



# Adcon Capital Services Limited



Annual Report 2012 - 2013



<b>Board of Directors</b>	:	<b>Mr. Sanjay Minda</b> <b>Mr. Sawan Jajoo</b> <b>Mr. Manjit Jajoo</b>
<b>Bankers</b>	:	<b>ING Vyasya Bank</b>
<b>Auditors</b>	:	<b>M/s. Gupta Saharia &amp; Co.</b> (Chartered Accountant)
<b>Registered Office</b>	:	417, Chetak Centre NX, 4th Floor, Near Hotel Shree Maya, RNT Marg, Indore - 452 001, (M.P.)

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**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 19<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF ADCON CAPITAL SERVICES LIMITED WILL BE HELD ON 10<sup>TH</sup>, SEPTEMBER, 2013 AT 2.00 P.M. AT ITS REGISTERED OFFICE AT 417, CHETAK CENTRE NX, NEAR HOTEL SHREEMAYA, R.N.T. MARG, IN DORE TO TRANSACT THE FOLLOWING BUSINESS:**

**ORDINARY BUSINESS**

- 1.** To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2013, the Profit and Loss Account for the year ended as on that date together with the Auditors and Directors reports thereon.
- 2.** To appoint a Director in place of Mr. Manjit Jajoo, who retires by rotation and being eligible, offers himself for reappointment.
- 3.** **“RESOLVED THAT** M/s Gupta Saharia & Co., Chartered Accountants, (firm Reg. No. 103446W) be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting on such remuneration as shall be fixed by the Board of Directors.”

By order of the Board  
For **Adcon Capital Services Limited**

Place: Mumbai  
Date: 6<sup>th</sup> August, 2013

Sd/-  
Sanjay Minda  
Director

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The proxies to be effective should be deposited at the Registered Office of the Company not less than Forty Eight (48) hours before the commencement of the meeting and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have any right to speak at the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 2<sup>nd</sup> September, 2013 to Monday, 9<sup>th</sup> September, 2013 (both days inclusive).
4. Members desirous of marking nomination in terms of Section 109A of the Act, 1956 in respect of their shareholding may approach the share department of the company.
5. Details required under listing agreement with the stock exchanges in respect of Directors seeking re-appointment at this AGM, is stated herein below.

By order of the Board  
For **Adcon Capital Services Limited**

Sd/ -  
Sanjay Minda  
Director

Place: Mumbai  
Date: 6<sup>th</sup> August, 2013

**Details of Director seeking appointment / reappointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreements entered into with the Stock Exchanges)**

<b>Name of the Director</b>	Mr. Manjit Jajoo
<b>Date of Birth</b>	27.08.1985
<b>Relationship with other Directors Interse</b>	He is related to Mr. Sawan Kumar Jajoo
<b>Date of Appointment</b>	02.12.2010
<b>Expertise in specific functional area</b>	Capital Market and Finance
<b>Qualification</b>	B.Com.
<b>No. of Equity Shares held in the Company</b>	Nil
<b>Directorship in other Indian Public Limited Companies as on 31.3.2013</b>	2
<b>Chairmanship / Membership of Committees in other Indian Public Limited Companies as on 31.3.2013</b>	Nil

**DIRECTORS' REPORT****To the Shareholders,**

Your Directors take pleasure in presenting the 19<sup>th</sup> Annual Report of and the audited accounts of the Company for the year ended 31<sup>st</sup> March 2013.

**FINANCIAL RESULTS :**

The performance of the Company for the financial year ended 31<sup>st</sup> March 2013 is summarized below:

PARTICULARS	(Rs. in Lacs)	
	2012-13	2011 – 12
Total Income	10.37	9.27
Total Expenditure	4.35	6.97
Profit Before Tax	6.02	2.30
Profit After Tax	4.30	1.50

**RESULTS OF OPERATIONS :**

Total revenue of the Company for the financial year is Rs.10,36,790/- (Rupees Ten Lacs Thirty Six Thousand Seven Hundred Ninety Only) as compare to Rs.9,26,835/- (Rupees Nine Lacs Twenty Six Thousand Eight Hundred Thirty Five Only) in the corresponding previous year and the Company has achieved a net profit of Rs.4,29,969/- (Rupees Four Lacs Twenty Nine Lacs Nine Hundred Sixty Nine Only) as compared to Rs.1,50,161/- (Rupees One Lacs Fifty Thousand One Hundred Sixty One Only) in the corresponding previous year.

**DIVIDEND:**

In order to conserve the reserves to meet the needs of increased operation of the Company, the Board of Directors has decided not to declare dividend for the year.

**FIXED DEPOSITS:**

Your Company has not accepted any fixed deposits from the public and is therefore not required to furnish information in respect of outstanding deposits under Non-Banking Financial Companies (Reserve bank) Directions, 1966 and Companies (Acceptance of Deposits) Rules, 1975.

**BOARD OF DIRECTORS:****Composition:**

The Board of the Company comprises of three Directors.

**Retirement by Rotation:**

In accordance with the requirements of the Companies Act, 1956 and provisions of the Articles of Association of the Company, Mr. Manjit Jajoo, retire by rotation and being eligible, offer himself for reappointment.

**CORPORATE GOVERNANCE**

A Report on Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange is annexed to this Report alongwith the requisite Certificate from the Auditors of the Company M/s. Gupta Saharia & Co., regarding compliance with the conditions of Corporate Governance.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. that in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
3. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the Directors had prepared the annual accounts for the year under review, on a 'going concern' basis.

**AUDITORS**

M/s. Gupta Saharia & Co., Chartered Accountants, the Auditors of the Company, retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

**COMPLIANCE CERTIFICATE**

A Compliance Certificate from Company Secretary in Practice Pursuant of section 383A of the Companies 1956, is enclosed herewith.

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION:**

Considering the nature of the Business of your Company there are no particulars which are required to be furnished in this report relating to conservation of energy and technology absorption.

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Foreign Exchange earnings and outgo of the Company during the year under review amounted to Rs. Nil.

**PARTICULARS OF EMPLOYEES**

There are no employees whose details are required to be given in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 (the Act), read with the Companies (Particulars of Employees) Rules, 1975.

**ACKNOWLEDGEMENTS**

The Directors thank the Company's customers, vendors, investors, business associates and bankers for the support to the Company. The Directors also thank the Government, Statutory and Regulatory authorities and appreciate and value the contributions made by every employee of the Company.

