

**Nineteenth  
Annual  
Report &  
Accounts  
2012- 2013**

**AXIS CAPITAL MARKETS (INDIA) LIMITED**



## **AXIS CAPITAL MARKETS (INDIA) LIMITED**

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BOARD OF  
DIRECTORS

MR. G. B. DESAI - CHAIRMAN  
MR. DIPAN MEHTA  
MRS. RADHIKA MEHTA  
MR. ANIL MEHTA  
MRS. VINA MEHTA  
MR. DILIP KAPADIA

BANKERS

HDFC BANK

AUDITORS

P. C. SURANA & CO.  
CHARTERED ACCOUNTANTS  
205/6, STANDARD HOUSE,  
83, M. K. ROAD, MARINE LINES,  
MUMBAI - 400 002

REGISTERED OFFICE

58, MITTAL CHAMBERS,  
228, NARIMAN POINT,  
MUMBAI - 400 021

SHARE TRANSFER AGENTS

BIG SHARE SERVICES PRIVATE LIMITED  
E-2, ANSA INDUSTRIAL ESTATE,  
SAKIVIHAR ROAD, SAKI NAKA,  
ANDHERI (E), MUMBAI - 400072.  
TEL: 022 40430200  
FAX: 022 28525207  
EMAIL: info@bigshareonline.com  
bss@bigshareonline.com

# **AXIS CAPITAL MARKETS (INDIA) LIMITED**

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## **NOTICE**

Notice is hereby given that the Nineteenth Annual General Meeting of the Shareholders of **AXIS CAPITAL MARKETS (INDIA) LIMITED** will be held on 31st day, August, 2013 at 10.00 a.m. at Ashok Birla Board Room, Indian Merchant Chambers, Churchgate, Mumbai - 400 020. to transact the following business:

### **ORDINARY BUSINESS**

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, Audited Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
- 2) To ratify interim dividend @ 15% i.e Rs. 1.50 per equity share for the financial year 2012-2013.
- 3) To declare final dividend @ 7.5% i.e. Rs. 0.75 per equity share for the financial year ended 31st March, 2013.
- 4) To appoint a Director in place of Mr. Govindbhai Desai who retires by rotation and being eligible offers himself for re-appointment.
- 5) To re-appoint Auditors of the Company and to fix their remuneration.

**By order of the Board,  
For AXIS CAPITAL MARKETS (INDIA) LIMITED**

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

**Dipan Mehta**  
Director

# **AXIS CAPITAL MARKETS (INDIA) LIMITED**

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## **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 AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM IS ENCLOSED ALONG WITH THIS NOTICE.
2. The Proxy Form, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. For the convenience of the shareholders, Attendance Slip is annexed to this notice. Shareholders/Proxy Holders are requested to fill in and affix their signatures at the space provided therein and surrender the same at the venue.
4. The Register of Members and Share Transfer Register of the Company will remain closed from Saturday, 24th August, 2013 to Saturday, 31st August, 2013 (both the days inclusive).
5. Corporate Members intending to send their authorized representatives at the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members are requested to immediately notify any change of address to their Depository Participants (DPs) in respect of their holdings in electronic form and to the Secretarial department at the Registered Office of the company or to the Registrar and Transfer Agents in respect of their holding in physical form.
8. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report.
9. Pursuant to provisions of Section 205A and Section 205C of the Companies Act, 1956, dividend for the financial year March 31, 2006 and dividend declared thereafter, which remain unclaimed for a period of seven years, will be transferred by the Company to the Investor Education and Protection Fund pursuant to Section 205C of the Companies Act, 1956.

<b>Financial Year</b>	<b>Date of Declaration of Dividend</b>	<b>Last date of claiming Unpaid Dividend</b>
Final Dividend for the year 2005 - 2006	17th June, 2006	22nd July, 2013
Final Dividend for the year 2006 - 2007	29th September, 2007	3rd November, 2014
Final Dividend for the year 2007 - 2008	27th September, 2008	1st November, 2015
Interim Dividend for the year 2012-2013	23rd October, 2012	27th November, 2019

10. All the shareholders are requested to register their e-mail address with M/s. Big Share Services Private Limited for the purpose of service of documents under Section 53 of the Companies Act, 1956 by e-mode instead of under posting certificate (UPC) in view of Circular No. 17/95/2011 CL-V.

# AXIS CAPITAL MARKETS (INDIA) LIMITED

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## DIRECTORS' REPORT

To  
The Members,

Your Directors have pleasure in presenting the Nineteenth Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2013.

### 1. FINANCIAL RESULTS

	<b>For the Year ended March 31, 2013</b>	<b>For the Year ended March 31, 2012</b>
Revenue from Operations	-	3,160,927
Other Income	1,541,156	6,410,940
Total Revenue	1,541,156	9,571,867
Less : Expenses		
Finance Costs	-	-
Depreciation and amortization expenses	119,676	143,895
Other expenses	658,812	556,574
Total Expenses	778,488	700,469
Profit/(Loss) before Exceptional Items & Taxes	762,668	8,871,398
Exceptional Items	-	-
Profit / (Loss) before Extraordinary items Taxes	762,668	8,871,398
Extraordinary items	-	-
Profit before tax	762,668	8,871,398
Less : Tax		
Current tax	(159,774)	(1,769,348)
Deferred tax	(1,038)	35,063
Adjustment in Taxation in earlier years	-	-
Total Taxes	(160,812)	(1,734,285)
Profit / (Loss) for the period	601,856	7,137,113

### 2. DIVIDEND

In November, 2012 your directors declared an interim dividend @ 15% i.e Rs.1.50 per equity share for the financial year 2012-2013.

The Board of Directors have recommended a final dividend @ 7.5% i.e. Rs. 0.75 per equity share for the financial year ended 31st March, 2013.

# **AXIS CAPITAL MARKETS (INDIA) LIMITED**

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## **3. OPERATIONS**

During the year under review the company made a profit of Rs. 15.11 lakhs from sale of investment.

Its subsidiary company, Axis Equities Pvt. Ltd (AEPL), reported a significant improvement in its operations. Revenue from the core business of share trading, broking and portfolio management tripled to Rs. 215.95 lakhs. This spurt in income was driven by higher arbitrage and share trading profits. The company made a net loss of Rs. 25.63 lakhs which mainly on account of loss on sale of investments of Rs. 99.80 lakhs.

## **4. DIRECTORS**

Mr. Govindbhai Desai, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

## **5. SUBSIDIARY COMPANIES**

As on 31st March, 2013, the Company has following three subsidiaries:

- i. Axis Equities Private Limited.
- ii. Dipan Mehta Commodities Private Limited
- iii. Axis Wealth Management Private Limited

In terms of Section 212(a) of the Companies Act, 1956, the Central Government, Ministry of Corporate Affairs vide its General Circular 2/2011 dated 8th February, 2011 has granted a general exemption to the Company from the requirement of attaching to its annual report, the Balance Sheet, Profit and Loss Account and the report of the Directors and Auditors thereon of its subsidiaries. Accordingly the same is not attached to the Balance Sheet of the Company. Shareholders who wish to have a copy of Annual Accounts of subsidiary company may write to Mr. Dipan Mehta, Compliance Officer of the Company at the registered office of the Company.

## **6. CONSOLIDATION OF FINANCIAL STATEMENTS**

In accordance with the said above referred circular and with the Accounting Standards AS – 21 notified by Companies (Accounting Standards) Rules, 2006, the Consolidated Financial Statements covered in this report by the Company include financial information of its above referred three subsidiary companies and forms part of this Annual Report.

## **7. CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

In terms of Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, your Directors wish to state that the same is not applicable to the Company.

Foreign Exchange Earnings/Outgo	:	Rs.
Foreign Exchange Earned	:	Nil
Foreign Exchange Outgo	:	Nil

## **8. FIXED DEPOSITS**

The Company has not accepted any deposits from the public.

# **AXIS CAPITAL MARKETS (INDIA) LIMITED**

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## **9. PARTICULARS OF EMPLOYEES**

Particulars of Employees as required under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended is not given as there was no employee drawing the salary as per the limits mentioned in that Section.

## **10. DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the requirement Under Section 217 (2AA) of the Companies Act, 1956 with respect to the Directors Responsibilities Statement, it is hereby confirmed;

- i) That in the preparation of the Annual Accounts for the financial year 31st March, 2013 the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were 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 or loss of the Company for the year under review.
- iii) That the Directors have 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.
- iv) That the Directors have prepared the Accounts for the financial year ended 31st March, 2013 on a going concern basis.

## **11. LISTING OF SHARES**

The Company's shares are listed on Bombay Stock Exchange Limited. The company has paid the listing fees for the same.

## **12. CORPORATE GOVERNANCE**

A separate section on Corporate Governance is annexed to this report. The Certificate from the Auditors confirming the compliance of conditions on Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges is annexed hereto.

## **13. AUDITORS**

M/s. P. C. Surana & Co., Chartered Accountants retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a certificate from them to the effect that their re-appointment, if made would be within the prescribed limits specified under Section 224(1B) of the Companies Act, 1956.

## **14. MANAGEMENT DISCUSSION AND ANALYSIS**

### **Forward Looking Statements:**

*This section contains forward-looking statements, which may be identified by their use of words, like 'plans', 'expects', 'wills', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the company's strategy*



## **AXIS CAPITAL MARKETS (INDIA) LIMITED**

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*for growth, product development, market position, expenditures and financial results are forward-looking statements. Forward-Looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.*

The company is engaged in the business of investment, arbitrage and trading in shares. For the year under review, only investment activity was carried out. The company's subsidiary Axis Equities Pvt. Ltd., which is also engaged in stock broking, portfolio management and demat services, carried out arbitrage and trading in shares.

**a. Industry Structure and Development**

The company and its subsidiaries is engaged in the business of broking, portfolio management, demat services, investments, arbitrage and trading in shares. This is a highly fragmented and intensely competitive industry.

**b. Business Prospects and Future Plans**

The prospects of the company and its subsidiary are directly linked to the performance of the stock market. The endeavor shall be to scale up the operations of this company so as to add value to all the stakeholders and derisk the business model.

**c. Opportunities and Threats**

A prolonged bear phase in the stock markets is the main threat for the company. A bull market provides opportunities to earn profits from investment and trading activity.

**d. Segment-Wise or Product-Wise Performance**

Not Applicable

**e. Outlook**

The prospects of the company will depend upon how it is able to scale up the operations of its subsidiary Axis Equities Private Limited (formerly know as Dipan Mehta Share & Stock Brokers Pvt. Ltd.). The trends in the stock market will also determine its performance.

**f. Risk and Concerns**

A prolonged bear market and poor choice of investment and trading positions are the major risk factors.

**g. Internal Control Systems and their Adequacy**

The company has adequate internal control systems and is well capitalized for its scale of operations.

**h. Discussions on Financial Performance with respect to Operational Performance**

During the year under review the company made a profit of Rs. 15.11 lakhs from sale of investment.

## AXIS CAPITAL MARKETS (INDIA) LIMITED

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Its subsidiary company, Axis Equities Pvt. Ltd (AEPL), reported a significant improvement in its operations. Revenue from the core business of share trading, broking and portfolio management tripled to Rs. 215.95 lakhs. This spurt in income was driven by higher arbitrage and share trading profits. The company made a net loss of Rs. 25.63 lakhs which mainly on account of loss on sale of investments of Rs. 99.80 lakhs.

