19,397	26,135
Interest earned on securities	19,037	—
	38,434	5,688,129
Expenses		
Brokerage and commission	99,814	3,384
Legal and professional charges	29,781	44,503
Communication expenses	10,000	172,678
Lease rental	4,499	127,808
Miscellaneous expenses	10,009	14,114
Others	202	517
	154,305	363,004
Prior period expense (net)	(115,871)	5,325,125

2.27 Earnings per share

Earnings per share (EPS) are computed in accordance with Accounting Standard (AS 20) Earnings per Share by dividing the net profit after tax by the weighted average number of equity shares outstanding for the period.

Particulars		For the year ended	
		31 March 2014	31 March 2013
Net profit/(loss) after tax available for equity shareholders	(A)	53,314,891	29,279,254
Weighted average number of equity shares for Basic EPS (Face value of Rs.6 each)	(B)	25,884,967	25,884,967
Add : Weighted average number of potential equity shares that could arise on conversion of employee stock option granted		—	—
Weighted average number of equity shares for diluted EPS (Face value of Rs.6 each)	(C)	25,884,967	25,884,967
Basic EPS	(A/B)	2.06	1.13
Diluted EPS	(A/C)	2.06	1.13

(Intentionally left blank)

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2.28 Contingent Liabilities

Particulars		As at	
		31 March 2014	31 March 2013
1	Suit filed by clients on the Company for recovery on account of unauthorised trades on stock exchanges/ deficiency in services. These matters are pending before various dispute resolution authorities.	152,547	2,008,206
2	Suit filed by previous employees on the Company for recovery of their dues from Company. These matters are pending before various courts	596,544	446,544
3	Show cause notice for service tax demand in relation to the financial year ended 31 March 2007 and 31 March 2008. Appeal filed with Service Tax Tribunal, R. K. Puram, New Delhi. Hearing awaited.	6,444,100	3,221,550
4	Show cause notice for service tax demand in relation to the financial years from financial year ended 31 March 2006 till the financial year ended 31 March 2009. Reply filed with Assistant Commissioner of Service Tax, M G Road, New Delhi, Hearing awaited.	1,272,868	1,272,868
5	Corporate guarantee issued for Almondz Finanz Limited, a wholly owned subsidiary of the Company.	300,000,000	300,000,000
6	Corporate guarantee issued for Almondz Commodities Private Limited, a subsidiary of the Company.	50,000,000	50,000,000
7	Income-tax demand raised by assessing officer in respect of financial year ended 31 March 2006. Hearing pending at ITAT, Loknath Bhawan, Khan Market , New Delhi.	4,054,709	4,054,709
8	Income-tax demand raised by assessing officer in respect of financial year ended 31 March 2007. Hearing pending at ITAT, Loknath Bhawan, Khan Market, New Delhi.	2,723,937	2,723,937
9	Bank guarantee for performance (secured by way of margin money in the form of bank deposit of Rs. 1,35,718/-	—	100,000
10	TDS demand raised by assessing officer in respect of financial year ended 31st March, 2008. Application for amendment filed with concerned department. Reply awaited.	4,410,300	4,410,300
11	Demand of service tax liability on account of short deposit of tax for the period May and June, 2003 vide their order no 50/2011 dated 28.02.2011 by Assistant Commissioner Service Tax, Range-1. Order received from the department in which demand deleted.	—	419,819
Total		369,655,005	368,657,933

2.29 Commitments

Estimate amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 6,105,680 (previous year Rs. 6,105,680).

2.30 In relation to two of the merchant banking assignments undertaken by the AGSL, the Securities Exchange Board of India ('SEBI') has prohibited AGSL for five years from the date of interim order from taking up any new assignments or involvement in any new issue of capital including an IPO, follow on issue etc.or involvement in buy back of securities under SEBI (Buy-Back of Securities) Regulations, 1998, open offers under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and delisting of securities under the SEBI (Delisting of Equity Shares) Regulations, 2009 and suspended the certificate of registration of AGSL with SEBI under Securities and Exchange Board of India (Merchant Bankers) Regulation, 1992 for a period of six months from 3 March, 2014. AGSL has filed /in process of filing appeals with designated authorities.