For and on behalf of the Board of Directors

Sd/-  
Sanjay Minda  
Director

Place: Mumbai  
Date: 30<sup>th</sup> May, 2013

***Shreyans Jain & Co.***

Company Secretaries

**COMPLIANCE CERTIFICATE**

Company Identification Number : U67120MP1994PLC008511  
 Authorised Capital : Rs.40,000,000.00  
 Paid-up Capital : Rs.35,511,000.00

To,  
 The Members  
 Adcon Capital Services Limited,  
 417, Chetak Centre NX, 4<sup>th</sup> Floor,  
 Near Hotel Shreemaya, RNT Marg,  
 Indore - 452001 Madhya Pradesh

I have examined the registers, records, books and papers of ADCON CAPITAL SERVICES LIMITED (herein after “the Company”) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March, 2013. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year.

<b>1.</b>	The Company has kept and maintained all registers as stated in <b>Annexure ‘A’</b> to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
<b>2.</b>	The Company has duly filed the forms and returns as stated in <b>Annexure ‘B’</b> to this certificate, with the Registrar of Companies, Regional Director, Central Government and Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
<b>3.</b>	The Company being public limited Company, our comments are not required.
<b>4.</b>	The Board of Directors duly met six times on 15.05.2012; 20.06.2012; 13.08.2012; 25.09.2012; 07.11.2012; and 14.02.2013, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
<b>5.</b>	The Company closed its Register of Members from 14.09.2012 to 25.09.2012 (both days inclusive) during the year under review.

<b>6.</b>	The Annual General Meeting for the financial year ended on 31 <sup>st</sup> March, 2012 was held on 25.09.2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
<b>7.</b>	No Extra Ordinary General Meeting was held of the Company during the financial year ending 31 <sup>st</sup> March, 2013.
<b>8.</b>	The Company has not advanced loan to its directors and / or persons or firms or companies referred in the Section 295 of the Act.
<b>9.</b>	The Company has duly complied with the provisions of Section 297 of the Act in respect of contracts specified therein, wherever required.
<b>10.</b>	The Company has made necessary entries in the register maintained under Section 301 of the Act, wherever required.
<b>11.</b>	The Company was not required obtain any approvals from the Board of Directors, members and previous approval of the Central Government pursuant to Section 314 of the Act during the financial year.
<b>12.</b>	During the year the Company was not required to issue duplicate share certificates.
<b>13.</b>	<p>The Company:</p> <ul style="list-style-type: none"> <li><b>i.</b> has not made any allotment and has not issued the share certificates on allotment of securities, however has issued the share certificates on lodgment thereof for transfer or any other purpose in accordance with the provisions of the Act.</li> <li><b>ii.</b> has not declared any dividend during the financial year and hence no separate Bank Account was opened.</li> <li><b>iii.</b> was not required to post warrants to any members of the Company as no dividend was declared during the financial year;</li> <li><b>iv.</b> was not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as there was no such instance;</li> <li><b>v.</b> has duly complied with the requirements of Section 217 of the Act.</li> </ul>
<b>14.</b>	The Board of Directors of the Company is duly constituted and during the year appointments of directors have been duly made and no appointment of additional directors, alternate directors and directors to fill casual vacancies have been made.



<b>15.</b>	There are no appointments of Managing Director / Whole-time Director / Manager during the year under review.
<b>16.</b>	No appointment of sole-selling agents was made during the year under review.
<b>17.</b>	The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.
<b>18.</b>	The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
<b>19.</b>	The Company has not issued shares / debentures / other securities during the financial year and complied with the provisions of the Act.
<b>20.</b>	The Company has not bought back shares during the financial year ending under review.
<b>21.</b>	The Company does not have preference shares / debentures and hence their question of redemption does not arise.
<b>22.</b>	The Company was not required to kept in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares during the period under review.
<b>23.</b>	The Company has not invited or accepted any deposits including unsecured loans falling with the provisions of sections 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975.
<b>24.</b>	The Company has not made any Borrowings during the year.
<b>25.</b>	The Company's principle business is of acquisition of shares, stocks, debentures etc and therefore the provisions of Section 372A the Act are not applicable.
<b>26.</b>	The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
<b>27.</b>	The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
<b>28.</b>	The Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.

<b>29.</b>	The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny and complied with the provisions of the Act.
<b>30.</b>	The Company has not altered its articles of association.
<b>31.</b>	There are no prosecution initiated against or show cause notices received by the Company under the Act during the year under review.
<b>32.</b>	The Company has not received any amount as security from its employees during the year under certification.
<b>33.</b>	The Company has not constituted a separate Provident Fund trust for its employees as contemplated in Section 418 of the Act, and therefore it's not applicable to the Company.

For **Shreyans Jain & Co.**  
Company Secretaries

Sd/-  
Shreyans Jain  
(Proprietor)  
ACS No. 18839  
C.P. No. 9801

Place: Mumbai  
Date: 30<sup>th</sup> May, 2013

**ANNEXURE – A****Registers as maintained by the Company:**

- I. Register of Members u/s 150 of the Act and Register of Share.
- II. Books of Accounts u/s 209 of the Act.
- III. Register of Particulars of Contracts in which Directors are interested under Section 301 (3) of the Act.
- IV. Register of Directors, Managing Director, Manager & Secretary u/s 303 of the Act.
- V. Register of Directors' Shareholding u/s 307 of the Act.
- VI. Minutes Book of Meetings of Members and Board of Directors u/s 193, of the Act.
- VII. Register of Directors Attendance in Board Meetings.
- VIII. Register of Investments.

**ANNEXURE – B**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31<sup>st</sup> March, 2013.

<b>Sr. No.</b>	<b>Forms / Returns</b>	<b>Filed u/s of the Act</b>	<b>Purpose</b>	<b>SRN &amp; Date of Filing</b>	<b>Remark</b>
1.	eform66	383A	Submission of Compliance Certificate for the year 31.3.2012.	SRN- P89791560; Dated-10.10.2012	-
2.	eform23AC & eform23ACA	220	Annual Accounts in respect of Financial year ended 31.3.2012	SRN- P91565309; Dated-22.10.2012	-

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**REPORT ON CORPORATE GOVERNANCE FOR THE F.Y. 2012 – 13**

**1. COMPANY’S PHILOSOPHY:**

The Company believes that good corporate governance is a synonym for sound management, transparency and disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a Company to take sound decisions, thus maximizing long-term stakeholder value without compromising on integrity, social obligations and regulatory compliances. The Company’s philosophy on Corporate Governance finds its roots in ethical governance practices. This philosophy has been sought to be strengthened through the Code of Conduct, the Whistle Blower Policy and the Code for Prevention of Insider Trading which have been adopted. The Company will continue to focus its energies and resources in creating and safeguarding of shareholders’ wealth and, at the same time, protect the interests of all its stakeholders.