**i. Material Development in Human Resources / Industrial Relations Front, including Number of People Employed**

During the year there were no material developments in Human Resources and Industrial Relations.

**j. Material Financial and Commercial Transactions**

During the year there were no material financial or commercial transactions.

### 15. ACKNOWLEDGMENT

The Board wishes to place on records its appreciation to all its bankers, associates and stakeholders.

**By order of the Board,  
For AXIS CAPITAL MARKETS (INDIA) LIMITED**

Dated : 30<sup>th</sup> May, 2013

Registered Office:  
58, Mittal Chambers,  
228, Nariman Point,  
Mumbai 400 021.

**Dipan Mehta**  
Director

**Radhika Mehta**  
Director

# AXIS CAPITAL MARKETS (INDIA) LIMITED

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## CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 31ST MARCH, 2013 (under Clause 49 (VI) (i) of Listing Agreement)

### I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance is to strive for attaining the optimum level of transparency and accountability in all facets of its operations and all dealings with shareholders, employees, lenders, creditors, customers and the government. The Board of Directors by considering itself the trustee of its Shareholders aims at maximizing shareholders value and protecting interests of other stakeholders

### II. BOARD OF DIRECTORS

#### i) Composition and Category of Directors :

The Board consists of 6 Directors, out of which 2 are Independent Directors. Composition of the Board and category of Directors are as follows:

Name	Executive/Non Executive	Promoter/Independent	Relationship with Directors
Mr. Anil D Mehta	Non Executive Director	Promoter	Husband of Mrs. Vina Mehta
Mr. Dipan Mehta	Executive Director	Promoter	Son of Mr. Anil Mehta
Mr. G.B. Desai	Non Executive Chairman	Independent	Not Related to any Director
Mrs. Radhika Mehta	Non Executive Director	Promoter	Wife of Mr. Dipan Mehta
Mrs. Vina Mehta	Non Executive Director	Promoter	Wife of Mr. Anil Mehta
Mr. Dilip Kapadia	Non Executive Director	Independent	Not Related to any Director

#### ii) Attendance of each Director at the Board Meeting and Last Annual General Meeting:

Date of Meetings	Anil Mehta	Dipan Mehta	G. B. Desai	Radhika Mehta	Vina Mehta	Dilip Kapadia
30.05.2012	Present	Present	Present	Present	Present	Present
14.08.2012	Present	Present	Present	Present	Present	Present
23.10.2012	Present	Present	Present	Present	Present	Present
14.02.2013	Present	Present	Present	Present	Present	Present
Total Attendance (out of 4 Meetings.)	4	4	4	4	4	4
Attendance at Last AGM (held on 15.09.2012)	Present	Present	Absent	Present	Present	Absent

- #### iii) a. Number of other Companies where the directors (of ACML) hold memberships on the Board of Directors: b. Number and Names of Committees in which the Directors (of ACML) hold Memberships or Chairmanships:

## AXIS CAPITAL MARKETS (INDIA) LIMITED

Name of Director	No. of other Companies where Director	Number of Companies and Names of Committees where Directors hold Memberships/Chairmanships			
		Chairman	No.	Member	No.
Mr. Anil D Mehta	0	Nil	0	Nil	0
Mr. Dipan Mehta	0	Nil	0	AC – ACML SIGC – ACML	2
Mr. G.B. Desai	0	AC – ACML SIGC – ACML	2	Nil	0
Ms. Radhika Mehta	0	Nil	0	Nil	0
Ms. Vina Mehta	0	Nil	0	Nil	0
Mr. Dilip Kapadia	0	Nil	0	AC – ACML SIGC – ACML	2

AC – ACML Audit Committee – Axis Capital Markets (India) Limited

SIGC – ACML Shareholders / Investors Grievance Committee – Axis Capital Markets (India) Limited

**Note:** Only Public Limited Companies (Listed and Unlisted) have been taken into consideration while calculating Other Directorships, Committee Memberships and Committee Chairmanships.

#### iv) Code of Conduct:

The Board has formulated a code of conduct for the Board Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel have affirmed their compliance with the code for the financial year ended 31st March, 2013. A declaration to this effect signed by the Chairman of the Company is given elsewhere in the Annual Report.

### III. AUDIT COMMITTEE

The Composition of the Audit Committee and the attendance of the members of Audit Committee at the meetings of the Audit Committee are as follows:

Date of Meeting	G.B. Desai*	Dipan Mehta#	Dilip Kapadia\$
30.05.2012	Present	Present	Present
14.08.2012	Present	Present	Present
23.10.2012	Present	Present	Present
14.02.2013	Present	Present	Present
Total Attendance (out of 4 meetings)	4	4	4

\* Chairman & Non Executive Independent Director

# Member & Non Executive Promoter Director

\$ Member & Non- Executive Independent Director

The Board of Directors of the Company has framed a Terms of Reference for the Audit Committee. The Terms of Reference is based on Clause 49 (II) (D) of the Listing Agreement. The Audit Committee performs its functions in accordance with its terms of reference. In addition, it exercises its powers and reviews information as specified under Clause 49 (II) (C) and (E) of the Listing Agreement.

## AXIS CAPITAL MARKETS (INDIA) LIMITED

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### IV. REMUNERATION COMMITTEE

The Company has not constituted a separate remuneration committee that determines the terms of reference and remuneration package for its managerial personnel.

#### Remuneration Policy

- A. The Company does not have any pecuniary relationship or transactions with the non-executive directors.
- B. No directors are drawing any remuneration from the Company. Sitting Fees paid by the Company to the Directors are as follows :

Name of Director	Sitting Fees
Dilip Kapadia	6000
Govind B. Desai	6000

- C. The Company has not issued any stock options or paid any performance linked incentives or fixed component incentives to the Directors.
- D. The Company has not entered into any service contracts with any Directors. However at the Board Meeting held on 30th May, 2012, the Company has appointed Mr. Dipan Mehta as Whole Time Director of the Company w.e.f. 1st June, 2012 for a period of 5 years. The necessary resolution has been approved by the members of the Company at the 18th Annual General Meeting of the Company in accordance with Section 269 of the Companies Act, 1956.
- E. Equity Shares of Axis Capital Markets (India) Limited held by the Non-Executive Directors is as follows:

Non Executive Directors	No. of shares held as on 31st March, 2013	No. of shares held as on 31st March, 2012
Mr. Anil Mehta	7,28,700	7,28,700
Mr. Dipan Mehta	1,24,100	1,24,100
Ms. Radhika Mehta	20,10,100	20,10,100
Ms. Vina Mehta	8,49,300	8,49,300
Mr. G.B. Desai	632	632
Mr. Dilip Kapadia	Nil	Nil

### V. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

- A. The Composition of the Shareholders/Investors Grievance Committee and their attendance at the Shareholders/Investors Grievance Committee Meetings are as follows:

Date Meeting	G.B. Desai*	Dipan Mehta#	Dilip Kapadia\$
30.05.2012	Present	Present	Present
14.08.2012	Present	Present	Present
23.10.2012	Present	Present	Present
14.02.2013	Present	Present	Present
Total Attendance (out of 4 meetings)	4	4	4

\* Chairman & Non Executive Independent Director

# Member & Non Executive Promoter Director

\$ Member & Non- Executive Independent Director

## **AXIS CAPITAL MARKETS (INDIA) LIMITED**

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### **B. COMPLIANCE OFFICER :**

As required by the Listing Agreement, the Company has appointed Mr. Dipan Mehta, Director as the Compliance Officer. Email address of Compliance Officer is **dipanmehta@vsnl.com**

### **C. COMPLAINT STATUS FOR THE YEAR 01/04/2012 TO 31/03/2013**

Category	No.of Compl. Received	No.of Compl. Resolved	No.of Compl. Pending
Non Receipt of Credit of Dividend	-	-	-
Non Receipt of Dividend Warrant	2	2	0
Non Receipt of Annual Report	-	-	-
Complaints with SEBI	-	-	-
Complaints with Stock Exchange	-	-	-
Non Receipt of Share Certificates	-	-	-
Non Receipt of Transferred Shares	-	-	-
Non Receipt of Demat Credit	1	1	0
Total	3	3	0

### **VI. GENERAL BODY MEETINGS**

Date, time and venue for the Annual General Meetings and Extra Ordinary General Meeting held during the last 3 financial years and nature of special resolutions passed thereat are given below;

Financial Year Ending	Nature of Meeting	Nature of Special Resolution Passed	Date	Location	Time
31.03.11	EGM	1) Sec 31# 2) Sec 81(1A)\$	13.05.10	Indian Merchant Chambers, Churchgate, Mumbai: 400 020	10.00 A.M.
	16th AGM	Sec 372A*	03.07.10	Indian Merchant Chambers, Churchgate, Mumbai: 400 020	10.00 A.M.
31.03.12	17th AGM	NIL	30.07.11	Indian Merchant Chambers, Churchgate, Mumbai: 400 020	10.00 A.M.
31.03.13	18th AGM	NIL	15.09.12	Indian Merchant Chambers, Churchgate, Mumbai: 400 020	10.00 A.M.

# Special Resolution was passed under Sec 31 of the Companies Act 1956 to seek the consent of the Shareholders to alter the Articles of Association of the Company consequent to increase in authorized share capital of the Company from Rs. 3.5 crores to Rs. 6 crores

\$ Special Resolution was passed under Sec 81(1A) of the Companies Act 1956 and SEBI (Issue of Capital & Disclosure Requirements) Regulation, 2009 to seek the consent of the Shareholders for issue of 28,00,000 (Twenty Eight Lacs) Warrants convertible into Equity Shares of the Company.

## AXIS CAPITAL MARKETS (INDIA) LIMITED

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\* Special Resolution was passed under Sec 372A of the Companies Act 1956 to seek the consent of the Shareholders to authorize Board of Directors to invest funds of the Company upto Rs. 20 Crores in M/s Dipan Mehta Share and Stock Brokers Private Limited (Name changed to M/s Axis Equities Private Limited)

### Notes:

- 1) During the financial year, no special resolutions were required to be passed through postal ballot.
- 2) No resolutions are proposed to be passed through postal ballot.

## VII. DISCLOSURES

- i. The Company has not entered into any materially significant related party transactions during the year that may have potential conflict with the interests of the Company at large.
- ii. There has been no incidence of non-compliance by the Company of any statutory regulations nor any penalty or stricture imposed by the Stock Exchange or any other Statutory Authority, on any matter relating to the capital market over the last three years.
- iii. The details of all transactions with related parties are placed before the Audit Committee on quarterly basis.
- iv. In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.
- v. The constitution of whistle blower policy is a non mandatory requirement. However the Company affirms that no employee has been denied access to the Audit Committee during the financial year 2012 – 2013.
- vi. The Company has complied with all mandatory requirements of clause 49 of Listing Agreement.