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2.31 Details of income and expenditure in foreign currency :

Income earned in foreign currency

S. No.	Particulars	For the year ended	
		31 March 2014	31 March 2013
1	Brokerage	—	—
2	Consultancy fee	174,498,126	148,231,609
	Total	174,498,126	148,231,609

Expenditure incurred in foreign currency

S. No.	Particulars	For the year ended	
		31 March 2014	31 March 2013
1	Travelling expenses	4,452,702	3,519,136
2	Business Promotions	37,259	—
3	Legal and professional charges	58,445	2,327,832
4	Staff training & conference expenses	—	107,385
5	Membership & subscription	105,715	—
6	Books & Periodicals	610,61	—
7	Business Promotion	8,033	—
8	Bank charges	360,792	29,728
9	Director sitting fee	—	20,000
	Total	5,084,007	6,004,081

Notes to the Consolidated Financial Statements (Contd.)

2.32 Related Party Disclosure

A) Names of related parties and description of relationship :

(i) Investing parties in respect of which the Company is an associate

Avonmore Capital and Management Services Limited (ACMS) (w.e.f. 12 June 2010)

Almondz Insurance Brokers Private Limited (AIBPL) (with effect from 1 January 2014)

Almondz Re-insurance Brokers Private Limited (ARBPL) (with effect from 1 January 2014)
(subsidiary of Almondz Insurance Brokers Private Limited)

Almondz Debt Advisors Limited (ADAL) (with effect from 19 August 2013)

(ii) Enterprises over which Key Managerial Personnel are able to exercise significant influences

Innovative Money Matters Private Limited (IMMPL)

Rinku Sobti Fashions (P) Limited (RSFPL)

New Age Block Private Limited (NABPL)

Yug Infrastructures Private Limited (YIPL)

(iii) Key Managerial Personnel

Mr. Vinay Mehta

Mr. Navjeet Singh Sobti

Mr. Jagdeep Singh

Mr. Rohit Jain

Mr. Govind Prasad Agrawal

Mr. Rajiv Braham Agarwal

Mr. Vinit Vidyarthi (Appointed w.e.f. 08.02.2013)

Mr. Surinder Kumar Sood (Appointed w.e.f. 05.11.2012)

Mr. Atul Vijay Singh (Resigned as director on 01.01.2012 and appointed as C.E.O on 01.01.2012)

Mr. Vijay K Suri

Mr. Sanjay Dewan

Mrs. Rachna Sayal

Mr. Sudhakar Singh

Mr. Vinod Kumar Giri

(iv) Relatives of Key Managerial Personnel

Mrs. Bulbul Dhir Mehta

Mrs. Gurpreet N. S. Sobti

Mrs. Anu Jain

Mrs. Veena Jain

Navjeet Singh Sobti (HUF)

Jagdeep Singh (HUF)

R. C. Jain & Sons (HUF)

Rohit Jain (HUF)

Mr. R.C. Jain

Ms. Ritu Jain

Mr. Surinderjeet Singh

Mrs. Bimla Kaur

Mr. Manpreet Singh

Mrs. Parmeet Kaur

Radha Madhav Centre for social and Cultural Development (Trust in which a Key Managerial Personnel is a Trustee)

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

B) Transactions during the year and the balances outstanding as at the year end with the related parties :

