



ADCON CAPITAL SERVICES LIMITED

ADCON CAPITAL SERVICES LIMITED

BOARD OF DIRECTORS

Mr. Sanjay Minda
Mr. Sawan Jajoo
Mr. Manjit Jajoo

REGISTERED OFFICE

417, Chetak Centre NX,
Near Hotel Shreemaya,
RNT Marg, Indore - 452001 Madhya Pradesh

Mr. Vibhav S. Ranade, Company Secretary

CORPORATE OFFICE

107, A. S. Dias Building, 268/272,
Dr. Cawasji Hormasji Street,
Marine Lines, Mumbai – 400 002
Maharashtra.

BANKERS

ING Vyasya Bank Limited

AUDITORS

M/S Gupta Saharia & Co.
(Chartered Accountants)

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 20TH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF ADCON CAPITAL SERVICES LIMITED WILL BE HELD ON TUESDAY, SEPTEMBER 30, 2014, AT 11.30 A. M. AT ITS REGISTERED OFFICE AT 417, CHETAK CENTRE NX, NEAR HOTEL SHREEMAYA, R.N.T. MARG, INDORE – 452 001, MADHYA PRADESH TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2014 and reports of Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Sanjay Minda, (DIN : 00034029) who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors, M/s. Gupta Saharia & Co., Chartered Accountants, Mumbai (Firm Reg. no. 103446W) the retiring auditors, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Sixth Consecutive Annual General Meeting (subject to rectification of their appointment at every AGM) and to authorise the Board of Directors to fix their remuneration.

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 subject to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act 2013, and the rules made there under (including any statutory modification(s) or re-enactment thereof and any rules made there under, for the time being in force) and Clause 49 of the Listing Agreement and pursuant to provisions of Articles of Associations of the Company and subject to such other approvals as may be required, consent of Members of the Company be and is hereby accorded for appointment of Mr. Manjit Jajoo, (DIN: 01988243) Director of the Company and in respect of whom the Company has received a notice from a Member in writing, proposing his candidature for the office of Director, as an Independent Director of the Company to hold office for a term of five consecutive years i.e. up to 31st March, 2019.

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

“RESOLVED THAT subject to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act 2013, and the rules made there under (including any statutory modification(s) or re-enactment thereof and any rules made thereunder, for the time being in force) and Clause 49 of the Listing Agreement and pursuant to provisions of Articles of Associations of the Company and subject to such other approvals as may be required, consent of Members of the Company be and is hereby accorded for appointment of Mr. Sawan Jajoo, (DIN:

ADCON CAPITAL SERVICES LIMITED

01988257) Director of the Company and in respect of whom the Company has received a notice from a Member in writing, proposing his candidature for the office of Director, as an Independent Director of the Company to hold office for a term of five consecutive years i.e. up to 31st March, 2019.

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

Sd/-
Vibhav S. Ranade
Company Secretary

Place : Mumbai
Date : 02-09-2014

NOTES :

1. The details under Clause 49 of the Listing Agreement with Stock Exchanges in respect of Director proposed to be reappointed at the Annual General Meeting, is annexed hereto.
2. 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. 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 submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution / authority, as applicable. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, September 22, 2014 to Tuesday, September 30, 2014 (both days inclusive).
4. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
5. Corporate members are requested to send a duly certified copy of the resolution authorizing their representatives to attend and vote at the meeting.
6. Details required under Listing Agreement with the Stock Exchanges in respect of Directors seeking reappointment at this AGM, is stated herein below.
7. Your Company's Equity Shares are admitted with Central Depository Servicers (India) Limited (CDSL) under ISIN INE 805Q01010 and Shareholders wish to get their Shares dematerialized can submit their Share Certificates to their Depository Participants for dematerialization of the same.

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

Sd/-
Vibhav S. Ranade
Company Secretary

Place: Mumbai
Date: 02-09-2014

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

The following explanatory statement sets out in detail all material facts relating to the item of Special Business as mentioned in the accompanying Notice convening the Annual General Meeting of the Company.

ITEM No. 4 and 5

Mr. Manjit Jajoo and Mr. Sawan Jajoo are Independent Directors of the Company and have held the position as such with the Company.

The Companies Act, 2013 (hereinafter referred as the “Act”) and the Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement *inter alia* stipulating the conditions for the appointment of Independent Directors by a Listed Company.

It is proposed to appoint Mr. Manjit Jajoo and Mr. Sawan Jajoo as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement for a period of five consecutive years i.e. upto 31st March 2019 and they shall not be liable to retire by rotation as prescribed under the Companies Act, 2013.