## VIII. MEANS OF COMMUNICATION

- i. **Quarterly Results:** The quarterly financial results of the company (in the format prescribed by the Listing Agreement) are reviewed by Audit Committee and then, approved and taken on record by the Board within the prescribed time frame and immediately send to the Stock Exchange where the shares of the company are listed.
- ii. The quarterly results for the financial year 2012–13 were published in the News Papers. (Details given below):

Quarter	Results Published in
June, 2012	Free Press Journal(English), Navshakti (Marathi)
September, 2012	Free Press Journal(English), Navshakti (Marathi)
December, 2012	Free Press Journal(English), Navshakti (Marathi)
March, 2013	Free Press Journal(English), Navshakti (Marathi)

- iii. **Annual Report:** Annual Report containing inter alia Audited Annual Accounts, Directors' Report, Auditors' Report and other important, information is circulated to Members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report.

## AXIS CAPITAL MARKETS (INDIA) LIMITED

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- iv. All the shareholders are requested to register their e-mail address with M/s. Big Share Services Private Limited for the purpose of service of documents under Section 53 of the Companies Act, 1956 by e-mode instead of under posting certificate (UPC) in view of Circular No. 17/95/2011 CL-V.

### IX. GENERAL SHAREHOLDER INFORMATION

<b>AGM Date, Time &amp; Venue</b>	<b>Date :</b> 31st August, 2013 <b>Time :</b> 10.00 a.m. <b>Venue :</b> Ashok Birla Board Room, Indian Merchant Chambers, Churchgate, Mumbai - 400 020.
<b>Financial Year:</b>	1st April to 31st March
<b>Book Closure Date:</b>	24th August, 2013 to 31st August, 2013
<b>Dividend Payment Date:</b>	29th September, 2013
<b>Listing on Stock Exchanges:</b>	The Bombay Stock Exchange Limited
<b>Stock Code &amp; Demat Scrip Code (ISIN)</b>	Bombay Stock Exchange Scrip Code: 531278 ISIN: INE 785D01012
<b>Registrar &amp; Transfer Agents</b>	Bigshare Services Private Limited, <b>Address:</b> E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai - 400 072 <b>Tel:</b> 40430200 <b>Fax:</b> 28525207 <b>E mail:</b> rajshree@bigshareonline.com <b>Website:</b> www.bigshareonline.com

Shareholders / investors are requested to forward share transfer documents, dematerialization request, correspondence regarding change of address, non – receipt of dividend (if declared) or share certificates and other investor related queries to the company's registrar i.e. Bigshare Services Private Limited at the address mentioned above.

#### Share Transfer System and Dematerialization of Shares:

The Company has admitted its shares to the depository system of the National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of shares. International Securities Identification Number (ISIN) of the Company is INE 785D01012.

As on March 31, 2013, 57,35,279 (98.83%) of the shares of the Company are dematerialized. All these shares are electronically transferred through the demat facility. The balance 67,921 (1.17%) of shares are in physical mode. The Company has assigned the job of transfer of shares in physical mode to its Registrar and Share Transfer Agent, Bigshare Services Private Limited. The Shareholders and Investors Grievances Committee takes on record all the physical share transfers, request for consolidation / split of shares, etc from time to time.



## AXIS CAPITAL MARKETS (INDIA) LIMITED

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Transfers Lodged & Transferred	No. of Transfer Deeds Processed	No. of Shares Transferred
1 – 30 days	1	100
30 – 60 days	-	-
Above 60 days	-	-
<b>Total</b>	<b>1</b>	<b>100</b>

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### Distribution of Shareholding as on 31st March, 2013:

Range (In Rs.)	No. of Shareholders	% to total Shareholders	Total Shareholding (In Rs.)	% to Capital
1 - 5000	1415	88.1620	1739220	2.9970
5001 - 10000	105	6.5421	898190	1.5477
10001 - 20000	39	2.4299	574660	0.9902
20001 - 30000	15	0.9346	370570	0.6386
30001 - 40000	6	0.3738	225800	0.3891
40001 - 50000	8	0.4984	367210	0.6328
50001 - 100000	2	0.1246	126790	0.2185
100001 & Above	15	0.9346	53729560	92.5861
<b>Total</b>	<b>1605</b>	<b>100.0000</b>	<b>58032000</b>	<b>100.0000</b>

### Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity:

There are no outstanding GDRs/ ADRs/ Warrants or any Convertible instruments.

### Consolidation of Folios:

Shareholders are requested to INVARIABLY mention their existing folio number in the column provided in the transfer deed in case they lodge further shares for transfer in the same order of names. Shareholders are also requested to send the share certificates by registered post to the transfer agents of the Company in case they have been allotted more than one folio, in the same order of names. The shares will be consolidated into one folio and the share certificates will be returned by registered post within a week of receipt.

### Nomination Facility:

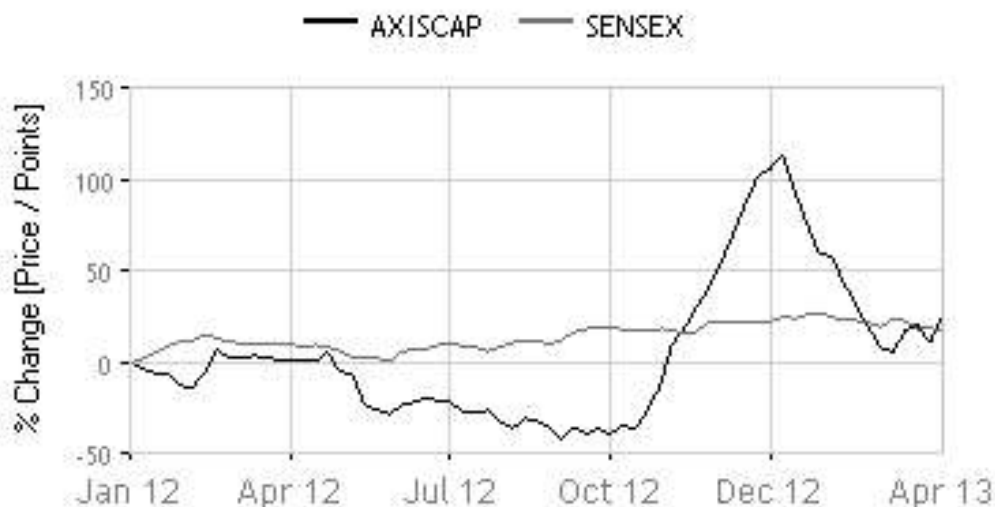
Individual shareholders of physical shares can nominate any person for the shares held by them. This will save the nominee from going through the lengthy process of getting the shares later on transmitted to his name. For further details, shareholders may write to the Registrar and Share Transfer Agent of the Company.

### Auditors Certificate on Corporate Governance

The Auditors certificate on compliance of clause 49 of the Listing Agreement relating to Corporate Governance is published as an annexure to the Director's Report.

## AXIS CAPITAL MARKETS (INDIA) LIMITED

Performance of equity scrip (Closing Prices) of the company in comparison to BSE Sensex(Closing Prices), (Data downloaded from www.bseindia.com)



Monthly High and Low Prices of the Equity Shares of the Company for the year ended 31st March, 2013 (Data downloaded from www.bseindia.com) :

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	* Spread(Rs.)	
								H-L	C-O
Apr 12	23.75	24.8	22.35	23.45	4705	36	1,09,243	2.45	-0.3
May 12	22.3	24.1	16.45	17.15	5999	106	1,10,515	7.65	-5.15
Jun 12	17.95	18.8	16	18.45	3536	79	61,931	2.8	0.5
Jul 12	17.75	18.6	15.85	16.7	5065	96	87,502	2.75	-1.05
Aug 12	15.9	17.45	14.4	15	6624	111	1,03,534	3.05	-0.9
Sep 12	14.4	16.45	13.4	14.9	11609	156	1,69,828	3.05	0.5
Oct 12	14.55	19.86	13.72	19.86	4380	97	64,948	6.14	5.31
Nov 12	19.25	32.85	19.25	32.85	15618	128	4,32,146	13.6	13.6
Dec 12	33.5	48.2	33.5	48.2	23193	179	9,23,223	14.7	14.7
Jan 13	49.15	52.1	35.9	37.8	37155	424	17,73,664	16.2	-11.35
Feb 13	37.05	37.05	25.8	25.8	7334	116	2,29,688	11.25	-11.25
Mar 13	25.3	32.75	23.35	25.9	11951	176	3,28,294	9.4	0.6

\*Spread, H-L: High-Low, C-O: Close-Open

## **AXIS CAPITAL MARKETS (INDIA) LIMITED**

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### **Shareholding Pattern as on 31st March, 2013**

<b>Category</b>	<b>No of Shares Held</b>	<b>% of Share Holding</b>
A. Promoter (s) Holding		
Promoter (s)		
- India Promoters	41,64,599	71.76
- Foreign Promoters	0	0.00
<b>Sub - Total (A)</b>	<b>41,64,599</b>	<b>71.76</b>
B. Non-Promoters Holding		
Institutional Investors		
i. Mutual Funds & UTI	0	0.00
ii. Banks, Financial Inst, Insurance Company (Central/State Govt Inst/Non-Govt Inst)	0	0.00
iii. FII (s)	0	0.00
Others	0	0.00
i. Private Corporate Bodies	4,83,952	8.34
ii. Indian Public	11,51,204	19.84
iii. NRI/OCB(s)	3,400	0.06
iv. Clearing Members	45	0.00
<b>Sub - Total (B)</b>	<b>16,38,601</b>	<b>28.24</b>
<b>Total</b>	<b>58,03,200</b>	<b>100.00</b>

### **Plant Location**

The activities of the Company are not related to manufacturing or processing etc. Hence the company does not have any plants.

### **Registered Office & Correspondence Address**

#### **Axis Capital Markets (India) Limited**

58, Mittal Chambers, 228, Nariman Point,

Mumbai - 400021. Telephone No: 6115 1919

**Contact Person: Mr. Dipan Mehta, Compliance Officer**

**Email Address: dipanmehta@vsnl.com**

For **Axis Capital Markets (India) Limited**

**Dipan Mehta**

**Director**

**Radhika Mehta**

**Director**

Place: Mumbai

Date: 30th May, 2013

## **AXIS CAPITAL MARKETS (INDIA) LIMITED**

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### **Management Certificate on clause 49 (1D) of the Listing Agreement**

To,  
The Members,  
Axis Capital Markets (India) Limited

This is to affirm that the Board of Directors of Axis Capital Markets (India) Limited has adopted a Code of Conduct for its Directors and Senior Management Personnel in compliance with the provisions of Clause 49 (D) of the Listing Agreement with the Stock Exchange. The Board Members and Senior Management Personnel of the Company have confirmed the compliance of provisions of the said code for the financial year ended 31st March, 2013.

**Dipan Mehta**  
**Director**

Place: Mumbai

Date: 30th May, 2013

# **AXIS CAPITAL MARKETS (INDIA) LIMITED**

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## **AUDITOR'S REPORT ON CORPORATE GOVERNANCE**

### **TO THE MEMBERS OF AXIS CAPITAL MARKETS (INDIA) LIMITED**

We have examined the compliance of conditions of Corporate Governance by Axis Capital Markets (India) Limited, for the year ended on 31st March 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement and that no investor grievance(s) is/are pending for a period exceeding one month against the Company.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or the effectiveness with which the Management has conducted the affairs of the Company.

**For P. C. SURANA & CO.**  
**Chartered Accountants**

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

**Sunil Bohra**  
Partner  
Membership No. 39761

# AXIS CAPITAL MARKETS (INDIA) LIMITED

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## INDEPENDENT AUDITORS' REPORT

To the Members of

**AXIS CAPITAL MARKETS (INDIA) LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying Financial Statements of **AXIS CAPITAL MARKETS (INDIA) LIMITED ("the Company")**, which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of Significant Accounting Policies and other Explanatory Information.