For the year ended 31 March 2014

1. Transactions with investing parties in respect of which the Company is an associate and Key Managerial Personnel

Particulars	ACMS	AIBPL	ARBPL	ADAL	Vinay Mehta	Navjeet Singh Sobti	Jagdeep Singh	Govind Prasad Agrawal	Sanjay Dewan
Income									
Interest received	258,946	—	—	—	—	—	—	—	—
Rent Received / Recovery of related expenses	—	1,553,789	4,278,004	—	—	—	—	—	—
Sale of investment	113,602,500	—	—	—	—	249,980	10	10	—
Brokerage received	196,265	—	—	—	18,619	5,256	8,077	3,425	—
Delay payment charges received on broking activities	58,388	—	—	—	—	—	—	—	—
Depository charges received on broking activities	6,647	—	—	—	1,530	449	716	—	—
Expenditure									
Purchase of bonds	—	—	—	—	—	—	—	—	—
Remuneration	—	—	—	—	4,162,956	6,986,468	4,840,544	3,789,000	—
Conveyance paid	—	—	—	—	—	—	—	—	142,791
Director sitting fee	—	—	—	—	—	20,000	25,000	25,000	—
Dividend paid	—	—	—	—	—	—	—	—	—
Interest paid	—	—	—	—	—	—	—	—	—
Assets / Liabilities									
Advances given	—	—	—	9,062	—	—	—	600,000	—
Reimbursable payments made against advance received	—	—	—	9,533	—	—	—	—	—
Advance given Repayment	—	—	—	—	—	—	—	600,000	—
Loan granted	6,050,000	—	—	—	—	—	—	—	—
Repayment of loan granted	5,050,000	—	—	—	—	—	—	—	—
Closing balances									
Expenses Payable	—	—	—	—	—	—	—	—	14,500
Trade payable	909,181	—	—	—	—	—	—	—	—
Trade receivable	—	144,799	—	—	—	—	—	—	—
Short term loan	1,000,000	—	—	—	—	—	—	—	—
Share Capital	2,500,000	—	—	—	—	—	—	—	200,000

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

1. Transactions with investing parties in respect of which the Company is an associate and Key Managerial Personnel (Continued)

Particulars	Rachna Syal	Sudhakar Singh	Vinod Kumar Giri	Rohit Jain	Rajiv Agarwal	Atul Vijay Singh	Vinit Vidhyarthi	Vijay K Suri
Income								
Interest received	—	—	—	—	—	—	—	—
Rent Received	—	—	—	—	—	—	—	—
Sale of investment (Shares of AIBPL)	—	—	—	—	—	—	—	—
Brokerage received	—	—	—	—	—	—	—	—
Delay payment charges received on broking activities	—	—	—	—	—	—	—	—
Depository charges received on broking activities	—	—	—	—	—	—	—	—
Expenditure								
Purchase of bonds	—	—	—	—	—	—	—	—
Remuneration	—	—	—	41,32,728	1,81,12,492	1,53,81,020	27,99,612	55,50,000
Conveyance paid	—	—	—	—	—	—	—	—
Director sitting fee	1,000	1,000	1,000	—	—	—	—	—
Dividend paid	—	—	—	9,97,570	—	—	—	—
Interest paid	—	—	—	—	—	—	—	—
Assets / Liabilities								
Advances given	—	—	—	—	—	—	—	—
Reimbursable payments made against advance received	—	—	—	—	—	—	—	—
Advance given Repayment	—	—	—	—	—	—	—	—
Loan granted	—	—	—	—	—	—	—	—
Repayment of loan granted	—	—	—	—	—	—	—	—
Closing balances								
Expenses Payable	—	—	—	—	—	—	—	—
Trade payable	—	—	—	—	—	—	—	—
Trade receivable	—	—	—	—	—	—	—	—
Short term Loan	—	—	—	—	—	—	—	—
Share Capital	—	—	—	—	—	—	—	—

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2. (i) Transactions with enterprises over which Key Managerial Personnel are able to exercise significant influence and Relatives of Key Managerial Personnel :

Particulars	IMMPL	RSFPL	NABPL	YIPL	Navjeet Singh Sobti (HUF)	Bulbul Dhir Mehta	Gurpreet N.S. Sobti	Jagdeep Singh (HUF)	Surinderjit Singh	Bimla Kaur	Manpreet Singh
Income											
Interest received	—	—	—	46,854	—	—	—	—	—	—	—
Brokerage received	2,978	—	—	—	—	4,834	—	—	2	19	3,593
Sale of investment	—	—	—	—	—	—	249,970	—	—	—	—
Delay payment charges received on broking activities	822	—	—	—	—	—	—	—	—	—	—
Depository charges received on broking activities	1,124	—	—	—	—	—	—	449	478	506	758
Expenditure											
Rent paid	—	2,064,000	—	—	—	—	3,600,000	—	—	—	—
Loans and advances to others	—	—	—	—	—	—	—	—	—	—	—
Assets / Liabilities											
Advances / Loan given	—	—	36,800,800	2,000,000	—	—	—	—	—	—	—
Repayment of Advances / Loan given	—	—	36,800,800	2,000,000	—	—	—	—	—	—	—
Closing balances											
Trade receivable	—	—	—	—	—	—	—	—	—	—	—
Short-term loans and advances	—	—	—	—	—	—	—	—	—	—	—
Trade payables	—	—	—	—	—	—	—	—	—	—	—