**2. BOARD OF DIRECTORS:**

**2.1 Composition:**

The Board of Directors as on 31<sup>st</sup> March, 2013 comprises of Three Directors, of which all are Non-Executive who brings in a wide range of skills and experience to the Board.

During the year Six Board Meetings were held and the gap between two meetings did not exceed four months. The dates were: 15.05.2012; 20.06.2012; 13.08.2012; 25.09.2012; 07.11.2012 and 14.02.2013

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The information as required under Annexure IA to Clause 49 is being made available to the Board.

**2.2 Composition of Board and attendance record:**

Name of Director	Category of Directorship	Attendance at		No. of other Directorships and other Committee Memberships / Chairmanship		
		Board Meetings	Last AGM	Other Directorships #	Committee Memberships ##	Committee Chairmanships
Mr. Sanjay Minda	Non- Executive	6	Yes	2	-	-
Mr. Sawan Jajoo	Non-Executive	6	Yes	-	-	-
Mr. Manjit Jajoo	Non-Executive	6	Yes	2	-	-

# Alternate Directorships and directorships in private companies, foreign companies and Section 25 Companies are excluded.

## Represents Memberships / Chairmanships of Audit Committee and Shareholders’ / Investors’ Grievance Committee.

**3. AUDIT COMMITTEE:**

The Board constituted an Audit Committee consisting of 3 Directors. All members of Audit Committee are financially literate and 2 Directors out of 3 has financial management expertise as required for member of Audit Committee as stipulated in Clause 49 of the Listing Agreement. The Details of Audit

Committee meetings held during the financial year ended March 2013 and the attendance of the Audit Committee Members are as under:

<b>Name of Directors</b>	<b>No. of Meetings Attended</b>
Mr. Sanjay Minda	4
Mr. Sawan Jajoo	4
Mr. Manjit Jajoo	4

The broad terms and reference of Audit Committee are to review the financial statements before submission to Board, to review reports of the Auditors and Internal Audit department and to review the weaknesses in internal controls, if any, reported by Internal and Statutory Auditors etc. In addition, the powers and role of the Audit Committee are as laid down under Clause 49 II C & D of the Listing Agreement entered with the Stock Exchanges and Section 292A of the Companies Act, 1956.

#### **4. REMUNERATION COMMITTEE:**

This is a non-mandatory requirement. The Company has constituted a Remuneration Committee to decide and fix payment of remuneration and sitting fees to the Directors of the Company.

The Remuneration Committee consists of all three directors and the Chairman of the committee is Mr. Sanjay Minda. One meeting of the committee held during the year under review.

#### **5. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE:**

The said committee comprises of all three Directors under the chairmanship of Mr. Manjit Jajoo. There are 4 meetings during the year.

The Committee has delegated the authority to an officer of the Company who attends to share transfer formalities at least once in a fortnight.

#### **Terms of reference: -**

To look into the redressal of the share holders complaints in respect of any matter including transfer of shares ,non receipt of annual report, non receipt of declared dividend etc.

**Compliance Officer:** Mr. Sanjay Minda is the Compliance Officer.

#### **6. ANNUAL GENERAL MEETINGS:**

The details of date, time and location of Annual General Meetings (AGM) held in previous three years are as under:

<b>AGM / EGM</b>	<b>DATE</b>	<b>TIME</b>	<b>VENUE</b>
2011-12 AGM	25.09.2012	11.30 AM	417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore (MP)- 452001
2010-11 AGM	30.09.2011	11.00 AM	417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore (MP)- 452001
2009-10 AGM	30.06.2010	11.00 AM	417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore (MP)-452001

There are no Special Resolutions passed in the previous three Annual General Meetings.

No Court-convened Meetings were held during the last three years.

**7. DISCLOSURES:**

- 1.1 There were no materially significant related party transactions i.e. transaction of the Company of material nature with its Promoters, Directors or the Management or their relatives etc. that would conflict with the interests of the Company.
- 1.2 The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India and there are no statutory audit qualifications in this regard.

**8. MEANS OF COMMUNICATION:**

- a). The quarterly un-audited financial results are published in English and Vernacular newspapers. The half yearly report is not sent separately to the Shareholders. Annual Reports are sent to the shareholders at their registered address with the company.
- b). The Management Discussion and Analysis Report, in compliance with the requirements of Clause 49 of the Listing Agreement is annexed to the Directors' Report and forms part of this Annual Report being sent to all the members of the Company.

**9. GENERAL SHAREHOLDERS INFORMATION:****(a) ANNUAL GENERAL MEETING**

- Date and Time** : Tuesday, 10<sup>th</sup> September, 2013 at 02:00 PM
- Venue** : 417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore (MP)-452001
- Dates of Book Closure** : Monday, 2<sup>nd</sup> September, 2013 To Monday, 9<sup>th</sup> September, 2013

**(b) FINANCIAL CALENDAR 2013-14 (TENTATIVE):**

- First quarterly results : August, 2013
- Second quarterly results : November, 2013
- Third quarterly results : February, 2014
- Annual results for the year ending on 31.03.2014 : May, 2014
- Annual General Meeting for the year 2014 : around July, 2014

**(c) LISTING ON STOCK EXCHANGES:**

The Company's Equity Shares are listed on the Madhya Pradesh Stock Exchange Ltd., Indore (MP).

The Company has paid Annual Listing Fees as applicable, to the MPSE for the financial year 2013-14.

**(d) MARKET PRICE DATA :**

During the year ended 31-3-2013 the equity share have not been traded.

**(e) SHARE TRANSFER SYSTEM:**

The Company has a Share holders / Investors grievance Committee who looks after share transfer work by meeting at regular intervals depending upon the receipt of the shares for transfer.