### **Management's 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 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 the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatements.

An Audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risk of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the Auditor considers internal control relevant to the Company's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances. 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 aforesaid Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of Affairs of the Company as at March 31, 2013;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

# AXIS CAPITAL MARKETS (INDIA) LIMITED

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## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227 (4A) of the Act, we give in the Annexure, a Statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our Audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flows Statement dealt with by this Report are in agreement with the books of Account.
  - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in section 211 (3C) of the Act.
  - (e) On the basis of the written representations received from the Directors as on March 31, 2013, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2013, from being appointed as a Director in terms of Section 274(1) (g) of the Act.

For **P. C. Surana & Co.**  
Chartered Accountants  
(Registration No. 110631W)

Place : Mumbai  
Date : 30th May 2013

Sunil Bohra  
Partner  
Membership No. 39761

# **AXIS CAPITAL MARKETS (INDIA) LIMITED**

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## **ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

Referred to in Paragraph 1 under the head of "Report on Other Legal and Regulatory Requirements" of our report of even date.

1. In respect of its fixed assets:
    - a) The Company has maintained proper records showing full particulars including quantitative details and location of fixed assets.
    - b) As explained to us, the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
    - c) In our opinion, the Company has not disposed of any of its fixed assets during the year and the going concern status of the Company is not affected.
  
  2. In respect of its inventories:

In our opinion, and according to the information and explanations given to us, the company's operations do not require it to hold inventories. Accordingly clause 4 (ii) of the Order is not applicable.
  
  3. In respect of the loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956:
    - a) The Company has not given any loan during the year to companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements of Clauses (iii) (a); (iii) (b); (iii) (c) and (iii) (d) of paragraph 4 of the Order are not applicable.
    - b) The Company has taken loan from one such party during the year. In respect of such loan, the maximum amount payable at any time during the year was Rs. 10.35 lakhs and the year end balance is Rs. 10.35 lakhs.
    - c) In our opinion, and according to the information and explanations given to us, the rate of interest and other terms and conditions were not prejudicial to the interest of the Company.
    - d) The principal amount of the loan was repayable on demand and interest, if any, was also payable on demand.
  
  4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit, we have not observed any major weaknesses in internal controls.
  
  5. In respect of transactions covered under section 301 of the Companies Act, 1956:
    - a) In our opinion and according to the information given to us, the transaction made in pursuance of contracts or arrangement that needed to be entered into in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
    - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts / arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs.5,00,000 in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company.
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## **AXIS CAPITAL MARKETS (INDIA) LIMITED**

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6. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable.
7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
8. The Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 in respect of business activities carried out by the Company.
9.
  - a) According to the records of the Company, and the information and explanations given to us undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' state Insurance, income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2013 for a period of more than six months from the date of becoming payable. We are informed that there are no liabilities towards Investor Education and Protection Fund for the year under audit.
  - b) According to the information and explanations given to us, the Company does not have any dues in respect of Sales Tax, Customs Duty, Income tax and Wealth Tax. Excise Duty and Cess which have not been deposited as on 31st March, 2013 on account of any dispute.
10. The Company does not have any accumulated losses at the end of the financial year. The Company has not incurred cash losses in the financial year covered by the audit and in the immediately preceding financial year.
11. The Company has neither taken any loans from a financial institution or a bank nor issued any debentures. Therefore, the provisions of Clause (xi) of paragraph 4 of the Order are not applicable.
12. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company 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, Clause 4(xiii) of the Order is not applicable to the Company.
14. According to the information and explanations given to us the Company has maintained proper records of transaction and contracts in respect of trading in securities, debentures and other investment and timely entries have been made therein. All shares, debentures and other investments have been held by the Company in its own name.
15. According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from banks or financial institutions. Accordingly, Clause 4(xv) of the Order is not applicable.
16. The Company has not raised any term loans during the year. Accordingly, Clause 4 (xvi) of the Order is not applicable.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short term basis that have been used for long-term investment.

## **AXIS CAPITAL MARKETS (INDIA) LIMITED**

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18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any Debentures. Accordingly, Clause 4(xix) of the Order is not applicable.
20. The Company has not raised any money by way of public issues during the year. Accordingly, Clause 4(xx) of the Order is not applicable.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **P. C. Surana & Co.**  
Chartered Accountants  
(Registration No. 110631W)

Place : Mumbai

Date : 30th May 2013

Sunil Bohra  
Partner  
Membership No. 39761

# AXIS CAPITAL MARKETS (INDIA) LIMITED

## BALANCE SHEET AS AT MARCH 31, 2013

	Note No.	As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
<b>I) EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
a) Share Capital	2	58,032,000	58,032,000
b) Reserves & Surplus	3	<u>107,182,445</u>	<u>121,050,223</u>
		<b>165,214,445</b>	<b>179,082,223</b>
<b>2 Non -Current Liabilities</b>			
Deferred tax liabilities (Net) Related to Fixed Assets		<u>399,285</u>	<u>398,247</u>
		<b>399,285</b>	<b>398,247</b>
<b>3 Current Liabilities</b>			
a) Short-term borrowings	4	1,035,000	-
b) Trade Payables		49,047	30,286
c) Other current liabilities	5	238,464	235,382
d) Short Term Provisions	6	<u>4,352,698</u>	-
		<b>5,675,209</b>	<b>265,668</b>
<b>TOTAL</b>		<u><b>171,288,939</b></u>	<u><b>179,746,138</b></u>
<b>II ASSETS</b>			
<b>1 Non-current Assets</b>			
a) Fixed Assets			
Tangible Assets	7	1,712,633	1,756,058
b) Non-current Investments	8	169,033,722	175,295,341
c) Other Non-Current Assets	9	<u>182,180</u>	<u>258,432</u>
		<b>170,928,535</b>	<b>177,309,830</b>
<b>2 Current Assets</b>			
(a) Inventories	10	-	-
(b) Trade Receivables		-	-
(c) Cash and Cash equivalents		360,147	2,284,052
(d) Short term Loans and Advances		<u>256</u>	<u>152,256</u>
		<b>360,403</b>	<b>2,436,308</b>
<b>TOTAL</b>		<u><b>171,288,939</b></u>	<u><b>179,746,138</b></u>
Significant Accounting Policies	1		
Other Notes on Accounts	16 to 23		

As per our report of even date

**For P. C. Surana & Co.**

Chartered Accountants

**Sunil Bohra**

Partner

Place : Mumbai

Date : 30th May, 2013

**For and on behalf of the Board**

**Dipam Mehta**

Director

**Radhika Mehta**

Director

# AXIS CAPITAL MARKETS (INDIA) LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

	Note No.		For the year ended March 31, 2013 Rs.	For the year ended March 31, 2012 Rs.
<b>INCOME</b>				
(I) Revenue from Operations	11	-	3,160,927	
(II) Other Income	12	<u>1,541,156</u>	<u>6,410,940</u>	
(III) <b>Total Revenue</b>			<b>1,541,156</b>	<b>9,571,867</b>
<b>(IV) EXPENSES</b>				
Finance Costs		-	-	
Depreciation and amortization expenses	13	<u>119,676</u>	<u>143,895</u>	
Other expenses	14	<u>658,812</u>	<u>556,574</u>	
<b>Total Expenses</b>			<b>778,488</b>	<b>700,469</b>
(V) Profit before tax			<b>762,668</b>	<b>8,871,398</b>
<b>(VI) Tax Expenses:</b>				
(1) Current tax		<u>(159,774)</u>	<u>(1,769,348)</u>	
(2) Deferred tax		<u>(1,038)</u>	<u>35,063</u>	
(3) Adjustment in Taxation in earlier years		<u>-</u>	<u>-</u>	
			<b>(160,812)</b>	<b>(1,734,285)</b>
(VII) <b>Profit for the Year</b>			<b>601,856</b>	<b>7,137,113</b>
<b>(XII) Earning Per equity Share</b>				
1. Basic	15		<b>0.10</b>	<b>1.51</b>
2. Diluted			<b>0.10</b>	<b>1.51</b>
Significant Accounting Policies	1			
Other Notes on Accounts	16 to 23			

As per our report of even date  
**For P. C. Surana & Co.**  
*Chartered Accountants*

**For and on behalf of the Board**

**Sunil Bohra**  
 Partner

**Dipan Mehta**  
*Director*

**Radhika Mehta**  
*Director*

Place : Mumbai  
 Date : 30th May, 2013

# AXIS CAPITAL MARKETS (INDIA) LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	For the year ended March 31, 2013 Rs.	For the year ended March 31, 2012 Rs.
<b>A. Cash Flow From Operating Activities</b>		
<b>Net Profit before Tax as per Profit and Loss Statement</b>	<b>762,668</b>	<b>8,871,398</b>
Adjusted for:		
Depreciation & Amortisation	<b>119,676</b>	143,895
Dividend and Interest Income	<b>(29,878)</b>	(123,967)
Profit on Sale of Investment	<b>(1,511,278)</b>	(6,286,973)
<b>Operating Profit before Working Capital Changes</b>	<b>(658,812)</b>	<b>2,604,353</b>
Adjusted for Working Capital Changes		
(Increase) / Decrease in Trade and Other Receivables	-	180,509
(Increase) / Decrease in Stock in Trade	-	48,017,301
(Increase) / Decrease in Trade and Other Payables	<b>21,843</b>	2,955
Net Cash generated from Working Capital changes	<b>21,843</b>	<b>48,200,765</b>
<b>Cash flow from Operating Activities</b>	<b>(636,969)</b>	<b>50,805,117</b>
Direct Taxes paid	<b>(7,774)</b>	(3,387,725)
<b>Net Cash Flow from Operating Activities - (A)</b>	<b>(644,743)</b>	<b>47,417,392</b>
<b>B. Cash Flow from Investing Activities</b>		
Dividend and Interest Income	<b>29,878</b>	123,967
Application Money /Investment in Equity Shares of Subsidiary Company (Purchase) / Sale of Investments (net)	-	(115,896,688)
	<b>7,772,897</b>	<b>6,589,316</b>
<b>Net Cash Flow from Investing Activities - (B)</b>	<b>7,802,775</b>	<b>(109,183,405)</b>
<b>C. Cash Flow from Financing Activities</b>		
Dividend Paid	<b>(8,704,800)</b>	-
Tax on Dividend	<b>(1,412,136)</b>	-
Proceeds from allotment of Equity Shares against Share Warrants	-	69,916,000
Proceeds from Borrowings	<b>1,035,000</b>	(7,232,082)
Share Warrant Expenses	-	(148,390)
<b>Net Cash Flow from Financing Activities - (C)</b>	<b>(9,081,936)</b>	<b>62,535,528</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(1,923,905)</b>	<b>769,515</b>
Opening Balance of Cash and Cash Equivalents	<b>2,284,052</b>	<b>1,514,537</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>360,147</b>	<b>2,284,052</b>

As per our report of even date

**For P. C. Surana & Co.**

*Chartered Accountants*

**Sunil Bohra**

Partner

Place : Mumbai

Date : 30th May, 2013

**For and on behalf of the Board**

**Dipan Mehta**

*Director*

**Radhika Mehta**

*Director*

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 BASIS OF PREPARATION

The financial statements are prepared complying all the material aspects with the notified Accounting Standards by Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

#### 1.2 METHOD OF ACCOUNTING AND REVENUE RECOGNITION

The Company follows the mercantile system of accounting and recognizes incomes and expenditures on accrual basis. The accounts are prepared on historical cost basis, as a going concern, and are consistent with accounting principles generally accepted in India. Dividend income is recognised for when the right to receive is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

#### 1.3 FIXED ASSETS AND DEPRECIATION

Fixed Assets are stated at cost less accumulated depreciation and impairment loss, if any. Depreciation on additions to/deduction from fixed assets is provided on pro-rata basis from/to the date of acquisition/disposal. Depreciation on Fixed Assets is provided on Straight Line Method at the rates prescribed in the Schedule XIV to the Companies Act, 1956.