In the opinion of the Board Mr. Manjit Jajoo and Mr. Sawan Jajoo fulfils the conditions specified under the Act and rules made thereunder as also under the Listing Agreement for their appointment as Independent Directors of the Company and are Independent of the Management of the Company. Further these Directors are not disqualified from being appointed as Director in terms of Section 164 of the Act and have given their consent to act as Director of the Company.

The Company has received notices in writing from member’s alongwith the deposits of requisite amount under Section 160 of the Act proposing the candidature of each of Mr. Manjit Jajoo and Mr. Sawan Jajoo for the office of Independent Directors of the Company. Further the Company has also received declarations from the Directors that they meet with the criteria of Independence as prescribed both under sub section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement with Stock Exchange.

Mr. Manjit Jajoo and Mr. Sawan Jajoo are interested in the respective resolution as appointee as set out in item no. 4 and 5 of the Notice with regard to their respective appointment. Copy of the draft letters for respective appointments of Mr. Manjit Jajoo and Mr. Sawan Jajoo as Independent Directors setting out the terms and conditions are available for inspection by members free of cost at the Registered office of the Company as the time specified as above.

The Directors, therefore, recommend the Resolutions as set out in item nos. 4 and 5 for the approval of the Members of the Company.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in these Resolutions.

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)

Name of the Director	Mr. Sanjay Minda	Mr. Manjit Jajoo	Mr. Sawan Jajoo
Date of Appointment	19.04.2010	02.12.2010	19.04.2010
Expertise in specific functional area	Income Tax, Corporate Restructuring, Capital Market, Acquisition and Takeovers and related matters	Capital Market and Finance	Capital Market and Finance
Qualification	B.Com, FCA	B.Com	B.Com
No. of Equity Shares held in the Company	Nil	Nil	Nil
Directorship in other Indian Public Limited Companies as on 31.3.2014	2	1	Nil
Chairmanship / Membership of Committees in other Indian Public Limited Companies as on 31.3.2014	1	Nil	Nil

DIRECTORS' REPORT

To the Shareholders,

Your Directors take pleasure in presenting the 20th Annual Report and the audited accounts of the Company for the year ended 31st March 2014.

FINANCIAL RESULTS:

The performance of the Company for the financial year ended 31st March 2014 is summarized below:

(Rs. in Lacs)

PARTICULARS	2013 - 14	2012 - 13
Total Income	13.15	10.37
Less: Total Expenses	5.11	4.35
Profit before Tax	8.04	6.02
Less: Tax Expenses	2.46	1.72
Profit After Tax	5.58	4.30

RESULTS OF OPERATIONS:

Total revenue of the Company for the financial year is Rs. 13,15,899/- as compare to Rs. 10,36,790/- in the corresponding previous year and the Company has achieved a net profit of Rs. 5,57,787 /- as compared to Rs. 4,29,969/- in the corresponding previous year the same is due to improved market conditions and better returns on the investments.

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. Sanjay Minda, retire by rotation and being eligible, offer himself for reappointment.

In terms of the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 read with Companies (Appointment and Qualification of Director) Rules, 2014, the Independent Directors can hold office for a term upto five (5) consecutive years as Directors of your company and will not be liable to retire by rotation. Accordingly, it is proposed to appoint Mr. Manjit Jajoo and Mr. Sawan Jajoo as Independent Directors of the Company to hold the office for a term of 5 (five) consecutive years upto 31st March, 2019.

The brief resume of the aforesaid Directors and other information have been given in the notice of the Annual General Meeting.

CORPORATE GOVERNANCE

The Company has complied with the requirements of Corporate Governance as stipulated under clause 49 of the Equity Listing Agreement of Stock Exchanges and accordingly, the Report on Corporate Governance forms part of the Annual Report.

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

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.

STATUTORY 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.

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder and pursuant to the recommendation of the audit committee of the Board of Directors of the Company M/s. Gupta Saharia & Co., Chartered Accountants (Firm Reg. no. 103446W), are being appointed as statutory auditors as per the resolution forming part of notice of the Annual General Meeting. Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 141(3)(g) of the Companies Act, 2013.

COMPLIANCE CERTIFICATE

A Compliance certificate from Company Secretary in practice pursuant to provisions of Section 383A of the Companies Act, 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

Place: Mumbai
Date: 28.05.2014

**Sd/-
Sanjay Minda
Director**

COMPLIANCE CERTIFICATE

Company Identification Number	: L67120MP1994PLC008511
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,
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 31st March, 2014. 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.