**(f) CERTIFICATION WITH RESPECT TO FINANCIAL STATEMENT**

The Director of the Company has furnished a certificate to the Board of Directors of the Company with respect to accuracy of financial statements and adequacy of internal controls and compliance of Clause 49 as required under Clause 49 of the listing agreement.

**(g) Distribution of Shareholding:**

The distribution of shareholding as on 31<sup>st</sup> March, 2013 is given below:

Sr. No.	No of Equity Shares	No. of Shareholders	No. of Shares	% of Total shares
1.	1 - 5,000	5844	14,25,100	40.13
2.	5,001 - 10,000	12	77,650	2.19
3.	10,001 - 20,000	14	2,30,200	6.48
4.	20,001 - 30,000	9	2,08,700	5.88
5.	30,001 - 40,000	5	1,77,500	5.00
6.	40,001 - 50,000	5	2,50,000	7.04
7.	50,001 - 1,00,000	4	3,40,000	9.57
8.	1,00,001 & Above	7	8,41,950	23.71
	<b>Total</b>	<b>5,900</b>	<b>35,51,100</b>	<b>100.00</b>

**(h) Dematerialisation of Shares and Liquidity:**

The entire shareholding of the Company is in physical mode.

**(i) Registered Office:**

417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore (MP) – 452 001.

Designated exclusive e-mail id for Investor servicing: [adconcap@gmail.com](mailto:adconcap@gmail.com)

**10. CORPORATE ETHICS**

The Company adheres to the highest standards of business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings. A Code of Conduct for Board Members and a Code of Conduct for Prevention of Insider Trading as detailed below has been adopted pursuant to clause 49 (D) of the Listing Agreement & the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (as amended), respectively:

**a. Code of Conduct for Board Members:**

The Board of Directors of the Company adopted the Code of Conduct for its members. The Code highlights Corporate Governance as the cornerstone for sustained management performance, for serving all the stakeholders and for instilling pride of association.

**b. Declaration affirming compliance of Code of Conduct:**

The Company has received confirmations from the Directors regarding compliance of the Code of Conduct during the year under review.

**c. Code of Conduct for Prevention of Insider Trading:**

The Company has adopted the Code of Conduct for Prevention of Insider Trading for its Management and Directors. The Code lays down guidelines and procedures to be followed and disclosures to be made by directors, top level executives and staff whilst dealing in shares. Mr. Sanjay Minda has been appointed as the Compliance Officer and is responsible for adherence to the Code.

**d. Compliance Certificate by Auditors:**

The Company has obtained a certificate from the Statutory Auditors regarding compliance of conditions of corporate governance as stipulated in clause 49, which is annexed herewith.

AS PROVIDED UNDER CLAUSE 49 OF THE LISTING AGREEMENT, THE BOARD MEMBERS HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT FOR THE YEAR ENDED 31.03.2013.

By order of the Board  
For **Adcon Capital Services Limited**

Place: Mumbai  
Date: 30.05.2013

Sd/-  
Sanjay Minda  
Director



**AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE:**

We have examined the compliance of the conditions of Corporate Governance by Adcon Capital Services Limited for the year ended 31<sup>st</sup> March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the 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 M/s Gupta Saharia & Co.**  
**Chartered Accountants**

**Sd/-**  
**(S.S. Rathi)**  
**Partner**

Membership No.: 73373  
Firm Reg. No. 103446W

Place: Mumbai  
Date: 30.05.2013

**MANAGEMENT DISCUSSION AND ANALYSIS**

The Company is in the business of financial activity. The key issues of the Management Discussion and Analysis are given below.

**(a) Industry Structure and Developments:**

The Company is engaged in Merchant Banking, Investments, Finance and Leasing activities and derives its revenue from said activities.

The fortune of the Finance industry is expected to be positive across the emerging markets economies and to a large extent, linked to the growth of the Country. The proposed infrastructure spending by the Government will give an opportunity to the Companies across Financial Service industry to perform in the coming years.

**(b) Strength:**

The strength of the Company is known from its reputation which the Company has earned over a decade and its cordial relation with its clients and presently the Company's financial position is improving on account of positive sentiments in capital market activities.

**(c) Comment on Current year's performance**

The management of the Company is considering various options to review the business activities of the Company and is hopeful to achieve the future objectives.

**(d) Opportunities and Threats**

The confidence in the security situation and the stability of the country has created a positive macroeconomic environment. Economic development is expected in all areas of the country.

The existing high competition could lead to the lowering of profit margins, and a reduction in market share. The new regulations relevant to capital adequacy and liquidity may create pressure on profit margins. Special attention is paid to customer retention, and attracting new customers, leading to high advertising and promotional costs. Policies are implemented in order to take required action, with regard to the identified threats.

**(e) Segment wise performance**

The business of the Company falls under a single segment i.e. Merchant Banking, Investments, and Related Financial activities for the purpose of Accounting Standard AS-17.

**(f) Outlook**

The continual growth in the financial service sector is expected to give the necessary support to the Finance industry. The Company is making all efforts to accelerate growth of its business activities. It expects to improve its position in the market by focusing on technologically advanced and more profitable products / market segments and working aggressively in the areas of productivity, efficiency and cost reductions.

**(g) Risk and concerns**

The negative growth in western countries and slow recovery of United States of America coupled with slowdown in European Countries are major cause of concern of growth.

**(h) Internal control system**

Internal audit and other controls have been found to be adequate. These are reviewed periodically by the Audit Committee and found the performance satisfactory.