#### 1.4 INVESTMENTS

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on individual investment basis. Long-term investments are carried at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

#### 1.5 STOCKS IN TRADE

Stocks in trade consist of shares and securities and are valued at lower of cost and net realisable market value.

#### 1.6 TAXATION

Provision for tax is made for both current and deferred taxes. Current Tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax arising on account of "timing differences" between taxable and accounting income is accounted for using the currently enacted tax rates and tax laws. Deferred Tax Assets are recognized, only if there is a virtual certainty that they will be realized in future and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

#### 1.7 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 is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Notes to Accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

# AXIS CAPITAL MARKETS (INDIA) LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at March 31, 2013 Rs.	As at March 31, 2012 Rs.		
<b>2 Share Capital</b>				
<b>(a) Authorised</b>				
60,00,000 (Previous year-60,00,000) Equity Shares of Rs. 10 each	<b>60,000,000</b>	35,000,000		
	<b>60,000,000</b>	35,000,000		
<b>(b) Issued, Subscribed &amp; Fully paid up:</b>				
58,03,200 (Previous year - 58,03,200) Equity Shares of Rs. 10 each fully paid up	<b>58,032,000</b>	58,032,000		
	<b>58,032,000</b>	58,032,000		
<b>(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the year</b>				
<b>Equity Shares</b>				
No. of the Equity shares at the beginning of the year	<b>5,803,200</b>	3,003,200		
Add: Shares issued on conversion of share warrants	-	2,800,000		
Equity shares at the end of the year	<b>5,803,200</b>	5,803,200		
<b>(d) The details of Shareholders holding more than 5% of Equity shares:</b>				
	<b>No. of shares</b>	<b>% held</b>	<b>No. of shares</b>	<b>% held</b>
Ms. Radhika Mehta	<b>2,010,100</b>	<b>34.64</b>	2,010,100	34.64
Ms. Vina Mehta	<b>849,300</b>	<b>14.64</b>	849,300	14.64
Mr. Anil Mehta	<b>728,700</b>	<b>12.56</b>	728,700	12.56
Mr. Tapan Mehta	<b>424,800</b>	<b>7.32</b>	424,800	7.32
Ms. Bhavana Desai	<b>497,500</b>	<b>8.57</b>	500,000	8.62
M/s. Sudarshan Securities Pvt. Ltd.	<b>400,000</b>	<b>6.89</b>	400,000	6.89
<b>(e) The company allotted 28,00,000 equity shares of Rs. 10/- each at a premium of Rs. 23.30 per share on 12th August 2012 against conversion of 28,00,000 fully convertible share warrants. The said shares have been listed at the BOMAY Stock Exchange Limited (BSE).</b>				

# AXIS CAPITAL MARKETS (INDIA) LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
<b>3 Reserves &amp; Surplus</b>		
(a) <b>Securities Premium Account</b>		
Balance as per last Balance Sheet	652,40,000	-
Add : Received During the Year	<u>-</u>	<u>65,240,000</u>
	<b>65,240,000</b>	65,240,000
(b) <b>General Reserve</b>		
Balance as per last Balance Sheet	7,812,000	7,812,000
(c) <b>Profit and Loss Account</b>		
Balance as per last Balance Sheet	47,998,223	40,861,110
Add : Profit for the year	<u>601,856</u>	<u>7,137,113</u>
	<b>48,600,079</b>	47,998,223
Less : Interim Dividend Rs. 1.50 per share (Previous Year Nil)	8,704,800	-
Dividend Distribution Tax on Interim Dividend	1,412,136	-
Proposed Dividend Rs. 0.75 per share (Previous Year Nil)	4,352,400	-
Dividend Distribution Tax on Proposed Dividends on Equity Shares	<u>298</u>	<u>-</u>
	<b>34,130,445</b>	47,998,223
<b>Total Reserves &amp; Surplus</b>	<b><u>107,182,445</u></b>	<b><u>121,050,223</u></b>
<b>4 Short Term Borrowings</b>		
Unsecured		
Loans & Advances from Related Parties	<u>1,035,000</u>	-
	<b><u>1,035,000</u></b>	-
<b>5 Other Current Liabilities</b>		
a) Tds Payable	5,449	244
b) Unclaimed Dividend	<u>233,015</u>	<u>235,138</u>
	<b><u>238,464</u></b>	<b><u>235,382</u></b>
<b>6 Short Term Provisions</b>		
a) Proposed Dividend	4,352,400	-
b) Tax on Proposed Dividend	<u>298</u>	-
	<b><u>4,352,698</u></b>	-



# AXIS CAPITAL MARKETS (INDIA) LIMITED

## 7. Fixed Assets Tangible Assets

DESCRIPTION	Gross Block				Depreciation				Net Carrying Value	
	As at 01.04.2012	Additions	Deletions	As at 31.03.2013	Up to 31.03.2012	Depreciation For the year	Adjust- ments	Up to 31.03.2013	As at 31.03.2013	As at 31.03.2012
OFFICE PREMISES	2,378,300	-	-	2,378,300	636,343	38,760	-	675,103	1,703,197	1,741,957
FURNITURE & FITTINGS	430,509	-	-	430,509	427,907	2,601.00	-	430,508	1	2,602
COMPUTERS	541,351	-	-	541,351	541,350	-	-	541,350	1	1
AIR CONDITIONER	43,500	-	-	43,500	32,002	2,064.00	-	34,066	9,434	11,498
<b>Total</b>	<b>3,393,660</b>	<b>-</b>	<b>-</b>	<b>3,393,660</b>	<b>1,637,602</b>	<b>43,425</b>	<b>-</b>	<b>1,681,027</b>	<b>1,712,633</b>	<b>1,756,058</b>
Previous year	3,393,660	-	-	3,393,660	1,501,314	68,644	-	1,569,958	1,823,702	1,892,346

## AXIS CAPITAL MARKETS (INDIA) LIMITED

	As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
<b>8 Non-Current Investments</b>		
<b>1. Trade Investments (Long Term &amp; at Cost)</b>		
<b>In Equity Shares (Unquoted)</b>		
a) <b>Investment in Subsidiary Company</b>		
12,98,700 (Previous year - 12,98,700) - Fully paid up Equity Shares of Rs.10/- each in Axis Equities Pvt Ltd	<b>168,845,213</b>	168,845,213
	<b>168,845,213</b>	<b>168,845,213</b>
<b>2. Non - Trade Investments ( Long Term &amp; at Cost)</b>		
<b>In Equity Shares (Quoted)</b>		
Nil (Previous Year - 10,000) 3i Infotech Ltd.	-	1,186,384
Nil (Previous Year - 4,000) Bharati Shipyard Ltd.	-	662,015
5,600 (Previous Year - 5,600) Magnum Intermediates Ltd.	<b>112,560</b>	112,560
Nil (Previous Year - 6,000) Mphasis Ltd.	-	1,167,020
100 (Previous Year - 100) Orisa Extrusion Ltd.	<b>549</b>	549
500 (Previous Year - 500) Omega Industries Ltd.	<b>65,350</b>	65,350
Nil (Previous Year - 2,000) Tech Mahindra Ltd.	-	3,246,199
1,000 (Previous Year - 1,000) Varun Seacon Ltd.	<b>10,050</b>	10,050
	<b>188,509</b>	6,450,128
<b>Total Non-current Investments</b>	<b>169,033,722</b>	<b>175,295,341</b>
<b>Notes :</b>		
1. Aggregate market value of quoted Investments	-	7,431,680
2. Aggregate cost of quoted Investments	<b>188,509</b>	6,450,128
3. Aggregate value of Unquoted Investments	<b>168,845,213</b>	168,845,213
<b>9 Other Non Current Assets</b>		
Preliminary Expenses	<b>182,180</b>	258,432
Share Application Money	-	-
	<b>182,180</b>	<b>258,432</b>

## AXIS CAPITAL MARKETS (INDIA) LIMITED

	As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
<b>10 Current Assets</b>		
<b>Inventories (At cost, except otherwise stated) (As valued &amp; certified by the Management)</b>		
i) <b>Stock in Trade</b>		
<b>Trade Receivables</b>		
(Unsecured Considered Good)	-	-
Over Six Months Others	-	-
	<u>          </u>	<u>          </u>
<b>Cash and Cash Equivalents</b>		
i) Balances with Bank		
In Current Accounts	47,896	1,971,801
In Unclaimed Dividend Accounts	235,138	235,138
ii) Cash on hand	<u>77,113</u>	<u>77,113</u>
	<b>360,147</b>	2,284,052
<b>Short Term Loans and Advances</b> (Unsecured and considered good)		
Advance Income Tax (Net of Provisions)	<u>256</u>	<u>152,256</u>
<b>Total Current Assets</b>	<b>360,403</b>	<b>2,436,308</b>
	<u>          </u>	<u>          </u>
<b>11 Revenue from Operations</b>		
Share Trading Income	-	3,160,927
	-	3,160,927
	<u>          </u>	<u>          </u>
<b>12 Other Income</b>		
Dividend	29,878	123,967
Net profit on Sale of Investments	1,511,278	6,286,973
	<u>1,541,156</u>	<u>6,410,940</u>
<b>13 Depreciation &amp; Amortization Expenses</b>		
Depreciation of Tangible Assets	43,425	67,644
Amortization of Share Issue Expenses	76,251	76,251
	<u>119,676</u>	<u>143,895</u>
<b>14 Other Expenses</b>		
Communication and Connectivity Charges	21,568	11,619
Software Charges	5,705	-
Directors' Sitting Fees	12,000	24,000
Legal & Professional Fees	335,602	317,714
Miscellaneous Expenses	154,609	111,441
Payment to Auditors	50,562	28,090
Printing & Stationery	37,792	18,900
Power & Fuel	3,559	2,784
Rates & Taxes	3,560	6,730
Stock Exchange Charges and SEBI Fees	33,855	35,296
	<u>658,812</u>	<u>556,574</u>