Transactions with enterprises over which Key Managerial Personnel are able to exercise significant influence and relatives of Key Managerial Personnel (Continued)

Particulars	R.C. Jain	R.C. Jain & Sons (HUF)	Rohit Jain (HUF)	Veena Jain	Anu Jain	Ritu Jain	Parmeet Kaur	Radha Madhav Centre for Social & Cultural Development
Income								
Brokerage received	—	—	—	—	—	—	5,451	—
Delay payment charges received on broking activities	—	—	—	—	—	—	5	—
Depository charges received on broking activities	—	—	—	—	—	—	558	—
Expenditure								
Donation paid	—	—	—	—	—	—	—	460,000
Dividend Paid	472,500	630,000	840,000	1,589,000	595,000	1,050,000	—	—
Closing balances								
Trade receivable	—	—	—	—	—	—	—	—
Short-term loans and advances	—	—	—	—	—	—	—	—
Trade payables	—	—	—	—	—	—	—	—

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

3. Transactions with investing parties in respect of which the Company is an associate and Key managerial personnel

For the year ended 31 March 2013

Particulars	ACMS	Vinay Mehta	Navjeet Singh Sobti	Jagdeep Singh	Govind Prasad Agrawal	Sanjay Dewan	Rohit Jain	Rajiv Agarwal	Salil Ranjan Dass	Atul Vijay Singh	Vinit Vidyarthi	Vijay K Suri
Income												
Interest received	2,053,647	—	—	—	—	—	—	—	—	—	—	—
Brokerage received	2,475,555	13,294	—	25,873	—	—	—	—	—	—	—	—
Delay payment charges received on broking activities	431	—	—	—	—	—	—	—	—	—	—	—
Depository charges received on broking activities	5,039	618	187	485	—	—	—	—	—	—	—	—
Expenditure												
Purchase of bonds	—	—	—	—	—	—	—	—	—	—	—	—
Remuneration	—	72,55,464	75,44,524	48,41,675	—	—	2,810,856	15,528,130	—	13,789,606	3,85,526	5,220,600
Rent paid	—	—	—	—	—	—	—	—	—	—	—	—
Director sitting fee	—	—	20,000	24,000	24,000	—	—	—	—	—	—	—
Conveyance paid	—	—	—	—	—	39,584	—	—	—	—	—	—
Interest paid	104,440	—	—	—	—	—	—	—	—	—	—	—
Assets / Liabilities												
Loan taken	42,900,000	—	—	—	—	—	—	—	—	—	—	—
Repayment of loan taken	42,900,000	—	—	—	—	—	—	—	—	—	—	—
Loan granted	78,200,000	—	—	—	—	—	—	—	—	—	—	—
Expenses reimbursed	42,610	—	—	—	—	—	—	—	—	—	—	—
Repayment of loan granted	136,800,000	—	—	—	—	—	—	—	—	—	—	—
Closing balances												
Share Capital	2,500,000	—	—	—	—	200,000	—	—	—	—	—	—
Trade payable	—	—	—	26,579	—	—	—	—	—	—	—	—
Trade receivable	111,395	—	—	—	—	—	—	—	—	—	—	—
Expenses Payable	—	—	—	—	—	9,483	—	—	—	—	—	—

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

4. (i) Transactions with enterprises over which Key Managerial Personnel are able to exercise significant influence and Relatives of Key Managerial Personnel