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**GUPTA SAHARIA & CO.**  
**Chartered Accountants**

**AUDITOR'S REPORT**

To the Members,  
Adcon Capital Services Limited

**Report on the Financial Statements**

We have audited the attached Balance Sheet of ADCON CAPITAL SERVICES LIMITED as at 31st March, 2013 and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

**Managements Responsibility for the Financial Statements**

Management is responsible for the 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 principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure selected depends on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statement, 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us the said accounts together with notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- i. in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- ii. in the case of Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
- iii. in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

**Further and subject to our comments in the Annexure referred to in paragraph above, we report that:**

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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 Account and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956, in so far as they apply to the Company;
- (e) On the basis of written representations received from the Directors, as on 31<sup>st</sup> March, 2013, and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31<sup>st</sup> March, 2013 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For M/s Gupta Saharia & Co.  
Chartered Accountants**

Sd/-  
**(S.S. Rathi)**  
**Partner**

Membership No.: 73373  
Firm Reg. No. 103446W

Place: Mumbai  
Date: 30.05.2013

**ANNEXURE TO THE AUDITORS' REPORT ON THE ACCOUNTS FOR THE YEAR ENDED  
31<sup>ST</sup> MARCH, 2013 OF ADCON CAPITAL SERVICES LIMITED**

(Referred to in paragraph 1 thereof)

1. In respect of Fixed Assets:
  - a) The Company has maintained proper records showing full particulars including Quantitative details and situation of fixed assets.
  - b) The Fixed Assets have been physically verified by the management according to are regular programme of periodic verification in a phased manner which in our opinion is reasonable having regard to the size of the company and nature of fixed assets. The discrepancies notices on such physical verification were not material and not provided for in the books of accounts of the Company.
  - c) In our opinion and according to the information and explanations given to us, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. The Company's nature of operation does not require it to hold the inventories and hence the clause II of the order is not applicable.
3. In respect of loans, secured or unsecured, granted or taken by the Company to / from Companies, or other parties covered in the register maintained under Section 301 of the Companies Act, 1956;
  - a) The Company has not granted any loans to other companies during the year.
  - b) Since the Company has not granted loans to other Companies, the question of Prima facie prejudicial rate of interest, repayment of Principal and interest, and overdue of loan does not arise.
  - c) The Company had taken loans from parties covered under Section 301 of the Act during the year.
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 with regards to services provided. During the course of our audit, no major weakness has been noticed in the internal control system of the Company.
5. In our opinion, there are no transactions that need to be entered into the register maintained under Section 301 of the Act.
6. In our opinion and explanation given to us ,during the year the Company has not accepted any deposits to which provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 framed there under would apply.
7. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its Business.
8. The Central Government has not prescribed maintenance of cost records under sub-section (1)(d) of Section 209 of the companies Act, 1956 for any of the products of the Company.

9. According to the information and explanation given to us, there are no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Custom Duty, Service Tax, Investor Education and Protection Fund, Excise Duty, Cess and any other statutory dues as at 31<sup>st</sup> March 2013.
10. The Company has accumulated losses at the end of the financial year and also in the immediately preceding financial year and it has not incurred cash losses in the current financial year as well as in the immediately preceding financial year.
11. The Company has neither taken any loan from banks and financial institutions nor issued any debentures.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (viii) of the companies (Auditors Report) order, 2003 are not applicable to the Company.
14. The Company has maintained proper records of transaction and contracts in respect of Investments in securities and timely entries have been made therein. All Investments at the close of the year have been held in name of the Company.
15. The Company has not given any guarantee for loans taken by others from bank or financial institutions.
16. The Company has not raised any term loans during the year.
17. The Company has not raised any funds on short-term basis during the year.
18. The Company has not made any preferential allotment of shares to parties or Companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures during the year.
20. During the year, the Company has not raised money by public issue(s).
21. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For M/s Gupta Saharia & Co.  
Chartered Accountants**

Sd/-  
**(S.S. Rathi)**  
**Partner**

Membership No.: 73373  
Firm Reg. No. 103446W

Date: 30.05.2013  
Place: Mumbai

**Balance Sheet as at March 31, 2013**

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2013		As at March 31, 2012	
<b>I Equity &amp; Liabilities</b>					
<b>1. Shareholders' funds</b>					
(a) Share Capital	2(I)	35,511,000		35,511,000	
(b) Reserves and Surplus	2(II)	(2,115,463)		(2,545,433)	
			33,395,537		32,965,567
<b>2. Non - Current Liabilities</b>					
(a) Deferred Tax Liabilities (Net)	2(III)	53,182		70,037	
			53,182		70,037
<b>3. Current Liabilities</b>					
(a) Other Current Liabilities	2(IV)	11,236		83,569	
(b) Short- Term Provisions	2(V)	186,739		171,077	
(c) Trade Payables	2(VI)	23		0	
			197,998		254,646
<b>TOTAL</b>			<b>33,646,717</b>		<b>33,290,250</b>
<b>II Assets</b>					
<b>1. Non - Current Assets</b>					
(a) Fixed Assets	2(VII)				
Tangible Assets		894,703		1,058,453	
			894,703		1,058,453
(b) Other Non Current Assets	2(VIII)	419,886		629,828	
			419,886		629,828
<b>2. Current Assets</b>					
(a) Trade Receivables	2(IX)	6		6	
(b) Cash and Bank Balances	2(X)	29,188		156,100	
(c) Short - Term Loans and Advances	2(XI)	14,460,486		15,083,200	
(d) Current Investments	2(XII)	17,772,002		16,211,216	
(e) Other Current Assets	2(XIII)	70,447		151,447	
			32,332,128		31,601,969
<b>TOTAL</b>			<b>33,646,717</b>		<b>33,290,250</b>

See accompanying notes to the financial statements, as under

Significant Accounting Policies & Notes on Accounts	1
Notes to the Balance Sheet	2

In terms of our report of even date

**For M/s. Gupta Saharia & Co.**

Chartered Accountants

Firm's Registration No. : 103446W

**For and on behalf of Board of Directors**

Sd/-  
**S.S. Rathi**  
 Partner  
**Membership No. : 73373**  
 Place : Mumbai  
 Date : 30th May, 2013

Sd/-  
**Sanjay Minda**  
 Director

Sd/-  
**Sawankumar Jajoo**  
 Director

**Statement of Profit and Loss for the year ended March 31, 2013**

(Amount in Rs.)