## AXIS CAPITAL MARKETS (INDIA) LIMITED

	As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
<b>15 Earnings Per Share (EPS)</b>		
i) Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders for calculating basic and diluted EPS	<b>601,856</b>	7,137,113
ii) Weighted Average number of Equity Shares in calculating Basic EPS	<b>5,803,200</b>	4,729,227
<b>Effect of Dilution</b>		
Weighted Average number of Equity Shares as above	<b>5,803,200</b>	4,729,227
Add: Convertible Share-warrants	-	-
iii) Weighted Average number of Equity Shares in calculating Diluted EPS	<u><b>5,803,200</b></u>	<u>4,729,227</u>
iv) Basic EPS [(i)/ii)]	<b>0.10</b>	1.51
v) Diluted EPS [(i)/iii)]	<b>0.10</b>	1.51
vi) Face value per Equity Share	<b>10.00</b>	10.00
Contingent Liabilities	<b>Nil</b>	Nil
<b>16 Earning in Foreign Exchange</b>	<b>Nil</b>	Nil
<b>17 Expenditure in Foreign Currency</b>	<b>Nil</b>	Nil
<b>18 Payment to Auditors are:</b>		
i) Statutory Audit Fees	<b>50,562</b>	28,030
ii) Taxation Matters	-	11,030
	<u><b>50,562</b></u>	<u>39,060</u>
<b>19 Value of Imports on .C.I.F. Basis</b>	<b>Nil</b>	Nil
<b>20 Contingent Liabilities</b>		
<b>21 Segment Reporting (AS-17)</b>		
As the company's business activity fall within a single and primary business segment viz. trading and investment in shares and securities, the segment wise reporting in terms of Accounting Standard [AS 17] issued by the Institute of Chartered Accountants of India is not applicable.		
<b>22 Related party disclosures for the year ended March 31, 2013 pursuant to Accounting Standard AS-18</b>		
<b>Related Parties and their relationship:</b>		
<b>Subsidiary Companies</b>		
Axis Equities Pvt. Ltd.		
Dipan Mehta Commodities Pvt. Ltd.		
Axis Wealth Management Pvt. Ltd		
<b>Key Management Personnel and their relatives</b>		
Mrs. Radhika Mehta		
Mr. Dipan Mehta		

## AXIS CAPITAL MARKETS (INDIA) LIMITED

Nature of Transaction	Subsidiary Companies	Key Management Personnel
a) <b>Brokerage paid</b>		
Axis Equities Pvt. Ltd.	957	-
	(7,255)	-
b) <b>Loans Received from</b>		
Axis Equities Pvt. Ltd.	10,35,000	-
	(Nil)	-
Mrs. Radhika Mehta	-	Nil
		(3,850,000)
c) <b>Loans Repaid by</b>		
Axis Equities Pvt. Ltd.	Nil	-
	(1,230,509)	-
d) <b>Investment in Equity of Subsidiary</b>		
Axis Equities Pvt. Ltd.	168,845,213	-
	(168,845,213)	-
<b>Balances as at 31st March 2013</b>		
a) <b>Loan Accounts Payable</b>		
Axis Equities Pvt. Ltd.	1,035,000	-
	(Nil)	-

(Figures in the brackets are of Previous Year)

23 Figures for the previous year have been regrouped/reclassified/reinstated, wherever considered necessary.

As per our report of even date  
**For P. C. Surana & Co.**  
*Chartered Accountants*

**For and on behalf of the Board**

**Sunil Bohra**  
 Partner

**Dipan Mehta**  
*Director*

**Radhika Mehta**  
*Director*

Place : Mumbai  
 Date : 30th May, 2013

# **AXIS CAPITAL MARKETS (INDIA) LIMITED**

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## **INDEPENDENT AUDITORS' REPORT**

**To the Members of  
AXIS CAPITAL MARKETS (INDIA) LIMITED**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying Consolidated Financial Statements of **AXIS CAPITAL MARKETS (INDIA) LIMITED** ("the **Company**"), and its subsidiaries (collectively referred to as "the Group", which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit & Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of Significant Accounting Policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting Principles generally accepted in India 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 Consolidated Financial Statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

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

An Audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risk of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the Auditor considers internal control relevant to the Group's preparation and fair presentation of the Consolidated 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 Consolidated 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 aforesaid consolidated Financial Statements give a true and fair view in conformity with the Accounting Principles generally accepted in India:

- (a) In the case of the Consolidated Balance Sheet, of the state of Affairs of the Group as at March 31, 2013;
- (b) In the case of the Consolidated Statement of Profit & Loss, of the loss of the Group for the year ended on that date; and
- (c) In the case of the Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

### **Other Matters**

The Financial Statements of the subsidiaries have been audited by us.

For **P. C. SURANA & CO.**  
**Chartered Accountants**  
(Registration No. 110631W)

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

**Sunil Bohra**  
Partner  
Membership No. 39761

# AXIS CAPITAL MARKETS (INDIA) LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

	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	57,756,010	57,741,000	
b) Reserves & Surplus	3	100,406,938	118,837,259	
			<b>158,162,948</b>	<b>176,578,259</b>
<b>2 Share application money pending allotment</b>		-	-	
<b>3 Minority Interest</b>			<b>50,809,927</b>	51,515,212
<b>4 Non -Current Liabilities</b>			-	-
<b>5 Current Liabilities</b>				
a) Short-term borrowings	4	10,743,300	997,453	
b) Trade payables		1,218,268	8,590,372	
c) Other current liabilities	5	7,305,304	248,090	
			<b>19,266,872</b>	9,835,915
<b>TOTAL</b>			<b>228,239,746</b>	<b>237,929,386</b>
<b>II) ASSETS</b>				
<b>1 Non-current Assets</b>				
<b>a) Fixed Assets</b>				
i) Tangible Assets	6	40,266,743	42,803,050	
ii) Intangible Assets	6	851,773	904,457	
iii) Capital Work-in-Progress		5,659,052	640,148	
iv) Intangible Assets under development		-	-	
v) Goodwill on Consolidation		16,455,981	19,550,627	
b) Non-current Investments	7	22,128,822	26,369,053	
c) Deferred tax assets (net)	8	1,793,133	4,413,617	
d) Long-term Loans and Advances	9	20,328,920	21,649,603	
e) Other Non-Current Assets	10	231,036	330,540	
			<b>107,715,461</b>	116,661,095
<b>2 Current Assets</b>	11			
a) Inventories		80,044,628	85,984,814	
b) Trade Receivables		2,125,079	842,254	
c) Cash and Cash equivalents		34,095,455	30,721,687	
d) Short-term loans and advances		3,163,987	2,736,557	
e) Other current assets		1,095,135	982,979	
			<b>120,524,286</b>	121,268,290
<b>TOTAL</b>			<b>228,239,746</b>	<b>237,929,386</b>
Significant Accounting Policies	1			
Other Notes on Accounts	19 to 28			

As per our report of even date

**For P. C. Surana & Co.**

Chartered Accountants

**Sunil Bohra**

Partner

Place : Mumbai

Date : 30th May, 2013

**For and on behalf of the Board**

**Dipan Mehta**

Director

**Radhika Mehta**

Director

# AXIS CAPITAL MARKETS (INDIA) LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

	Note No.		For the year ended March 31, 2013	For the year ended March 31, 2012
(I) Revenue from Operations	12	21,595,912	9,813,924	
(II) Other operating Income	13	<u>(4,762,888)</u>	<u>9,087,467</u>	
(III) <b>Total Revenue</b>			<b>16,833,024</b>	18,901,391
<b>(IV) EXPENSES</b>				
Employee benefits expenses	14	2,108,337	1,155,193	
Finance Costs	15	569,476	423,968	
Depreciation and amortization expenses	16	2,688,494	1,269,263	
Other expenses	17	<u>10,820,372</u>	<u>11,852,839</u>	
Total Expenses			<b>16,186,679</b>	14,701,263
(V) <b>Profit before tax</b>			<b>646,345</b>	4,200,129
(VI) <b>Tax Expenses :</b>				
(1) Current tax		(175,092)	(1,769,475)	
(2) Deferred tax		(2,620,484)	35,063	
(3) Adjustment in Taxation in earlier years		<u>867</u>	<u>(1,088,038)</u>	
			<b>(2,794,709)</b>	(2,822,450)
(VII) <b>Profit for the year before adjustment for Minority Interest</b>			<b>(2,148,364)</b>	1,377,679
(VIII) Add : Share of Profit / (Loss) transferred to Minority Interest			<b>(715,462)</b>	(3,546,470)
(IX) <b>Profit for the Year</b>			<b>(1,432,902)</b>	4,924,149
(X) Earning Per Equity Share of face value of Rs.10 each	18			
Basic and Diluted			<b>(0.30)</b>	1.05
Significant Accounting Policies	1			
Other Notes on Accounts	19 to 28			

As per our report of even date  
**For P. C. Surana & Co.**  
*Chartered Accountants*

**For and on behalf of the Board**

**Sunil Bohra**  
 Partner

**Dipan Mehta**  
*Director*

**Radhika Mehta**  
*Director*

Place : Mumbai  
 Date : 30th May, 2013



# AXIS CAPITAL MARKETS (INDIA) LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	For the year ended March 31,2013 Rs.
<b>A. Cash Flow From Operating Activities</b>	
<b>Net Profit / (Loss) before Tax as per Profit and Loss Statement</b>	646,345
<b>Adjusted for:</b>	
Depreciation & Amortisation	2,688,494
Interest & Finance Charges paid	569,476
Dividend and Interest Income	(3,660,668)
Loss on Sale of Investment	8,468,717
<b>Operating Profit / (Loss) before Working Capital Changes</b>	<u>8,712,364</u>
<b>Adjusted for Working Capital changes</b>	
Trade and Other Receivables	(1,858,264)
Stock in Trade	5,940,186
Trade and Other Payables	(7,195,373)
<b>Net Cash generated from Working Capital changes</b>	<u>(3,113,451)</u>
<b>Cash Flow from Operating Activities</b>	5,598,913
Dividend Tax Paid	(1,412,136)
Direct Taxes paid	(221,862)
<b>Net Cash Flow from Operating Activities - (A)</b>	<u>3,964,915</u>
<b>B. Cash Flow from Investing Activities</b>	
Dividend Paid	(8,704,800)
Dividend and Interest Income	3,660,668
Interest & Finance Charges paid	(569,476)
(Purchase) / Sales of Fixed Assets (Net)	(5,018,904)
(Purchase) / Sale of Investments (Net)	(1,108,653)
<b>Net Cash Flow from Investing Activities - (B)</b>	<u>(11,741,165)</u>
<b>C. Cash Flow from Financing Activities</b>	
Long Term Loans received back	1,320,683
Short Term Advances received back	83,488
Short Term Borrowings	9,745,848
<b>Net Cash Flow from Financing Activities - (C)</b>	<u>11,150,019</u>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	3,373,769
Opening Balance of Cash and Cash Equivalents	30,721,687
<b>Closing Balance of Cash and Cash Equivalents</b>	<u>34,095,455</u>

Note: This being the 2nd year of preparing of the Consolidated Financial Statement of the Group, previous year figures are not applicable.