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure '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.
3. The Company being public limited Company, our comments are not required.
4. The Board of Directors duly met Five times on 30.05.2013; 14.08.2013; 10.09.2013; 14.11.2013 and 14.02.2014, 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.
5. The Company closed its Register of Members from 02.09.2013 to 09.09.2013 (both days inclusive) during the year under review.
6. The Annual General Meeting for the financial year ended on 31st March, 2013 was held on 10.09.2013 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.
7. No Extra Ordinary General Meeting was held of the Company during the financial year ending 31st March, 2014.
8. The Company has not advanced loan to its directors and / or persons or firms or companies referred in the Section 295 of the Act.

9. The Company has duly complied with the provisions of Section 297 of the Act in respect of contracts specified therein, wherever required.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act, wherever required.
11. The Company was not required to 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.
12. During the year the Company was not required to issue duplicate share certificates.
13. The Company:
 - i. 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.
 - ii. has not declared any dividend during the financial year and hence no separate Bank Account was opened.
 - iii. was not required to post warrants to any members of the Company as no dividend was declared during the financial year;
 - iv. 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;
 - v. has duly complied with the requirements of Section 217 of the Act.
14. 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.
15. There are no appointments of Managing Director / Whole-time Director / Manager during the year under review.
16. No appointment of sole-selling agents was made during the year under review.
17. 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.
18. 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.
19. The Company has not issued shares / debentures / other securities during the financial year and complied with the provisions of the Act.
20. The Company has not bought back shares during the financial year ending under review.

21. The Company does not have preference shares / debentures and hence their question of redemption does not arise.
22. 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.
23. 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.
24. The Company has not made any Borrowings during the year.
25. 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.
26. 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.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.
29. 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.
30. The Company has not altered its articles of association.
31. There are no prosecution initiated against or show cause notices received by the Company under the Act during the year under review.
32. The Company has not received any amount as security from its employees during the year under certification.
33. 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: 28th May, 2014

ANNEXURE – A

Registers as maintained by the Company:

- I. Register of Members u/s 150 of the Act and Register of Share Transfer.
- 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 and 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 31st March, 2014.

Sr. No.	Forms / Returns	Filed u/s of the Act	Purpose	SRN & Date of Filing	Remark
1	eform66	383A	Submission of Compliance Certificate for the year 31.3.2013	SRN-Q11489952; Dated-21.09.2013	-
2	eform23AC & eform23ACA	220	Annual Accounts made upto the date of Annual General Meeting for Financial year ended 31.3.2013	SRN-Q12527636; Dated-07.10.2013	-

REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2014 (IN ACCORDANCE WITH CLAUSE 49 OF THE LISTING AGREEMENT)

1. COMPANY'S PHILOSOPHY:

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 31st March, 2014 comprises of (3) three Directors, of which two are Non-Executive Independent who brings in a wide range of skills and experience to the Board.

During the year five Board Meetings were held and the gap between two meetings did not exceed four months. The dates were: 30.05.2013; 14.08.2013; 10.09.2013; 14.11.2013 and 14.02.2014.

None of the Directors on the Board are 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	5	Yes	2	1	-
Mr. Sawan Jajoo	Non-Executive	5	Yes	-	-	-
Mr. Manjit Jajoo	Non-Executive	5	Yes	1	-	-

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.

The company does not pay any fees / compensation to any Non – Executive. Also, no sitting fee has been paid to any Non – Executive Director during the year.

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 2014 and the attendance of the Audit Committee Members are as under:

Name of Directors	No. of Meetings Attended
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.

The Audit Committee invites such of the executives, as it considers appropriate (and particularly the person responsible for the finance and accounts function) to be present at its meetings.

4. NOMINATION AND REMUNERATION COMMITTEE (EARLIER CALLED AS REMUNERATION COMMITTEE):

The Remuneration Committee met once during the year on 14th February, 2014. The name of the said Committee is now “Nomination and Remuneration Committee” and the terms of the reference has been enlarged as required under the provisions of the Companies Act, 2013 and Listing Agreement.

The constitution of the committee and the attendance of each member during the year is as given below:

Name of Directors	Meetings Held	No. of Meetings Attended
Mr. Sawan Jajoo	1	1
Mr. Sanjay Minda	1	1
Mr. Manjit Jajoo	1	1

The terms of reference of the 'Remuneration Committee' are as follows:

- 1) To determine on behalf of the Board and on behalf of the Shareholders the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment.
- 2) Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

There is no sitting fees paid to Non – Executive Directors for attending Board and Committee Meetings and none of the Director hold shares in the Company.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE (EARLIER KNOWN AS SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE):

The said committee comprises of all three Directors under the chairmanship of Mr. Manjit Jajoo. They met once during the year and attended by all the members.

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.

There are no Share holder's complaints pending with the company.

