

**Twentieth
Annual
Report &
Accounts
2013- 2014**

AXIS CAPITAL MARKETS (INDIA) LIMITED

AXIS CAPITAL MARKETS (INDIA) LIMITED

**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
E-mail : axiscapitalmarkets@gmail.com
Website : www.axiscapitalmarkets.com

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

NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the Shareholders of **AXIS CAPITAL MARKETS (INDIA) LIMITED** will be held on 23rd August, 2014 at 10.00 a.m. at Ashok Birla Hall, Indian Merchant Chambers, Churchgate, Mumbai 400020 to transact the following business:

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014, 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 declare final dividend @ 12.5% i.e. Re. 1.25 per equity share for the financial year ended 31st March, 2014.
- 3) To appoint a Director in place of Ms. Vina Mehta who retires by rotation and being eligible offers herself for re-appointment.
- 4) To re-appoint Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS

- 5) To appoint Shri Dilipkumar Kapadia (DIN: 01117939) as an Independent Director and in this regard to consider and if thought fit to pass with or without modification the following resolution as a special resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Dilipkumar Kapadia (DIN: 01117939), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2019.”

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

Dated : May 30, 2014
Place : Mumbai

Dipan Mehta
Director

AXIS CAPITAL MARKETS (INDIA) LIMITED

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. Explanatory Statement for pursuant to section 102 of the Companies Act, 1956 is attached to the notice.
4. Relevant document referred to in the accompanying notice and statement are open for inspection by the members at the registered office of the company on all working day, except Saturdays during business hours up to the date of the meeting.
5. 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.
6. The Register of Members and Share Transfer Register of the Company will remain closed from Tuesday, 20th August, 2014 to Saturday, 23rd August, 2014 (both the days inclusive).
7. 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.
8. 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.
9. 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.
10. 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.
11. 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.

Financial Year	Date of Declaration of Dividend	Last date of claiming Unpaid Dividend
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
Final Dividend for the year 2012 - 2013	31st August, 2013	5th October, 2020

AXIS CAPITAL MARKETS (INDIA) LIMITED

12. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
13. Information required under Clause 49 IV G of the Listing Agreement relating to Corporate Governance with respect to the Director being appointed and Directors retiring by rotation and being eligible, seeking re-appointment is as under:

I.

Particulars	Ms. Vina Mehta
Date of Birth	30/10/1940
Date of Appointment	30/11/1994
Qualifications	B.Com
Expertise in specific functional areas	Experience in share investment since 30 years.
Directorships in other Public Limited Companies	NIL
Memberships of Committees in other Public Limited Companies (includes only Audit & Shareholders / Investors Grievances Committee)	NIL

II.

Particulars	Mr. Dilipkumar Kapadia
Date of Birth	22/11/1966
Date of Appointment	27/11/2006
Qualifications	Chartered Accountant
Expertise in specific functional areas	Practicing as Chartered Accountant since 23 years
Directorships in other Public Limited Companies	NIL
Memberships of Committees in other Public Limited Companies (includes only Audit & Shareholders / Investors Grievances Committee)	NIL

AXIS CAPITAL MARKETS (INDIA) LIMITED

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the Twentieth Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2014.

1. FINANCIAL RESULTS

	For the Year ended March 31, 2014	For the Year ended March 31, 2013
	₹	₹
Revenue from Operations	-	-
Other Income	4,360,768	1,541,156
Total Revenue	<u>4,360,768</u>	<u>1,541,156</u>
Less : Expenses		
Depreciation and amortization expenses	117,075	119,676
Other Expenses	<u>937,392</u>	<u>658,812</u>
Total Expenses	1,054,467	778,488
Profit/(Loss) before Exceptional Items & Taxes	3,306,301	762,668
Exceptional Items	<u>-</u>	<u>-</u>
Profit / (Loss) before Extraordinary items Taxes	<u>3,306,301</u>	<u>762,668</u>
Extraordinary items	<u>-</u>	<u>-</u>
Profit before tax	<u>3,306,301</u>	<u>762,668</u>
Less : Tax		
Current tax	-	(159,774)
Deferred tax	(392)	(1,038)
Adjustment in Taxion in earlier years	<u>495,843</u>	<u>-</u>
Total Taxes	<u>495,451</u>	<u>(160,812)</u>
Profit / (Loss) for the period	<u><u>3,801,752</u></u>	<u><u>601,856</u></u>

2. DIVIDEND

The Board of Directors has recommended a final dividend @ 12.5% i.e. ₹ 1.25 per equity share for the financial year ended 31st March, 2014. The dividend payout is subject to approval of members at the ensuing Annual General Meeting.

3. OPERATIONS

The company is the holding company of Axis Equities Pvt. Ltd. (AEPL). During the year under review a dividend of ₹ 43.52 lakhs was received from the subsidiary company.

AXIS CAPITAL MARKETS (INDIA) LIMITED

Axis Equities Pvt. Ltd, reported a significant improvement in its operations. Revenue from the core business of share trading, broking and portfolio management increased by 66.68 % to ₹ 359.96 lakhs. This spurt in income was driven by higher arbitrage and share trading profits. AEPL made a Net Profit after Tax of ₹ 119.95 lakhs for the financial year and has proposed to pay a dividend of ₹ 5.75 per share.

4. DIRECTORS

Ms. Vina Mehta, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offer herself for re-appointment.