As per our report of even date  
**For P. C. Surana & Co.**  
*Chartered Accountants*

**For and on behalf of the Board**

**Sunil Bohra**  
Partner

**Dipan Mehta**  
*Director*

**Radhika Mehta**  
*Director*

Place : Mumbai  
Date : 30th May, 2013

# **AXIS CAPITAL MARKETS (INDIA) LIMITED**

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## **NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**

### **1 SIGNIFICANT ACCOUNTING POLICIES**

#### **1.1 PRINCIPLES OF CONSOLIDATION**

The Consolidated Financial Statement (CFS) relate to Axis Capital Market (India) Limited and its subsidiary companies (collectively, the Group). The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary companies are combined on a line- by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra gr
- b) The difference between the costs of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statement as Goodwill or Capital Reserve as the case may be.
- c) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the consolidated Profit And Loss account being the profit or loss on dis
- d) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to the share-holders of the Company.
- e) Minority Interest's share of net assets of consolidated subsidiaries for the year is identified and presented in the consolidated balance sheet separate from liabilities and equity of the Company's shareholders.
- f) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements

1.2 Investment other than in subsidiaries have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments"

1.3 Other Significant accounting policies are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

## AXIS CAPITAL MARKETS (INDIA) LIMITED

### NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
<b>2 Share Capital</b>		
<b>(a) Authorised</b>		
Equity Shares 60,00,000 Equity Shares of Rs. 10 each	<b>60,000,000</b>	60,000,000
	<u><b>60,000,000</b></u>	<u>60,000,000</u>
<b>(b) Issued, Subscribed &amp; Fully paid up</b>		
Equity Shares 57,75,601 (Previous Year 57,74,100 Equity Shares of Rs. 10 each fully paid up)	<b>57,756,010</b>	57,741,000
	<u><b>57,756,010</b></u>	<u>57,741,000</u>
<b>(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the year</b>		
<b>Equity Shares</b>		
No. of the Equity shares at the beginning of the year	<b>5,774,100</b>	2,974,100
Add: Shares issued on conversion of share warrants	-	2,800,000
Add: Shares sold by subsidiary	<b>1,501</b>	-
Equity shares at the end of the year	<u><b>5,775,601</b></u>	<u>5,774,100</u>
<b>3 Reserves and Surplus</b>		
<b>(a) Capital Redemption Reserve</b>		
Balance as per last Balance sheet	-	-
<b>(b) Securities Premium Account</b>		
Balance as per last Balance sheet	65,240,000	-
Add: Received during the year	<u>-</u>	<u>65,240,000</u>
	<b>65,240,000</b>	65,240,000
<b>(c) General Reserve</b>		
Balance as per last Balance sheet	<b>7,812,000</b>	7,812,000

## AXIS CAPITAL MARKETS (INDIA) LIMITED

### NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
<b>(d) Profit and Loss Account</b>		
Balance as per last Balance sheet	45,785,259	40,861,110
Add (Less) : Profit (Loss) for year	<u>(1,432,902)</u>	<u>4,924,149</u>
	44,352,357	45,785,259
Less : Interim Dividend on Equity Shares paid	(8,704,800)	-
Proposed Dividend on Equity Shares	(5,881,005)	-
Tax on Interim and Proposed Dividends on Equity Shares	<u>(2,411,614)</u>	<u>-</u>
	<b>27,354,938</b>	<b>45,785,259</b>
<b>Total Reserves &amp; Surplus</b>	<b><u>100,406,938</u></b>	<b><u>118,837,259</u></b>
<b>4 Short Term Borrowings</b>		
<b>(a) Secured</b>		
Overdraft From Banks	<b>10,743,300</b>	<b>997,453</b>
Secured against Bank Balances and personally guaranteed by a Director		
<b>(b) Unsecured</b>		
Loans & Advances from Related Parties	-	-
	<b><u>10,743,300</u></b>	<b><u>997,453</u></b>
<b>5 Other Current Liabilities</b>		
a) TDS Payable	17,434	12,952
b) Unclaimed Dividends	233,015	235,138
c) Proposed Dividend	5,881,005	-
d) Tax on Proposed Dividend	999,478	-
e) Other Payables	<u>174,372</u>	<u>-</u>
	<b><u>7,305,304</u></b>	<b><u>248,090</u></b>

# AXIS CAPITAL MARKETS (INDIA) LIMITED

## 6. Fixed Assets

DESCRIPTION	Gross Block				Depreciation				Net Carrying Value	
	As at 01.04.2012	Additions	Deletions	As at 31.03.2013	Up to 31.03.2012	Depreciation For the year	Adjustments	Up to 31.03.2013	As at 31.03.2013	As at 31.03.2012
<b>Tangible Assets:</b>										
OFFICE PREMISES	40,110,516	-	-	40,110,516	636,343	1,925,371	-	2,561,714	37,548,802	39,474,173
FURNITURE & FITTINGS	2,574,192	-	-	2,574,192	1,314,541	128,306	-	1,442,847	1,131,345	1,259,651
ELECTRIC INSTALLATION	235,242	-	-	235,242	74,978	16,026	-	91,004	144,238	160,264
COMPUTERS	9,194,265	-	-	9,194,265	8,794,442	239,894	-	9,034,336	159,929	399,823
AIR CONDITIONER	743,006	-	-	743,006	475,881	40,408	-	516,289	226,717	267,125
OFFICE EQUIPMENTS	126,930	-	-	126,930	90,587	5,451	-	96,038	30,892	36,343
VEHICLES	3,203,623	-	-	3,203,623	1,997,952	180,851	-	2,178,803	1,024,820	1,205,671
<b>Total Tangible Assets</b>	<b>56,187,774</b>	<b>-</b>	<b>-</b>	<b>56,187,774</b>	<b>13,384,724</b>	<b>2,536,307</b>	<b>-</b>	<b>15,921,031</b>	<b>40,266,743</b>	<b>42,803,050</b>
<b>Intangible Assets:</b>										
BSE DERIVATIVES MEMBERSHIP	325,000	-	-	325,000	-	-	-	-	325,000	325,000
XL RESULTS FOUNDATION	369,909	-	-	369,909	-	-	-	-	369,909	369,909
CLUB MAHINDRA TIME SAHRE	198,495	-	-	198,495	63,520	7,940	-	71,460	127,035	134,975
COMPUTER SOFTWARE	1,725,424	-	-	1,725,424	1,650,851	44,744	-	1,695,595	29,829	74,573
<b>Total Intangible Assets</b>	<b>2,618,828</b>	<b>-</b>	<b>-</b>	<b>2,618,828</b>	<b>1,714,371</b>	<b>52,684</b>	<b>-</b>	<b>1,767,055</b>	<b>851,773</b>	<b>904,457</b>
<b>Total Fixed Assets</b>	<b>58,806,602</b>	<b>-</b>	<b>-</b>	<b>58,806,602</b>	<b>15,099,095</b>	<b>2,588,991</b>	<b>-</b>	<b>17,688,086</b>	<b>41,118,516</b>	<b>43,707,507</b>
Total Fixed Assets	20,984,136	-	-	58,806,602	13,929,335	1,169,760	-	15,099,095	43,707,507	

## AXIS CAPITAL MARKETS (INDIA) LIMITED

	As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
<b>7 Non-Current Investments</b>		
<b>1. Non - Trade Investments (Long Term &amp; at Cost) In Equity Shares (Unquoted)</b>		
70,694 (Previous Year - 70,694) - Fully paid up Equity Shares of Rs.10/- each in BSE Ltd	<b>7,074,838</b>	7,074,838
<b>2. Non - Trade Investments (Long Term &amp; at Cost) (In Equity Shares (Quoted))</b>		
10,000 (Previous Year - 10,000) 3i Infotech Ltd.	-	1,186,384
1200 (Previous year - Nil) Advanta Ltd.	<b>1,211,772</b>	-
900 (Previous year - Nil) Appolo Hospital	<b>753,627</b>	-
66 (Previous year - 66) Autolite India Ltd.	<b>396</b>	396
2,000 (Previous year - Nil) Cholamandalam Investment	<b>576,000</b>	-
Nil (Previous year - 6,501) Bharti Shipyard Ltd.	-	1,930,022
Nil (Previous year - 900) Coal India Limited	-	220,500
Nil (Previous year - 20,000) Deccan Chronicle Holdings Ltd.	-	2,963,650
18,000 (Previous year - Nil) Development Credit Bank	<b>779,225</b>	-
500 (Previous year - Nil) Divi's Laboratories Ltd.	<b>509,750</b>	-
500 (Previous year - Nil) Eicher Motors Ltd.	<b>1,390,839</b>	-
Nil (Previous year -2045) EIH Ltd	-	134,970
Nil (Previous year - 3650) Geodesic Info Systems Ltd.	-	417,555
1,250 (Previous year - Nil) Godrej Consumer Products Ltd	<b>959,790</b>	-
1,950 (Previous year - Nil) ING Vysya Bank	<b>1,051,140</b>	-
1,350 (Previous year - Nil) Jubilant Foodworks Ltd	<b>1,506,430</b>	-
1,600 (Previous year - 1600) Larsen & Toubro Ltd.	<b>2,960,377</b>	2,960,377
1,750 (Previous year - Nil) M&M Financial Services	<b>359,711</b>	-
5,600 (Previous Year - 5,600) Magnum Intermediates Ltd.	<b>112,560</b>	112,560
Nil (Previous year - 10,000) Mphasis Ltd.	-	3,928,273
100 (Previous Year - 100) Orisa Extrusion Ltd.	<b>549</b>	549

## AXIS CAPITAL MARKETS (INDIA) LIMITED

		As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
500 (Previous Year - 500) Omega Industries Ltd.	<b>65,350</b>		65,350
Nil (Previous year - 2,915) Patel Engineering Co. Ltd.	-		1,210,203
Nil (Previous year - 3,493) Power Grid Corpn Ltd.	-		314,370
100 (Previous year - 100) Samtel Color Ltd.	<b>9,963</b>		9,963
Nil (Previous year - 9,855) Suzlon Energy Ltd.	-		581,695
100 (Previous year - 100) Tata Metaliks Ltd.	<b>1,150</b>		1,150
2,000 (Previous Year - 2,000) Tech Mahindra Ltd.	-		3,246,199
1,000 (Previous year - Nil) Wockhardt Ltd	<b>1,950,056</b>		-
2,500 (Previous year - Nil) Yes Bank	<b>845,250</b>		-
1,000 (Previous Year - 1,000) Varun Seacon Ltd.	<b>10,050</b>	<b>15,053,984</b>	10,050
		<b>15,053,984</b>	<b>19,294,215</b>
<b>Total Non-current Investments</b>		<b>22,128,822</b>	<b>26,369,053</b>
Notes :			
1. Aggregate market value of quoted Investments		<b>15,143,923</b>	14,647,986
2. Aggregate cost of quoted Investments		<b>15,053,984</b>	19,294,215
3. Aggregate value of Unquoted Investments		<b>7,074,838</b>	7,074,838
<b>8 Deferred Tax Assets (Net)</b>			
<b>Deferred Tax Assets</b>			
Carried Forward of Unabsorbed Losses		<b>2,192,418</b>	4,811,864
<b>Deferred Tax Liabilities</b>			
Related to Fixed Assets		<b>399,285</b>	398,247
		<b>1,793,133</b>	4,413,617
<b>9 Long-term Loans and Advances (Unsecured, considered good)</b>			
Deposits#		<b>19,918,920</b>	20,239,603
Share Application Money		-	-
Margin with SHCIL		<b>410,000</b>	1,410,000
		<b>20,328,920</b>	21,649,603
# Includes Rs.50 lakhs (Previous year Rs.50 lakhs) relating to Deposit with a related party			