For the year ended 31 March 2013

Particulars	IMMPL	RSFPL	Navjeet Singh Sobti	Bulbul Dhir Mehta	Gurpreet N.S. Sobti	Jagdeep Singh (HUF)	Surinderjit Singh	Bimla Kaur	Manpreet Singh
Income									
Sale of shares / securities	—	—	—	—	—	—	—	—	—
Brokerage received	6,583	—	—	3,609	—	370	10	10	21,133
Delay payment charges received on broking activities	—	—	—	—	—	—	—	—	—
Depository charges received on broking activities	1,030	—	—	277	—	261	215	215	1,081
Expenditure									
Rent paid	—	1,553,952	—	—	3,600,000	—	—	—	—
Loans and advances to others	—	—	—	—	—	—	—	—	—
Closing balances									
Trade receivable	—	—	—	—	—	—	—	—	—
Short-term loans and advances	—	1,032,000	—	—	—	—	—	—	—
Trade payables	—	—	—	—	—	—	—	—	16,673

Transactions with enterprises over which Key Managerial Personnel are able to exercise significant influence and relatives of Key Managerial Personnel (Continued)

Particulars	R.C. Jain	R.C. Jain & Sons (HUF)	Rohit Jain (HUF)	Veena Jain	Anu Jain	Ritu Jain	Parmeet Kaur
Income							
Brokerage received	—	—	—	—	—	—	636
Depository charges received on broking activities	—	—	—	—	—	—	289
Expenditure	—	—	—	—	—	—	—
Rent paid	—	—	—	—	—	—	—
Loans and advances to others	—	—	—	—	—	—	—
Closing balances							
Trade Receivable	—	—	—	—	—	—	—
Trade payables	—	—	—	—	—	—	37,589

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

2.33 Segment Reporting

For the year ended 31 March 2014

Particulars	Debt and equity market operations	Corporate finance and advisory fee	Broking activities	Financial activities	Commodity broking operation	Insurance broking operation	Others	Unallocable	Total
Segment Revenue									
Segment Revenue	(10,486,074)	234,030,937	179,416,897	37,818,782	7,902,140	481,272,416	7,652,569	3,498,236	941,105,903
Segment Results									
Segment Results	(39,992,594)	116,952,319	(15,273,516)	31,190,393	(349,182)	107,769,622	(4,696,345)	—	195,600,697
Less : Unallocable expenses (net)	—	—	—	—	—	—	—	43,625,126	43,625,126
Less : Interest expenses	11,531,742	—	370,868	456,922	859,561	70,493	384,891	28,394,061	42,068,538
Profit / (Loss) before tax expenses	(51,524,336)	116,952,319	(15,644,384)	30,733,471	(1,208,743)	107,699,129	(5,081,236)	(72,019,187)	109,907,033
Less : Provision for tax for the Year	—	—	—	—	38,878	27,543,074	(91,991)	25,950,648	53,440,609
Less : Prior period tax	—	—	—	—	—	2,160	—	2,756,816	2,758,976
Net Profit / (Loss) after tax	(51,524,336)	116,952,319	(15,644,384)	30,733,471	(1,247,621)	80,153,895	(4,989,245)	(100,726,651)	53,707,448
Other Information									
Segmental assets	316,870,487	129,193,127	296,376,768	274,335,958	166,025,483	—	24,681,615	617,565,091	1,825,048,529
Segmental liabilities	106,438,699	19,795,718	117,496,442	1,583,524	155,533,913	—	10,003,234	226,872,300	637,723,830
Capital expenditure	—	—	19,97,919	32,800	—	—	13,516,048	7,600,349	23,147,116
Depreciation	933,215	933,215	601,397	—	215,287	1,743,058	974,529	20,477,963	25,878,664
Non cash expenditure other than depreciation (net of non-cash income)	—	40,642,890	209,728	6,525,580	(223,126)	21,074,692	62,560	(208,272)	68,084,052