Compliance Officer: Mr. Sanjay Minda is the Compliance Officer. His address and contact details are as given below:

Address: 107, A.S. Dias Buildings, 268/272, Dr. C.H. Street, Marine Lines, Mumbai – 400 002
Phone: 022 – 2200 5905; **Fax:** 022 – 6637 3116; **Email:** adconcap@gmail.com

6. ANNUAL GENERAL MEETINGS:

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

AGM / EGM	DATE	TIME	VENUE
2012-13 AGM	10.09.2013	2.00 PM	417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore (MP) - 452001
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

There are no Special Resolutions passed in the previous three Annual General Meetings or any of the Extra Ordinary General Meeting held during the previous three years.

During the year no Special Resolutions were passed through postal ballot and 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 No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- 1.3 The Company has Whistle Blower Policy (WBP) in line with Clause 7 of Annexure 1D to Clause 49 of the Listing Agreement. The Company affirms that no employee has been denied access to the Audit Committee.
- 1.4 All mandatory requirements as per Clause 49 of the Listing Agreement have been complied with by the Company.
- 1.5 The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India and there are no statutory audit qualifications in this regard.
- 1.6 In terms of Clause 49(V) of the Listing Agreement, the Managing Director made a certification i.e. (CEO / CFO Certificate) to the Board of Directors in the prescribed format for the year under review which has been reviewed by the Audit Committee and taken on record by the Board.

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, September 30, 2014, 11.30 A. M.
Venue	:	417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore (MP)-452001
Dates of Book Closure	:	Monday, September 22, 2014 to Tuesday, September 30, 2014 (both days inclusive).

(b) FINANCIAL CALENDAR 2014-15 (TENTATIVE):

First quarterly results	:	August, 2014
Second quarterly results	:	November, 2014
Third quarterly results	:	February, 2015
Annual results for the year ending on 31.03.2014	:	May, 2015
Annual General Meeting for the year 2014	:	around September, 2015

(c) LISTING ON STOCK EXCHANGES:

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

The Company has paid Annual Listing Fees as applicable, to the MPSE and to ASE for the financial year 2014-15.

However, both the stock exchanges are failed to provide the trading platform. Your Company has applied to Central Depository Services (India) Limited (CDSL) for admission of Equity Shares in order to facilitate the Shareholders at large to avail dematerialization facilities.

ISIN Equity	:	Applied for
Face Value	:	Rs. 10/- per share

(d) Registrar and Share Transfer Agent (RTA)

Your Company has appointed Purva Sharegistry India Private Limited as Registrar and Share Transfer agent and details of the same are as under;

Purva Sharegistry India Pvt. Ltd

9, Shivshakti Industrial Estate, J R Boricha Marg,
Opp. Kasturba Hospital, Lower Parel (E), Mumbai – 400 011
Tel: 91-22-2301 6761 / 8261
Fax: 91-22-2301 2517 Email ID: busjcomp@vsnl.co

(e) MARKET PRICE DATA:

During the year ended 31-3-2014 the equity share have not been traded as both the Stock Exchanges where the Company is listed are unable to provide trading platform.

(f) SHARE TRANSFER SYSTEM:

The Company has a Share holders / Investors grievance Committee who looks after share transfer work. However now the Company has appointed Purva Sharegistry India Private Limited as Registrar and Share Transfer agent and details of the same are given above.

(g) 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.

(h) DISTRIBUTION OF SHAREHOLDING:

The distribution of shareholding as on 31st March, 2014 is given below:

Sr. No.	No of Equity Shares	No. of Shareholders	No. of Shares	% of Total shares
1.	1 - 5,000	5843	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
	Total	5899	35,51,100	100.00

(i) Dematerialization of Shares and Liquidity:

The entire shareholding of the Company is in physical mode.

(j) 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

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.

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

Place: Mumbai
Date: 28.05.2014

Sd/-
Sanjay Minda
Director

DECLARATION – CODE OF CONDUCT

In compliance to the clause 49 1(D)(ii) to Listing agreement, all the Board members and senior management personnel have, for the year ended 31st March, 2014, affirmed compliance with the Code of Conduct laid down by the Board of Directors.

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

Place: Mumbai
Date: 28.05.2014

Sd/
Sanjay Minda
Director

DECLARATION BY THE MD / CFO - PURSUANT TO CLAUSE 49(V)

We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31st March, 2014 and certify, to the best of our knowledge and belief, that:

- i. These statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- ii. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- iii. No transactions entered into by the Company during the year were fraudulent, illegal or violative of the Company's code of conduct and no instances of fraud took place;
- iv. We accept responsibility for establishing and maintaining internal controls for financial reporting;
- v. We have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and have taken steps to rectify the same, wherever found;
- vi. Significant changes in internal control over financial reporting as well as significant changes in accounting policies, if any, have been intimated to the Auditors and the Audit Committee and have been disclosed in the notes to the financial statements;

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

Place: Mumbai
Date: 28.05.2014

Sd/-
Sanjay Minda
Director

Sd/-
Sawan Jajoo
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 31st March, 2014, 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 : 28.05.2014**

MANAGEMENT DISCUSSION AND ANALYSIS

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

(A) INDUSTRY STRUCTURE AND DEVELOPMENTS:

The Company is engaged in Investments, Finance, Merchant Banking 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.