	Particulars	Note No.	For the year ended March 31, 2013		For the year ended March 31, 2012	
<b>I</b>	Gross Revenue from Operations	3(I)	939,465		926,835	
<b>II</b>	Other Income	3(II)	97,325		0	
<b>III</b>	<b>Total Revenue (I + II)</b>			1,036,790		926,835
<b>IV</b>	<b>Expenses</b>					
	Employee Benefits Expense	3(III)	0		180,000	
	Depreciation and Amortization Expense	3(IV)	163,750		183,613	
	Other Expense	3(V)	271,016		333,243	
	<b>Total Expense</b>			434,767		696,856
<b>V</b>	<b>Profit Before Tax (III-IV)</b>			602,023		229,979
<b>VI</b>	<b>Tax Expense:</b>					
	(a) Current Tax expense for Current Year		186,739		79,818	
	(b) Current Tax expense relating to Prior Year		2,170		0	
	(b) Deferred Tax		(16,855)		0	
				172,054		79,818
<b>VII</b>	<b>Profit for the Period (V-VI)</b>			<b>429,969</b>		<b>150,161</b>
<b>VIII</b>	<b>Earnings Per Equity Share (Face Value ₹ 10 Per Share):</b>	3(VI)				
	(1) Basic (₹)			0.12		0.04
	(2) Diluted (₹)			0.12		0.04

See accompanying notes to the financial statements, as under

Significant Accounting Policies & Notes on Accounts	1
Notes to Statement of Profit and Loss	3

In terms of our report of even date

**For Gupta Saharia & CO.**

Chartered Accountants

Firm's Registration No. : 103446W

**For and on behalf of Board of Directors**

Sd/-

**S.S. Rathi**

Partner

**Membership No. : 103446W**

Place : Mumbai

Date : 30th May, 2013

Sd/-

**Sanjay Minda**

Director

Sd/-

**Sawankumar Jajoo**

Director



**Cash Flow Statement for the year ended March 31, 2013**

(Amount in Rs.)

Particulars	For the year ended	For the year ended
	March 31, 2013	March 31, 2012
<b>A. Cash flow from Operating Activities</b>		
Net profit before taxation	602,023	229,979
<u>Adjustments for:</u>		
Preliminary Expenses	209,943	209,943
Depreciation	163,750	183,613
Taxes	(188,909)	(79,818)
<b>Operating profit before Working Capital changes</b>	<b>786,807</b>	<b>543,717</b>
<u>Changes in Working Capital</u>		
Trade and Other Receivables	0	3,737
Other Current Liabilities	(72,333)	30,039
Prepaid Rent	242	(24,200)
Deposits	2,937,472	750,000
Short Term Loans & Advances	0	15,023,992
Other Advances	(2,315,000)	0
Tax Provisions	15,662	79,818
T.D.S (Advance Income Tax )	81,000	(73,724)
Trade Payable	23	0
<b>Cash generated from operations</b>	<b>1,433,874</b>	<b>16,333,378</b>
Income Taxes (paid)/ refund	0	0
<b>Net cash inflow from/(outflow) from Operating Activities</b>	<b>1,433,874</b>	<b>16,333,378</b>
<b>B. Cash flow from Investing Activities</b>		
Purchase of Computer	0	(32,500)
Purchase of Investment	(1,560,786)	(16,211,216)
<b>Net cash inflow from/(outflow) from Investing Activities</b>	<b>(1,560,786)</b>	<b>(16,243,716)</b>
<b>C. Cash flow from Financing Activities</b>	<b>0</b>	<b>0</b>
<b>Net cash inflow from/(outflow) from Financing Activities</b>	<b>0</b>	<b>0</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents</b>	<b>(126912)</b>	<b>89663</b>
<b>Opening Cash and Cash Equivalents</b>	<b>156100</b>	<b>66438</b>
<b>Closing Cash and Cash Equivalents</b>	<b>29188</b>	<b>156100</b>

In terms of our report of even date

**For Gupta Saharia & CO**

Chartered Accountants

**Firm's Registration No. : 103446W**
**For and on behalf of Board of Directors**

Sd/-

**S.S. Rathi**

Partner

**Membership No. : 73373**

Place : Mumbai

Date : 30th May, 2013

Sd/-

**Sanjay Minda**

Director

Sd/-

**Sawankumar Jajoo**

Director

**NOTE: 1****SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2013****I. SIGNIFICANT ACCOUNTING POLICIES:****A. Corporate Information:**

Adcon Capital Services Limited (“the company”) is a NBFC Company domiciled in India and incorporated under the provisions of Companies Act, 1956 and Registered with RBI. The Company is presently operating in financial services viz. Capital market operations, corporate financing, Investment and trading, Project & management consultancy services of financing etc. The company is listed on Madhya Pradesh Stock Exchange (MPSE).

**B. Basis Of Preparation Of Financial Statement:**

The financial statements of the company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.

The financial statements have been prepared on accrual basis under historical cost convention and going concern basis. The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year.

**C. Inventories:**

The nature of business carried by the Company does not requires it to store inventories and such no comments are made for the valuation method of inventories.

**D. Tangible Assets And Depreciation:****a) Fixed Assets:**

Fixed Assets are stated at cost of acquisition including any attributable cost for bringing the assets to its working condition for its intended use, less accumulated depreciation and impairment losses , if any.

**b) Depreciation:**

Depreciation on fixed assets is provided on written down value method at the rates specified in Schedule ‘XIV’ of the Companies Act, 1956.

Depreciation on additions \ deletions to the fixed assets during the year is provided on pro-rata basis from \ to the date of such additions \ deletions as the case may be.

**E. Investments:**

Long Term Investments are valued at cost. Diminution in value if any, which is of a temporary nature, is not provided. However, the Company has no Long Term Investments.

Current Investments are carried at lower of cost or fair market value.

**F. Cash & Cash Equivalent:**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**G. Cash Flow Statement:**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**H. Employees Benefit Expenses:**

As per management's view none of the current employees shall complete their term of service of five years, hence actual valuation of gratuity is not done.

**I. Sundry Debtors and Receivables:**

Sundry Debtors and Loans and Advances are stated at the value if realized in the ordinary course of business. Irrecoverable amounts, if any are accounted and / or provided for as per management's judgment or only upon final settlement of accounts with the parties.

**J. Provisions, Contingent Liabilities and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**K. Taxes on Income:**

Provision for income tax is made on the basis of estimated taxable income for the year at current rates.

Current Tax represents the amount of income tax payable in respect of the taxable income for the reporting period as determined in accordance with the provisions of the income tax act, 1961.

Deferred tax is measured based on the tax rates and the tax laws enacted or subsequently enacted at the Balance sheet date. Deferred tax is recognized on timing differences, being the differences between the

taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off. Deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred assets can be realized. If the Company has carry forward unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidences that they can be realized against future taxable profits. Unrecognized deferred tax assets of earlier year are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

**L. Revenue recognition:**

- a) Revenue (Income) is recognized when no significant uncertainty as to measurability or collectability exists.
- b) Interest income is accounted for on an accrual basis. Dividend income is accounted for when the right to receive income is established.