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

For the year ended 31 March 2013

Particulars	Debt and equity market operations	Corporate finance and advisory fee	Broking activities	Financial activities	Commodity broking operation	Insurance broking operation	Others	Unallocable	Total
Segment Revenue									
Segment Revenue	13,334,143	223,719,779	189,833,846	38,931,200	19,804,660	530,835,928	645,620	—	1,017,105,176
Segment Results									
Segment Results	(14,223,931)	76,554,749	19,958,191	37,613,554	1,389,235	101,345,970	(160,992)	—	222,476,776
Less : Unallocable expenses (net)	—	—	—	—	—	—	—	95,540,398	95,540,398
Less : Interest expenses	9,025,995	—	732,025	2,353	142,203	546,438	34,316	30,206,088	40,689,418
Profit / (Loss) before tax	(23,249,926)	76,554,749	19,226,166	37,611,201	1,247,032	100,799,532	(195,308)	(125,746,486)	86,246,960
Less : Provision for tax for the Year	—	—	—	—	76,624	25,583,329	91,991	742,747	26,494,691
Less : Prior period tax	—	—	—	—	(107,492)	2,996,211	—	—	2,888,719
Net Profit / (Loss) after tax	(23,249,926)	76,554,749	19,226,166	37,611,201	1,277,900	72,219,992	(287,299)	(126,489,233)	56,863,550
Other Information									
Segmental assets	382,510,869	76,411,232	349,512,608	267,359,666	44,424,770	219,849,361	7,063,888	563,130,983	1,910,263,377
Segmental liabilities	185,459,139	10,438,736	98,224,622	1,659,686	32,688,047	81,108,640	1,548,314	245,693,478	656,820,662
Capital expenditure	—	—	1,727,919	—	—	5,614,413	6,230,869	7,600,349	21,173,550
Depreciation	114,549	114,549	2,076,412	—	287,603	1,661,082	70,747	20,949,737	25,274,679
Non cash expenditure other than depreciation (net of non-cash income)	—	20,571,358	3,401,944	—	(110,585)	21,074,692	—	6,745,869	51,683,278

Notes :

(I) **Business Segments:** The entity's business segments have been classified as above. This business segregation forms the basis for review of operating performance by the management. The following are the business segments identified by the management :

- **Debt and equity market operations** comprises dealing/trading in securities and bonds which involves exposure to market risk.
- **Corporate finance and advisory** comprises merchant banking, underwriting commission, corporate and infrastructure advisory and loan syndication fees and arranger of debts/bonds, etc. These are mainly in the nature of services involving no or negligible risk.
- **Broking activities** comprises stock and share broking on National Stock Exchange of India Limited and Bombay Stock Exchange Limited and other related ancillary services and comprises broking and commission of mutual funds, equity initial public offerings, capital gain bonds, fixed deposits of government undertakings and RBI taxable bonds, etc. These are mainly in the nature of services involving no or negligible risk and Real Estate broking activities.
- **Commodity broking** operations primarily involves facilitating trades by customers in the various commodity exchanges in the country.

Notes to the Consolidated Financial Statements (Contd.)

(Amounts in Indian rupees)

- **Financial activities** comprises granting of loans.
- **Insurance broking operations** involve facilitating customer in obtaining insurance policies from insurance companies.
- **Others** involves the business which are not reportable segment during the year, which mainly comprises of healthcare services.

(II) The shareholders of the Company approved transfer or otherwise disposal of the company's undertakings comprising debt arrangement operations, portfolio management services and wholesale debt market operations to Almondz Finanz Limited, a 100% subsidiary of the company. However, the procedural formalities for implementing the approval granted by the shareholders have not yet been finalised. The Board has decided not to proceed further in the matter for the time being.

(III) Accounting policies for segment reporting :

- Segments are identified by the management, keeping in view the dominant source and nature of risks and returns and the internal organisation and management structure.
- Revenue and expenses have been identified to a segment on the basis of relationship to the operating activities of the segment.
- Revenue and expenses, which relate to the company as a whole and are not allocable to a segment on reasonable basis, have been disclosed as 'unallocable'.
- Segment assets and liabilities represent assets and liabilities in respective segments. Tax related assets, and other assets and liabilities that are not reported or cannot be allocated to a segment on a reasonable basis, have been disclosed as 'unallocable'.

2.34 Operating lease obligations

The group has taken various office premises on operating lease. The total of the future minimum lease payments under non-cancellable operating lease are as follows :

Particulars	For the year ended	
	31 March 2014	31 March 2013
Lease payments for the year	45,526,763	52,866,283
Minimum Lease payments due :		
Not later than one year	14,200,716	16,321,081
Later than one year but not later than five years	22,506,312	30,447,275
Later than five years	9,76,800	1,932,598

As per our report of even date attached.