GUPTA SAHARIA & CO.
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of,
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, 2014 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") readwith the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. 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, 2014;
- 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, read with General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.;
- (e) On the basis of written representations received from the Directors, as on 31st March, 2014, and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 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 M/s Gupta Saharia & Co.
Chartered Accountants**

Sd/-
(S.S. Rathi)
Partner

Place: Mumbai
Date: 28.05.2014

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

**ANNEXURE TO THE AUDITORS' REPORT ON THE ACCOUNTS FOR THE YEAR ENDED
31ST MARCH, 2014 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 our 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 noticed 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 31st March 2014.
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

Place: Mumbai
Date: 28.05.2014

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

ADCON CAPITAL SERVICES LIMITED

BALANCE SHEET AS AT 31st MARCH 2014

Particulars	Note No.	As at 31.3.2014		As at 31.3.2013	
		₹		₹	
I Equity & Liabilities					
1 Shareholders' funds					
(a) Share Capital	2(I)	35,511,000		35,511,000	
(b) Reserves and Surplus	2(II)	(1,557,677)		(2,115,463)	
			33,953,323		33,395,537
2. Non - Current Liabilities					
(a) Deferred Tax Liabilities (Net)	2(III)	45,362		53,182	
			45,362		53,182
3. Current Liabilities					
(a) Other Current Liabilities	2(IV)	11,236		11,236	
(b) Short- Term Provisions	2(V)	254,676		186,739	
(c) Trade Payables	2(VI)	0		23	
			265,912		197,998
TOTAL			34,264,597		33,646,717
II Assets					
1. Non - Current Assets					
(a) Fixed Assets					
Tangible Assets	2(VII)	758,461		894,703	
			758,461		894,703
(b) Other Non Current Assets	2(VIII)	209,943		419,886	
			209,943		419,886
2. Current Assets					
(a) Trade Receivables	2(IX)	(562)		6	
(b) Cash and Bank Balances	2(X)	506,367		29,188	
(c) Short - Term Loans and Advances	2(XI)	14,927,504		14,460,486	
(d) Current Investments	2(XII)	17,772,347		17,772,002	
(e) Other Current Assets	2(XIII)	90,538		70,447	
			33,296,194		32,332,128
TOTAL			34,264,597		33,646,717
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 : 28.05.2014		Sd/- Sanjay Minda Director DIN 00034029		Sd/- Sawankumar Jajoo Director DIN 01988257	

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH, 2014

Particulars	Note No.	For the year ended 31.3.2014		For the year ended 31.3.2013	
		₹	₹	₹	₹
I Gross Revenue from Operations	3(I) & (II)	1,315,899		1,036,790	
II Other Income		-		-	
III Total Revenue (I + II)			1,315,899		1,036,790
IV Expenses					
Employee Benefits Expense	3(III)	-		-	
Depreciation and Amortization Expense	3(IV)	136,242		163,750	
Other Expense	3(V)	375,014		271,016	
Total Expense			511,256		434,767
V Profit Before Tax (III-IV)			804,643		602,023
VI Tax Expense:					
(a) Current Tax expense for Current Year		254,676		186,739	
(b) Current Tax expense relating to Prior Year		-		2,170	
(c) Deferred Tax		(7,820)		(16,855)	
			246,856		172,054
VII Profit for the Period (V-VI)			557,787		429,969
VIII Earnings Per Equity Share					
(Face Value ₹ 10 Per Share):	3(VI)				
(1) Basic (₹)			0.16		0.12
(2) Diluted (₹)			0.16		0.12

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 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 : 28.05.2014	Sd/- Sanjay Minda Director DIN 00034029	Sd/- Sawankumar Jajoo Director DIN 01988257
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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