**M. Miscellaneous Expenditure:**

Miscellaneous Expenditure / preliminary expenses comprising of share issue expenses are written off in five equal installments.

**Accompanying notes to the financial statements**  
as at March 31, 2013

**NOTE 2: Notes to the Balance Sheet**

**(I). SHARE CAPITAL**

**(a) Details of authorised, issued and subscribed share capital**

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
<b>Authorised Capital</b> 40,00,000 (P.Y. 40,00,000) Equity Shares of Rs. 10/- each	40,000,000	40,000,000
<b>Issued Capital</b> 35,51,100 (P.Y. 35,51,100) Equity Shares of Rs. 10/- each	35,511,000	35,511,000
<b>Subscribed and Paid up</b> 35,51,100 (P.Y. 35,51,100) Equity Share of Rs. 10/- each fully	35,511,000	35,511,000
<b>Total</b>	<b>35,511,000</b>	<b>35,511,000</b>

**(b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at March 31, 2013	As at March 31, 2012
<b>No. of shares at the beginning of the year</b>	3,551,100	3,551,100
Add: Issued during the year	0	0
<b>No. of shares at the end of the year</b>	<b>3,551,100</b>	<b>3,551,100</b>

**(c) As per shareholders register, there are no shareholders holding more than 5% of shares in the Company for the Financial Year 2012-13 and 2011-12.**

**(d) Terms/rights attached to equity shares**

The company has only one class of shares i.e. equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to vote per share.

**(II). RESERVES AND SURPLUS**

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening Balance	(2,545,433)	(2,695,594)
Add: profit for the period	429,969	150,161
<b>Closing Balance</b>	<b>(2,115,463)</b>	<b>(2,545,433)</b>

**(III). DEFERRED TAX LIABILITIES (NET)**

The major components of deferred tax liabilities/assets as recognized in the financial statements is as follows:  
(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
<b>Deferred Tax Liabilities</b>		
On difference between book balance and tax balance of fixed assets	53,182	70,037
<b>Net</b>	<b>53,182</b>	<b>70,037</b>

**(IV). OTHER CURRENT LIABILITIES**

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
<b>Statutory dues:</b>		
TDS Payable	0	64,833
<b>Other Payables:</b>		
Audit Fees	11,236	11,236
Professional Fees	0	7,500
<b>Total</b>	<b>11,236</b>	<b>83,569</b>

**(V). SHORT -TERM PROVISIONS**

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
<b>Provisions</b>		
Provisions for Tax A.Y. 13-14	186,739	0
Provisions for Tax A.Y. 12-13	0	79,818
Provisions for Tax A.Y. 11-12	0	91,259
<b>Total</b>	<b>186,739</b>	<b>171,077</b>

**(VI). TRADE PAYABLES**

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
Acceptance	0	0
Other than acceptance	23	0
<b>Total</b>	<b>23</b>	<b>0</b>

**Adcon Capital Services Limited**

Accompanying notes to the financial statements  
as at March 31, 2013

**NOTE 2: Notes to the Balance Sheet**

**2(VII). FIXED ASSETS**

(Amount in Rs.)

Description	Gross Block		Depreciation Block		Net Block	
	As at April 1, 2012	As at March 31, 2013	As at April 1, 2012	Charged For the year	As at March 31, 2013	As at March 31, 2012
<b>Tangible Assets</b>						
Plant and Equipment	1,238,293	1,238,293	414,566	114,580	709,147	823,727
Furnitures and Fixtures	377,332	377,332	173,142	36,956	167,234	204,190
Office Equipment ( Data Processing )	287,957	287,957	285,896	824	1,237	2,061
Computers	32,500	32,500	4,025	11,390	17,085	28,475
<b>Total</b>	<b>1,936,082</b>	<b>1,936,082</b>	<b>877,629</b>	<b>163,750</b>	<b>894,703</b>	<b>1,058,453</b>
Previous Year	1,903,582	1,936,082	694,016	183,613	877,629	1,209,566

**(VIII). OTHER CURRENT ASSETS**

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
<b>Unamortized expenses</b>		
Preliminary expenses	419,886	629,828
<b>Total</b>	<b>419,886</b>	<b>629,828</b>

**(IX). Trade Receivables**

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
<b><u>Due for more than 6 Months</u></b>		
Unsecured considered good	6	6
Less : Provision for doubtful trade receivables	0	0
	6	6
<b><u>Others</u></b>		
Unsecured considered good	0	0
Less : Provision for doubtful trade receivables	0	0
	0	0
<b>Total</b>	<b>6</b>	<b>6</b>

**(X). CASH AND BANK BALANCES**

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
<b>Cash &amp; Cash Equivalents</b>		
Cash on Hand	1,532	1,532
Bank Balances in:		
In current accounts	27,656	154,568
<b>Total</b>	<b>29,188</b>	<b>156,100</b>

**(XI). SHORT-TERM LOANS AND ADVANCES**

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
<b>a. Prepaid expenses</b>		
Rent	23,958	24,200
<b>b. Inter-Corporate deposits</b>		
Unsecured, considered good	6,062,528	9,000,000
<b>c. Other Advances</b>		
Unsecured, considered good	8,374,000	6,059,000
<b>Total</b>	<b>14,460,486</b>	<b>15,083,200</b>



**(XII). CURRENT INVESTMENTS**

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
<b>Investments in equity instruments</b>		
<b>Quoted</b>		
P G Electroplast Ltd	15,886,479	15,886,479
Simplex Project Ltd	324,737	324,737
Arshiya International	354,507	0
Trio Mercantile	606,279	0
<b>Unquoted</b>		
Padamprabhu Project Private Limited	600,000	0
	17,772,002	16,211,216
Less: Provision for diminution in value	0	0
	17,772,002	16,211,216
<b>Aggregate Market Value Amount of listed &amp; quoted investments</b>		
Market value as at 31.03.2013 Rs. <b>61,43,945.05</b>		
Market value as at 31.03.2012 Rs. <b>1,27,16,846.00</b>		
<b>Total</b>	<b>17,772,002</b>	<b>16,211,216</b>

**(XIII). OTHER CURRENT ASSETS**

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
TDS A.Y. 2013-2014	70,447	0
TDS A.Y. 2012-2011	0	60,184
TDS A.Y. 2011-2012	0	91,263
<b>Total</b>	<b>70,447</b>	<b>151,447</b>