For AVK & Associates

Chartered Accountants

Firm Registration No. 002638N

For and on behalf of the Board of Directors of **Almondz Global Securities Limited**

Parul Gupta

Partner

Membership No. : 095539

Date : 27 May, 2014

Place : New Delhi

Ajay Pratap

Company Secretary

Date : 27 May, 2014

Place : New Delhi

Govind Prasad Agrawal

Chief Finance Officer

Vinay Mehta

Managing Director

DIN : 00244542

Jagdeep Singh

Wholesale Director

DIN : 00008348

ALMONDZ GLOBAL SECURITIES LIMITED
(Consolidated financial statements) Financial year ended 31 March 2014

Details of Subsidiary Companies pursuant to approval obtained u/s 212(8) of the Companies Act, 1956

(Currency : Indian rupees in lacs)

Name of the Subsidiary Company	Almondz Commodities Private Limited	Almondz Finanz Limited	Almondz Wealth Advisors Limited (Formerly Almondz Retail Equity Limited)	Skiffle Healthcare Services Limited	Almondz Global Infra- Consultant Limited
Total issued Equity Share Capital of the Subsidiary Company	175.00	2,000.00	5.00	10.00	5.00
Reserves of the Subsidiary	(70.12)	234.89	9.78	(68.28)	(0.43)
Total Assets of the Subsidiary	1,660.26	6,721.59	46.76	246.88	4.74
Total Liabilities of the Subsidiary	1,555.38	4,486.70	31.98	305.16	0.17
Investments (other than in subsidiary companies)	—	780.53	—	—	—
Total Turnover	83.46	841.98	35.27	77.62	—
Profit / (Loss) before taxation	(12.10)	85.46	13.64	(63.11)	(0.43)
Provision for taxation (including Deferred Tax)	(0.39)	79.68	4.26	(0.92)	—
Profit / (Loss) after taxation	(12.49)	5.78	9.38	(62.19)	(0.43)
Proposed dividend	—	—	—	—	—

For and on behalf of the Board of Directors of **Almondz Global Securities Limited**

Place : New Delhi
Date : 27 May, 2014

Ajay Pratap
Company Secretary

Govind Prasad Agrawal
Chief Financial Officer

Vinay Mehta
Managing Director
DIN : 00244542

Jagdeep Singh
Wholesale Director
DIN : 00008348

ALMONDZ GLOBAL SECURITIES LIMITED

Corporate Identity Number (CIN) : L74899DL1994PLC059839

Regd. Office : 2nd Floor, 3, Scindia House, Janpath, New Delhi - 110 001

Tel : 011-41514665; Website : www.almondz.com; email id : delhi@almondz.com

BALLOT FORM

1. Name (s) of Shareholder(s) / Beneficial Owner :
including joint-holders, if any

2. Registered Address of the Sole / :
First named Shareholder

3. Registered Folio No. / Client ID No. :

4. No. of Shares held :

5. I/we hereby exercise my/our vote in respect of the Resolution/s to be passed through Postal Ballot for the business stated in the Notice of the Company by sending my/our assent/dissent to the said Resolution/s by placing Tick (✓) mark at the appropriate box below :

S. No.	Resolution Type	Particulars	I / We assent to the Resolution / s	I / We dissent to the Resolution / s
1.	Ordinary Resolution	Adoption of Financial Results & other Reports of the Company		
2.	Ordinary Resolution	Appointment of Mr. Sanjay Kumar Tiwari as an Independent Director of the Company		
3.	Ordinary Resolution	Appointment of M/s. AVK & Associates as Statutory Auditors of the Company pursuant to the provisions of Section 139 of the Companies Act, 2013		
4.	Ordinary Resolution	Appointment of Mr. Atul Kumar Shukla as an Independent Director of the Company pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013		
5.	Ordinary Resolution	Appointment of Mr. Surender Kumar Sood as an Independent Director of the Company pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013		
6.	Ordinary Resolution	Appointment of Mr. Krishan Lall Khetarpaul as an Independent Director of the Company pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013		
7.	Special Resolution	Appointment of Mr. Navjeet Singh Sobti as Vice Chairman and Managing Director of the Company pursuant to the provisions of Sections 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013		
8.	Special Resolution	Appointment of Mr. Jagdeep Singh as Wholetime Director of the Company pursuant to the provisions of Sections 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013		
9.	Ordinary Resolution	Appointment of Mrs. Neelu Jain as an Independent Director of the Company pursuant to the Companies Act, 2013		
10.	Special Resolution	Authorizing & giving Powers to the Board with regard to enter into contracts for sale of property of the Company under Section 188 of the Companies Act, 2013		
11.	Special Resolution	Authorizing & giving Powers to the Board with regard to enter into contracts with related parties pursuant to the provisions of the Companies Act, 2013		