(Amount in Rs.)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
A. Cash flow from Operating Activities		
Net profit before taxation	804,643	602,023
<u>Adjustments for:</u>		
Preliminary Expenses	209,943	209,943
Depreciation	136,242	163,750
Taxes	(254,676)	(188,909)
Operating profit before Working Capital changes	896,151	786,807
<u>Changes in Working Capital</u>		
Trade and Other Receivables	568	-
Other Current Liabilities	-	(72,333)
Prepaid Rent	518	242
Deposits	(3,176,536)	2,937,472
Short Term Loans & Advances	-	-
Other Advances	2,709,000	(2,315,000)
Tax Provisions	67,937	15,662
T.D.S (Advance Income Tax)	(20,091)	81,000
Trade Payable	(24)	24
Cash generated from operations	477,524	1,433,874
Income Taxes (paid)/ refund	-	-
Net cash inflow from/(outflow) from Operating Activities	477,524	16,333,378
B. Cash flow from Investing Activities		
Purchase of Computer	-	-
Purchase of Investment	(345)	(1,560,786)
Net cash inflow from/(outflow) from Investing Activities	(345)	(1,560,786)
C. Cash flow from Financing Activities		
Net cash inflow from/(outflow) from Financing Activities	0	0
Net increase/(decrease) in Cash and Cash Equivalents	477,179	(126,912)
Opening Cash and Cash Equivalents	29,188	156,100
Closing Cash and Cash Equivalents	506,367	29,188
<p>In terms of our report of even date For M/s. Gupta Saharia & Co. Chartered Accountants Firm's Registration No. : 103446W</p> <p>Sd/- S.S. Rathi Partner Membership No. : 73373 Place: Mumbai Date: 28 - 05-2014</p> <p style="text-align: center;">For and on behalf of Board of Directors</p> <p>Sd/- Sanjay Minda Director DIN 00034029</p> <p>Sd/- Sawankumar Jajoo Director DIN 01988257</p>		

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2014

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, 2014	As at March 31, 2013
Authorised Capital 40,00,000 (Previous Year 40,00,000) Equity Shares of Rs.10/- each	40,000,000	40,000,000
Issued Capital 35,51,100 (P.Y. 35,51,100) Equity Shares of Rs. 10/- each	35,511,000	35,511,000
Subscribed and Paid up 35,51,100 (P.Y. 35,51,100) Equity Share of Rs. 10/- each fully paid up	35,511,000	35,511,000
Total	35,511,000	35,511,000

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

(Amount in Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
No. of shares at the beginning of the year	3,551,100	3,551,100
Add: Issued during the year	0	0
No. of shares at the end of the year	3,551,100	3,551,100

(c) As per shareholders register, there are no shareholders holding more than 5% of Share Capital in the Company for the financial year 2013-14 and 2012-13.

(d) Terms and 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, 2014	As at March 31, 2013
Surplus / (Deficit) in Statement of Profit and Loss		
Opening Balance	(2,115,463)	(2,545,433)
Add: profit for the period	557,787	429,969
Closing Balance	(1,557,677)	(2,115,463)

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2014

(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, 2014	As at March 31, 2013
Deferred Tax Liabilities		
On difference between book balance and tax balance of fixed assets	45,362	53,182
TOTAL	45,362	53,182
(IV) OTHER CURRENT LIABILITIES		
(Amount in Rs.)		
Particulars	As at March 31, 2014	As at March 31, 2013
Statutory dues:	-	-
Other Payables:		
Audit Fees	11,236	11,236
Professional Fees	-	-
TOTAL	11,236	11,236
(V) SHORT-TERM PROVISIONS		
(Amount in Rs.)		
Particulars	As at March 31, 2014	As at March 31, 2013
Provisions		
Provisions for Tax A.Y.2013 - 2014	-	186,739
Provisions for Tax A.Y. 2014 - 2015	254,676	-
TOTAL	254,676	186,739
(VI) TRADE PAYABLES		
(Amount in Rs.)		
Particulars	As at March 31, 2014	As at March 31, 2013
Acceptance	-	-
Other than acceptance	-	23
TOTAL	0	23

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2014

2(VII) FIXED ASSETS		(Amount in Rs.)									
		Gross Block			Depreciation Block				Net Block		
Description	As at April 1, 2013	Additions	Deductions/ Adjustments	As at March 31, 2014	As at April 1, 2013	Charged For the year	Deductions/ Adjustments	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013	
Tangible Assets											
Plant and Equipment	1,238,293.00	-	-	1,238,293.00	529,146.00	98,644.00	-	627,790.00	610,503.00	709,147.00	
Furnitures and Fixtures	377,332.00	-	-	377,332.00	210,098.00	30,268.00	-	240,366.00	136,966.00	167,234.00	
Office Equipment (Data Processing)	287,957.00	-	-	287,957.00	286,720.40	496.00	-	287,216.40	740.60	1,236.60	
Computers	32,500.00	-	-	32,500.00	15,415.00	6,834.00	-	22,249.00	10,251.00	17,085.00	
Total	1,936,082	0	0	1,936,082	1,041,379	136,242	0	1,177,621	758,461	894,703	
Previous Year	1,936,082	0	0	1,936,082	877,629	163,750	0	1,041,379	894,703	1,058,453	

NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

(VIII) OTHER CURRENT ASSETS			(Amount in Rs.)	
Particulars	As at March 31, 2014	As at March 31, 2013		
Unamortized expenses				
Preliminary expenses	209,943	419,886		
TOTAL	209,943	419,886		
(IX) Trade Receivables			(Amount in Rs.)	
Particulars	As at March 31, 2014	As at March 31, 2013		
Due for more than 6 Months				
Unsecured considered good	(562)	6		
Less : Provision for doubtful trade receivables	-	-		
	(562)	6		
Others				
Unsecured considered good	-	-		
Less : Provision for doubtful trade receivables	-	-		
	0	0		
TOTAL	(562)	6		
(X) CASH AND BANK BALANCES			(Amount in Rs.)	
Particulars	As at March 31, 2014	As at March 31, 2013		
Cash & Cash Equivalents				
Cash on Hand	1,032	1,532		
Bank Balances in:				
In current accounts	505,335	27,656		
TOTAL	506,367	29,188		
(XI) SHORT-TERM LOANS AND ADVANCES			(Amount in Rs.)	
Particulars	As at March 31, 2014	As at March 31, 2013		
a. Prepaid expenses				
Rent	23,440	23,958		
b. Inter-Corporate deposits				
Unsecured, considered good	9,239,064	6,062,528		
c. Other Advances				
Unsecured, considered good	5,665,000	8,374,000		
TOTAL	14,927,504	14,460,486		

NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

(XII) CURRENT INVESTMENTS		(Amount in Rs.)	
Particulars	As at March 31, 2014	As at March 31, 2013	
Investments in equity instruments			
Quoted			
P G Electroplast Limited	15,886,479	15,886,479	
Simplex Project Limited	324,737	324,737	
Arshiya International Limited	396,511	396,511	
Trio Mercantile & Trading Limited	402,711	564,275	
Grandma Trading and Agencies Limited	139,195	-	
Sam Leaseco Limited	22,714	-	
Unquoted			
Padamprabhu Project Private Limited	600,000	600,000	
	17,772,347	17,772,002	
Less: Provision for diminution in value	-	-	
	17,772,347	17,772,002	
Aggregate Market Value Amount of listed & quoted investments			
Market value as at 31.03.2014 Rs.96,63,793.05			
Market value as at 31.03.2013 Rs.61,43,945.05			
TOTAL	17,772,347	17,772,002	
(XIII) OTHER CURRENT ASSETS		(Amount in Rs.)	
Particulars	As at March 31, 2014	As at March 31, 2013	
TDS A.Y. 2013-2014	-	70,447	
TDS A.Y. 2014-2015	90,538	-	
TOTAL	90,538	70,447	

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2014

NOTE 3 : NOTES TO STATEMENT OF PROFIT AND LOSS

(I) REVENUE FROM OPERATIONS

(Amount in Rs.)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Interest income from Loans	1,140,383	939,465
TOTAL	1,140,383	939,465

(II) OTHER OPERATIVE INCOME

(Amount in Rs.)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Short Term Capital Gain	158,243	97,325
Long Term Capital Gain	17,273	0
TOTAL	175,516	97,325

(III) EMPLOYEE BENEFIT EXPENSES

(Amount in Rs.)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Salaries	0	0
TOTAL	0	0

(IV) DEPRECIATION

(Amount in Rs.)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Depreciation of Tangible Fixed Assets	136,242	163,750
TOTAL	136,242	163,750

NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

(V) OTHER EXPENSES			(Amount in Rs.)			
Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013				
Rent	32,748	29,524				
Printing and stationery	4,500	4,100				
Listing Fees	14,045	14,045				
Bank Charges	-	169				
Demat Charges	545					
Office Expenses	87,000	-				
Traveling & Conveyance						
Conveyance	13,500	-				
Traveling Expenses	-	-				
Payment to Auditors:						
Audit fees	11,236	11,236				
Miscellaneous Expenses						
Preliminary Expenses	209,943	209,943				
Filing Fees	1,500	2,000				
Sundry Balance W/off	(2)	-				
TOTAL	375,014	271,016				
(VI) EARNING PER EQUITY SHARE			(Amount in Rs.)			
Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013				
Profit attributable to Equity shareholders	557,787	429,969				
Weighted average number of equity shares	3,551,100	3,551,100				
Basic Earnings Per Share	0.16	0.12				
Face value per Share	10	10				
Profit after adjusting interest on potential equity shares	557,787	429,969				
Weighted average number of equity share after considering potential equity shares	3,551,100	3,551,100				
Dilutive Earnings per Share	0.16	0.12				
Face value per Share	10	10				
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> In terms of our report of even date For M/s. Gupta Saharia & Co. Chartered Accountants Firm's Registration No. : 103446W Sd/- S.S. Rathi Partner Membership No. : 73373 Place: Mumbai Date: 28 - 05-2014 </td> <td style="width: 50%; vertical-align: top; text-align: center;"> For and on behalf of Board of Directors Sd/- Sanjay Minda Director DIN 00034029 </td> <td style="width: 50%; vertical-align: top;"> Sd/- Sawankumar Jajoo Director DIN 01988257 </td> </tr> </table>				In terms of our report of even date For M/s. Gupta Saharia & Co. Chartered Accountants Firm's Registration No. : 103446W Sd/- S.S. Rathi Partner Membership No. : 73373 Place: Mumbai Date: 28 - 05-2014	For and on behalf of Board of Directors Sd/- Sanjay Minda Director DIN 00034029	Sd/- Sawankumar Jajoo Director DIN 01988257
In terms of our report of even date For M/s. Gupta Saharia & Co. Chartered Accountants Firm's Registration No. : 103446W Sd/- S.S. Rathi Partner Membership No. : 73373 Place: Mumbai Date: 28 - 05-2014	For and on behalf of Board of Directors Sd/- Sanjay Minda Director DIN 00034029	Sd/- Sawankumar Jajoo Director DIN 01988257				

NOTE: 1

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

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 Reserve Bank of India as Non Deposit Accepting Company. The Company is presently operating in financial services viz. Capital market operations, corporate financing, Investment and trading, Project and management consultancy services of financing etc.

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.

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, 2014 as reported to us from / to Micro, small & Medium Enterprises as per MSMED Act, 2006.

C. Payment to Auditors :

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

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. 45,362/- (Previous year Rs. 53,182/-)

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)

	Current Year	Previous Year
	<u>Rupees</u>	<u>Rupees</u>
a. Net Profit for Equity Shareholder (Numerator used for calculation)	5,57,787	4,29,970
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)	0.16	0.12

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

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: 28-05-2014

sd/-
Sanjay Minda
Director
DIN 00034029

sd/-
Sawankumar Jajoo
Director
DIN 01988257

ADCON CAPITAL SERVICES LIMITED

CIN: L67120MP1994PLC008511

Regd. Office: 417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore (MP)-452001

ATTENDANCE SLIP

20th ANNUAL GENERAL MEETING – TUESDAY 30TH SEPTEMBER, 2014

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 : _____ (Figures) _____ (in words)

I hereby record my presence at the 20th Annual General Meeting of the Company on Tuesday, 30th September 2014 at 417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore – 452001, Madhya Pradesh at 11.30 AM and at any adjournment 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]

**Form No. MGT-11
PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

ADCON CAPITAL SERVICES LIMITED

Registered Office: 417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore – 452001, Madhya Pradesh, Tel. 0731-2528933; Email: adconcap@gmail.com
CIN: L67120MP1994PLC008511

Name of the member(s) : _____

Registered Address: _____

Email Id : _____

Folio No. / Client Id : _____ DP ID : _____

I / We, being the holder(s) of _____ shares of Adcon Capital Services Limited, hereby appoint

1. Name: _____ Email Id: _____

Address: _____

Signature: _____ or failing him / her

2. Name: _____ Email Id: _____

Address: _____

Signature: _____ or failing him / her

3. Name: _____ Email Id: _____

Address: _____

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 Tuesday, 30th September 2014 at 11.30 a.m at 417, Chetak Centre NX, Near Hotel Shreemaya, R.N.T. Marg, Indore – 452001, Madhya Pradesh and at adjournment thereof in respect of such resolution as are indicated below:

Resolution No.	Resolution
ORDINARY BUSINESS	
1	Adoption of Financial Statements and reports thereon for the year ended March 31, 2014
2	Reappointment of Mr. Sanjay Minda as Director retire by rotation of the Company
3	Appointment of M/s. Gupta Sahara & Co. as Auditors of the Company
SPECIAL BUSINESS	
4	Appointment of Mr. Manjit Jajoo as an Independent Director
5	Appointment of Mr. Sawan Jajoo as an Independent Director

Signed this day of 2014

.....
Signature of shareholder

.....
Signature of proxy holder(s)

Affix
Revenue
Stamp

Note:- This form of Proxy in order to be effective should be duly completed and deposited at Registered Office of the Company.

BOOK - POST

If undelivered, return to

Adcon Capital Services Limited

Regd. Off.: 417, Chetak Centre NX,

Near Hotel Shree Maya,

RNT Marg, Indore (MP) 452001