**NOTE 3: Notes to Statement of Profit and Loss**

**(I). REVENUE FROM OPERATIONS**

(Amount in Rs.)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Interest income from Loans	939,465	926,835
<b>Total</b>	<b>939,465</b>	<b>926,835</b>

**(II). OTHER INCOME**

(Amount in Rs.)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Short term capital gain	97,325	0
<b>Total</b>	<b>97,325</b>	<b>0</b>

**(III). EMPLOYEE BENEFIT EXPENSES**

(Amount in Rs.)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Salaries	0	180,000
<b>Total</b>	<b>0</b>	<b>180,000</b>

**(IV). DEPRECIATION**

(Amount in Rs.)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Depreciation of Tangible Fixed Assets	163,750	183,613
<b>Total</b>	<b>163,750</b>	<b>183,613</b>

**(V). OTHER EXPENSES**

(Amount in Rs.)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Rent	29,524	26,620
Printing and stationery	4,100	4,325
Listing Fees	14,045	17,650
Bank Charges	169	5,101
Professional Fees	0	21,500
<b>Traveling &amp; Conveyance</b>		
Conveyance	0	21,260
Traveling Expenses	0	7,808
<b>Payment to Auditors:</b>		
Audit fees	11,236	11,236
<b>Miscellaneous Expenses</b>		
Preliminary Expenses	209,943	209,943
Filing Fees	2,000	7,500
Miscellaneous Charges	0	300
<b>Total</b>	<b>271,016</b>	<b>333,243</b>

**(VI). EARNING PER EQUITY SHARE**

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Profit attributable to Equity shareholders	429,969	150,161
Weighted average number of equity shares	3,551,100	3,551,100
<b>Basic Earnings Per Share</b>	0.12	0.04
<b>Face value per Share</b>	10	10
Profit after adjusting interest on potential equity shares	429,969	150,161
Weighted average number of equity share after considering potential equity shares	3,551,100	3,551,100
<b>Dilutive Earnings per Share</b>	0.12	0.04
<b>Face value per Share</b>	10	10

In terms of our report of even date

**For M/s. Gupta Saharia & Co.**

Chartered Accountants

**Firm's Registration No. : 103446W**

**For and on behalf of Board of Directors**

Sd/-

**S.S. Rathi**

Partner

**Membership No. : 73373**

Date : 30th May, 2013

Place : Mumbai

Sd/-

**Sanjay Minda**

Director

Sd/-

**Sawankumar Jajoo**

Director

**II. NOTES ON ACCOUNTS:**

- A. Previous year's figures have been regrouped / reclassified / rearranged / recast wherever necessary to match with current year's presentation.
- B. There was no amount due as on March 31, 2013 as reported to us from / to Micro, small & Medium Enterprises as per MSMED Act, 2006.

C. Payment to Auditors :

	<b>Current Year <u>Rupees</u></b>	<b>Previous Year <u>Rupees</u></b>
a) Audit Fees	11,236.00	11,236.00
	-----	-----
	<b>11,236.00</b>	<b>11,236.00</b>
	-----	-----

D. Deferred Tax :

Components of deferred tax liabilities are provided by applying the applicable rate of tax to the taxable income of the year. As per Accounting Standard 22 on Taxes on Income -the company has a deferred tax liability of Rs. 53,182/- (Previous year Rs. 70,037/-)

Deferred Tax benefits are recognized on assets to the extent it is more likely than not that future taxable profits will be available against which the asset can be utilized.

E. Earnings Per Share (EPS)

	<b>Current Year <u>Rupees</u></b>	<b>Previous Year <u>Rupees</u></b>
a. Net Profit for Equity Shareholder (Numerator used for calculation)	4,29,970	1,50,161
b. Basic number of Equity shares (Denominator used for calculation)	35,51,100	35,51,100
c. Earnings per share of Rs. 10/- each (Basic/ Diluted)	0.12	0.04

F. Segment Reporting

As the company operates in only one business and operates only in one geographical segment i.e. domestic, the disclosure requirements under Accounting Standard 17-“Segment Reporting” is not required.

G. There are no transactions as reported with any key management persons and with any of the Enterprises owned and controlled by Key management persons.

H. The Company has not entered into any transaction involving any Foreign Currency transaction.

I. Quantitative details – Not applicable

**ADCON CAPITAL SERVICES LIMITED**

417, Chetak Circle NX, Near Hotel Shree Maya, RNT Marg, Indore (MP) 452001.

**Attendance Slip**

Name of the attending Member (In Block Letters): \_\_\_\_\_

Folio No : \_\_\_\_\_

Name of the Proxy : \_\_\_\_\_  
(To be filled in if the Proxy attends instead of the Member)

No. of Shares held : \_\_\_\_\_ (in words) \_\_\_\_\_

I hereby record my presence at the Annual General Meeting of the Company at 417, Chetak Centre NX, Near Hotel Shree Maya, RNT Marg, Indore(MP) 452001 on 10<sup>th</sup> September, 2013 At 2.00 P.M and at any adjourned thereof.

\_\_\_\_\_  
Member's/Proxy's Signature

(To be signed at the time of handing over this slip)

{NOTE: Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over the same at the entrance after the same has been duly signed}

**ADCON CAPITAL SERVICES LIMITED**

417, Chetak Circle NX, Near Hotel Shree Maya, RNT Marg, Indore (MP) 452001.

**PROXY FORM**

I/We ..... of..... being a Member/Members of the above named Company, hereby appoint .....or failing him..... as my / our Proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Friday, 10<sup>th</sup> September, 2013, at 2.00 p.m. and at any adjournment thereof.

Signed this ..... day of ..... 2013.

Folio No: \_\_\_\_\_ No. of Shares: \_\_\_\_\_

DP ID: \_\_\_\_\_ Signature \_\_\_\_\_

Affix Re. 1.00 Revenue Stamp
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**N.B.:** This proxy must be deposited at the Registered Office of the Company 417, Chetak Circle NX, Near Hotel Shree Maya, RNT Marg, Indore(MP) 452001, at least 48 hours before the meeting.



**BOOK POST**

If undelivered, return to :

**ADCON CAPITAL SERVICES LIMITED**

**Regd. Off. :**

417, Chetak Centre NX,  
4th Floor, Near Hotel Shree Maya,  
RNT Marg, Indore - 452 001, (M.P.)