## AXIS CAPITAL MARKETS (INDIA) LIMITED

	As at March 31, 2013 Rs.		As at March 31, 2012 Rs.	
<b>10 Other Non Current Assets</b>				
Preliminary Expenses (to the extent not written off or adjusted)		<b>231,036</b>		330,540
		<b>231,036</b>		<b>330,540</b>
<b>11 Current Assets</b>				
<b>a) Inventories (At cost, except otherwise stated) (As valued &amp; certified by the Management)</b>				
i) Stock in Trade		<b>80,044,628</b>		85,984,814
<b>b) Trade Receivables</b> (Unsecured, considered good)				
Over Six months	550,340		550,340	
Others	1,574,739	<b>2,125,079</b>	291,914	842,254
<b>c) Cash and Cash Equivalents</b>				
i) Balances with Bank				
In Current Accounts	6,583,223		13,263,423	
In Fixed Deposit Accounts	26,850,000		16,850,000	
Accrued Interest on Fixed Deposit Accounts	376,866		322,898	
ii) Cash on hand	285,366	<b>34,095,455</b>	285,366	30,721,687
<b>d) Short-term Loans and Advances</b> (Unsecured, considered good)				
Advances Recoverable in Cash or In Kind	920,288		457,007	
Loan To Staff	428,944		512,432	
Advance Income- tax (Net of Provision)	814,755		767,118	
Advances to Related Parties	1,000,000	<b>3,163,987</b>	1,000,000	2,736,557
<b>e) Other Current Assets</b>				
Pre Paid Expenses		<b>1,095,135</b>		982,979
<b>Total Current Assets</b>		<b>120,524,286</b>		<b>121,268,290</b>



## AXIS CAPITAL MARKETS (INDIA) LIMITED

	For the year ended March 31, 2013 Rs.	For the year ended March 31, 2012 Rs.
<b>12 Revenue from Operations</b>		
Brokerage Income	1,388,439	3,478,531
Share Trading Profits	19,723,370	5,948,287
Commodity Trading Loss	-	(27,327)
Portfolio Management Fees	484,103	414,433
	<u>21,595,912</u>	<u>9,813,924</u>
<b>13 Other operating Income</b>		
Interest income	1,973,308	1,468,587
Dividend	1,687,360	1,352,363
Profit on Sale of Investments	(8,468,717)	6,201,098
Other income	45,161	65,420
	<u>(4,762,888)</u>	<u>9,087,467</u>
<b>14 Employees benefit expenses</b>		
Salaries and Wages	1,899,899	871,813
Contribution to Provident Funds	27,908	29,444
Employees Welfare & other Amenities	180,530	253,936
	<u>2,108,337</u>	<u>1,155,193</u>
<b>15 Finance Cost</b>		
Interest Expenses	146,923	47,565
Bank Charges	422,553	376,403
	<u>569,476</u>	<u>423,968</u>
<b>16 Depreciation &amp; Amortization Expenses</b>		
Depreciation of Tangible Assets	2,536,307	1,049,961
Depreciation of Intangible Assets	52,684	119,799
Amortization of Preliminary and Share-issue Expenses	99,503	99,503
	<u>2,688,494</u>	<u>1,269,263</u>
<b>17 Other Expenses</b>		
Business Promotion Expenses	743,517	943,137
Communication & Exchange Connectivity Expenses	1,107,438	1,936,769
Conveyance & Motor Car Expenses	180,516	205,469
Demat Charges	374,034	443,335
Directors' Remuneration	1,500,000	1,510,950
Directors' Sitting Fees	12,000	24,000
Insurance	69,414	78,554
Legal & Professional Fees	2,457,591	1,583,548
Miscellaneous Expenses	605,773	453,350
Payments to Auditors	111,006	62,367
Printing & Stationery	236,904	184,995
Power & Fuel	709,736	743,656
Rates & Taxes	114,324	27,356
Rent	1,191,609	1,566,493
Repairs to Others	408,646	552,292
Research Charges	41,370	250,964
Software Maintenance Expenses	772,005	763,588
Stock Exchange Charges and SEBI Fees	179,490	196,539
Travelling Expenses	5,000	325,477
	<u>10,820,372</u>	<u>11,852,839</u>

## AXIS CAPITAL MARKETS (INDIA) LIMITED

	For the year ended March 31, 2013 Rs.	For the year ended March 31, 2012 Rs.
<b>18 Earnings Per Share (EPS)</b>		
i) Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders for calculating basic and diluted EPS	<b>(1,432,902)</b>	4,924,149
ii) Weighted Average number of Equity Shares outstanding	<b>4,700,127</b>	4,700,127
iv) Earnings Per Share - Basic and Diluted	<b>(0.30)</b>	1.05
vi) Face value per Equity Share	<b>10.00</b>	10.00
<b>19</b> The depreciation is being provided for on Straight Line Method at the rates provided in Schedule XIV to the Companies Act, 1956 except for Axis Equities Private Ltd., where they have charged the same on Written Down Value Method (WDV) at the rates provided in Income Tax Act, 1961. The proportion of value of Depreciation which has been charged on Written Down Value Method is as under:		
Amount of Depreciation charged on WDV Basis	<b>2,545,274</b>	1,101,386
Total Depreciation charged in Consolidated Accounts	<b>2,588,991</b>	1,169,760
% of Depreciation charged on WDV Basis to total Depreciation	<b>98.31%</b>	94.15%
<b>20 Contingent Liabilities</b>	<b>Nil</b>	Nil
<b>21 Payment to Auditors as :</b>		
i) Statutory Audit Fees	<b>111,006</b>	55,749
ii) Taxation Matters	-	6,618
	<u><b>111,006</b></u>	<u>62,367</u>
<b>22</b> Value of Imports on C.I.F. Basis	<b>Nil</b>	Nil
<b>23</b> Expenditure in Foreign Currency	<b>Nil</b>	Nil
<b>24</b> Earnings in Foreign Currency	<b>Nil</b>	Nil
<b>25 Segment Reporting (AS-17)</b>		
As the Group's business activity fall within a single and primary business segment viz. capital markets, the segment wise reporting in terms of Accounting Standard (AS 17) issued by the Institute of Chartered Accountants of India is not applicable.		
<b>26 Related party disclosures for the year ended 31st March, 2013 pursuant to Accounting Standard AS-18</b>		
<b>[1] Related Party and their relationship</b>		
<b>Key Management Personnel and their relatives</b>		
Mrs. Radhika Mehta		
Mr. Dipan Mehta		
<b>Associates</b>		
Dipan Mehta - HUF		
Industrial Engineering Company		

## AXIS CAPITAL MARKETS (INDIA) LIMITED

[2] Nature of Transaction	For the year ended March 31, 2013 Rs.		For the year ended March 31, 2012 Rs.	
	Key Management Personnel	Associates	Key Management Personnel	Associates
a) Brokerage Received From	704	2483	190,656	12967
b) Loans Received from	-	-	3,850,000	-
c) Loans Repaid to	-	-	11,082,082	-
d) Purchase of Shares from	-	-	5,681,000	-
e) Salaries paid	1,500,000	-	1,510,950	-
<b>[3] Balance as at 31st March, 2012</b>				
a) Office Deposits Given	6,000,000	-	6,000,000	-
c) Loan Accounts Payable	-	-	-	-

27 The subsidiary companies considered in the consolidated financial statements are:

	Country of Incorporation	Proportion of Ownership Interest	Country of Incorporation	Proportion of Ownership Interest
a) Axis Equities Private Limited	India	74.00%	India	74.00%
b) Axis Wealth Private Limited	India	74.00%	India	74.00%
c) Dipan Mehta Commodities Private Limited	India	74.00%	India	74.00%

28 Figures for the previous year have been regrouped/reclassified/reinstated, wherever considered necessary.

As per our report of even date  
**For P. C. Surana & Co.**  
*Chartered Accountants*

**For and on behalf of the Board**

**Sunil Bohra**  
 Partner

**Dipan Mehta**  
*Director*

**Radhika Mehta**  
*Director*

Place : Mumbai  
 Date : 30th May, 2013

## **AXIS CAPITAL MARKETS (INDIA) LIMITED**

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### **STATEMENT PURSUANT TO EXEMPTION RECEIVED UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES**

Particulars	Axis Equities Pvt. Ltd.	Axis Wealth Management Pvt. Ltd.	Dipan Mehta Commodities Pvt. Ltd.
Capital	17,550,000	100,200	700,000
Reserves	173,483,609	927,800	4,395,747
Total Assets	213,611,421	6,280,248	5,097,995
Total Liabilities	22,577,812	5,252,248	2,248
Details of Investments			
(except investment in subsidiaries)	22,080,306	-	-
Gross Income	18,405,697	-	-
Profit/(Loss) Before Taxation	71,911	(194,942)	(121,765)
Provision for Taxation	(2,634,764)	-	-
Profit/(Loss) After Taxation	(2,562,853)	(194,942)	(121,765)
Proposed Dividend	5,879,250	-	-

**For and on behalf of the Board**

Place : Mumbai  
Date : 30th May, 2013

**Dipan Mehta**  
*Director*

**Radhika Mehta**  
*Director*

## ATTENDANCE SLIP

### AXIS CAPITAL MARKETS (INDIA) LIMITED

Registered Office: 58, Mittal Chambers, 228, Nariman Point,  
Mumbai - 400021..

Please complete this attendance slip and hand it over at the entrance of the hall

I, hereby record my attendance at the Nineteenth Annual General Meeting to be held on Saturday 31st August 2013 at Ashok Birla Board Room, Indian Merchant Chambers, Churchgate, Mumbai – 400 020. at 10-00 AM

<b>*DP ID :</b>	<b>*CLIENT ID :</b>	
NAME AND ADDRESS OF SHAREHOLDER (IN BLOCK CAPITALS)	<b>**FOLIO NO.</b>	

\*To be filled by Shareholders holding shares in dematerialised form  
\*\*To be filled by shareholder holding shares in physical form.

SIGNATURE OF THE SHARE HOLDER OR PROXY \_\_\_\_\_

## PROXY

### ATTENDANCE SLIP

### AXIS CAPITAL MARKETS (INDIA) LIMITED

Registered Office: 58, Mittal Chambers, 228, Nariman Point,  
Mumbai - 400021.

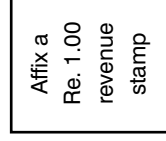
<b>*DP ID :</b>	<b>*CLIENT ID :</b>
<b>**FOLIO NO. :</b>	

\*To be filled by Shareholders holding shares in dematerialised form  
\*\*To be filled by shareholder holding shares in physical form.

I/We .....of.....  
.....Being a Member/Members of  
AXIS CAPITAL MARKETS (INDIA) LIMITED hereby appoint

.....  
of .....  
(or failing him) .....of.....  
as my / our Proxy to attend and vote for me / us and on my / our behalf at the Nineteenth Annual General Meeting of the Company to be held on Saturday 31st August, 2013 at 10-00 AM at Ashok Birla Board Room, Indian Merchant Chambers, Churchgate, Mumbai – 400 020 and at any adjournment thereof.

AS WITNESS my hand/our hands this ..... day of ..... 2013.



SIGNATURE OF THE SHAREHOLDER OR PROXY:

**NOTE :** The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the Meeting. The Proxy need not be a member of the Company.

Name of the Shareholder(s) : .....

**BOOK-POST**

*If undelivered, please return to :*

**AXIS CAPITAL MARKETS (INDIA) LIMITED**

58, MITTAL CHAMBERS,

228, NARIMAN POINT,

MUMBAI - 400 021.