Place :

Date :

Signature of the Shareholder / Beneficial Owner

TEAR HERE

PROXY FORM
ALMONDZ GLOBAL SECURITIES LIMITED

Corporate Identity Number (CIN) : L74899DL1994PLC059839

Regd. Office : 2nd Floor, 3, Scindia House, Janpath, New Delhi - 110 001
Tel : 011-41514665; Website : www.almondz.com; email id : delhi@almondz.com

Name of the Member(s) :
Address of the Member :
E-mail ID :
Client ID No./Regd. Folio No.* :
DP ID No. :

* Applicable for investors holding shares in physical form.

I / We being a Member / Members of _____ shares of the above named Company hereby appoint

1. Name _____ Address _____
E-mail ID _____ Signature _____ or failing him / her

2. Name _____ Address _____
E-mail ID _____ Signature _____ or failing him / her

3. Name _____ Address _____
E-mail ID _____ Signature _____ or failing him / her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 20th Annual General Meeting of the Company, to be held on Monday, the 29th day of September, 2014 at 11.00 A.M. at M. P. C. U. Shah Auditorium, Shree Delhi Gujarati Samaj (Regd.), 2, Raj Niwas Marg, Civil Lines, Delhi - 110 054 and at any adjournment thereof in respect of such resolutions as are indicated below :

Item No.	Resolution	For	Against
1.	Adoption of Annual Financial Results and other Reports of the Company		
2.	Appointment of Mr. Sanjay Kumar Tiwari as an Independent Director of the Company		
3.	Appointment of M/s AVK Associates as Statutory Auditors of the Company		
4.	Appointment of Mr. Atul Kumar Shukla, as an Independent Director of the Company		
5.	Appointment of Mr. Surender Kumar Sood as an Independent Director of the Company		
6.	Appointment of Mr. Krishan Lall Khetarpaul as an Independent Director of the Company		
7.	Appointment of Mr. Navjeet Singh Sobti as Vice Chairman & Managing Director of the Company		
8.	Appointment of Mr. Jagdeep Singh as Wholetime Director of the Company		
9.	Appointment of Mrs. Neelu Jain as an Independent Director of the Company		
10.	Authorizing & giving Powers to the Board with regard to enter in to contract for sale of property		
11.	Authorizing & giving Powers to the Board with regard to enter into contracts with related parties		

Signed this _____ day of _____ 2014.

Signature of Shareholder _____

Signature of Proxy _____

Affix a
Re. 1/-
Revenue
Stamp

NOTE : (i) this form of proxy in order to be effective should be duly completed and deposited at Registered office of the Company, not less than 48 hours before the commencement of the Meeting.

(ii) Please complete all details including all details of Member(s) in above box before submission

-----TEAR HERE-----

ALMONDZ GLOBAL SECURITIES LIMITED

Corporate Identity Number (CIN) : L74899DL1994PLC059839

Regd. Office : 2nd Floor, 3, Scindia House, Janpath, New Delhi - 110 001
Tel : 011-41514665; Website : www.almondz.com; email id : delhi@almondz.com

ATTENDANCE SLIP

I hereby record my presence at the 20th ANNUAL GENERAL MEETING of the Company held on Monday, the 29th day of September, 2014 at 11.00 A.M. at M. P. C. U. Shah Auditorium, Shree Delhi Gujarati Samaj (Regd.), 2, Raj Niwas Marg, Civil Lines, Delhi - 110 054

Name of the Member / Proxy _____
(in block letters)

Please (ü) in the Appropriate Box ☐ Member ☐ Proxy

CLIENT ID No.		No. of Shares		
DP ID No.		Regd. Folio No. *		
				(Signature of the Member / Proxy)

* Applicable for investor holding shares in physical form.