In terms of the articles of association of the Company, section 149 (10) of the Companies Act, 2013 and revised clause 49 of Listing Agreement dealing with Corporate Governance norms, Mr. Dilipkumar Kapadia has completed 5 years term as Independent Directors as on 1st April, 2014. The Company proposes to re-appoint them, as Independent Directors for a further period of 5 years till 2019. The Company has received requisite notices in writing from members proposing Mr. Dilipkumar Kapadia for appointment as Independent Directors.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both, under subsection 6 of section 149 of the Companies Act, 2013 and under clause 49 of the listing agreement with the stock exchanges.

5. SUBSIDIARY COMPANIES

As on 31st March, 2014, 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 companies may write to Mr. Dipan Mehta, Compliance Officer of the Company, at the registered office of the Company.

Statement pursuant to general exemption granted under section 212(8) of the Companies Act, 1956 relating to subsidiary companies

AXIS CAPITAL MARKETS (INDIA) LIMITED

Particulars	Axis Equities Pvt. Ltd. ₹	Axis Wealth Management Pvt. Ltd. ₹	Dipan Mehta Commodities Pvt. Ltd. ₹
1 Capital	17,550,000	100,200	700,000
2 Reserves	173,751,107	788,284	4,255,877
3 Total Assets	223,785,350	890,732	4,958,125
4 Total Liabilities	32,484,243	2,248	2,248
5 Details of Investments (except investment in subsidiaries)	12,069,749	-	-
6 Gross Income	38,759,960	-	-
7 Profit/(Loss) Before Taxation	17,229,342	(139,516)	(139,870)
8 Provision for Taxation	(5,233,539)	-	-
9 Profit/(Loss) After Taxation	11,995,803	(139,516)	(139,870)
10 Proposed Dividend	(10,091,250)	-	-

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	:	₹
Foreign Exchange Earned	:	Nil
Foreign Exchange Outgo	:	Nil

8. FIXED DEPOSITS

The Company has not accepted any deposits from the public.

9. PARTICULARS OF EMPLOYEES

There is no employee in the Company drawing monthly remuneration of ₹ 5,00,000 per month Or ₹ 60,00,000 per annum. Hence the Company is not required to disclose any information as per Companies (Particulars of Employees) Rules, 1975.

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;

AXIS CAPITAL MARKETS (INDIA) LIMITED

- i) That in the preparation of the Annual Accounts for the financial year 31st March, 2014 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, 2014 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 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment.

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 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.

AXIS CAPITAL MARKETS (INDIA) LIMITED

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

The company is the holding company of Axis Equities Pvt. Ltd. (AEPL). During the year under review a dividend of ₹ 43.52 lakhs was received from the subsidiary company.

Axis Equities Pvt. Ltd, reported a significant improvement in its operations. Revenue from the core business of share trading, broking and portfolio management increased by 66.71 % to ₹ 359.96 lakhs. This spurt in income was driven by higher arbitrage and share trading profits. AEPL made a Net Profit after Tax of ₹ 119.95 lakhs for the financial year and has proposed to pay a dividend of ₹ 5.75 per share.

AXIS CAPITAL MARKETS (INDIA) LIMITED

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 : May 30, 2014

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

Dipan Mehta
Director

Radhika Mehta
Director

AXIS CAPITAL MARKETS (INDIA) LIMITED

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 31ST MARCH, 2014 (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

The Company has received declaration from independent directors that they meet the criteria of independence as provided in section 149(6) of the Companies Act, 2013 except for Mr. G. B. Desai.

The Company is also compliant with composition of Board of Directors with minimum two independent directors as prescribed under section 149(4) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014. The Company is in the process of appointing independent director in place of Mr. G B Desai within the time limits under section 149 (5) of the Companies Act, 2013.

II. BOARD OF DIRECTORS

A) 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

B) 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
30.05.2013	Present	Present	Present	Present	Present	Present
14.08.2013	Present	Present	Present	Present	Present	Present
13.10.2013	Present	Present	Present	Present	Present	Present
14.02.2014	Present	Present	Present	Present	Present	Present
Total Attendance (out of 4 Meetings.)	4	4	4	4	4	4
Attendance at Last AGM (held on 31.08.2013)	Present	Present	Absent	Present	Present	Absent

AXIS CAPITAL MARKETS (INDIA) LIMITED

All the independent directors of the Company, with the exception of Mr. G. B. Desai furnish a declaration at the time of their appointment as also annually that they qualify the conditions of their being independent.. All such declarations are placed before the Board.

- C) 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:**

Name of Director	No. of other Companies where Director	Number of Cos and Names of Committees where Directors hold Memberships/Chairmanships in all Companies			
		Chairman	No.	Member	No.
Mr. Anil D Mehta	0	Nil	0	Nil	0
Mr. Dipan Mehta	3	Nil	0	AC – ACML SIGC – ACML	2
Mr. G.B. Desai	0	AC – ACML SIGC – ACML	2	Nil	0
Ms. Radhika Mehta	3	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.

D) 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, 2014. A declaration to this effect signed by the Chairman of the Company is given elsewhere in the Annual Report.

The Company has adopted new Code for Independent Director as prescribed under schedule IV pursuant to section 149 (8) of the Companies Act 2013 and revised Clause 49 (II) (E).

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\$
30.05.2013	Present	Present	Present
14.08.2013	Present	Present	Present
13.11.2013	Present	Present	Present
14.02.2014	Present	Present	Present
Total Attendance (out of 4 meetings)	4	4	4

AXIS CAPITAL MARKETS (INDIA) LIMITED

* 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 are 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.

The present constitution of the audit committee is compliant with section 177(2) of the Companies Act, 2013. The Company at its Board meeting held on May 30, 2014 has adopted the terms of reference of Audit Committee as prescribed under section 177(4) of the Companies Act, 2013 and revised clause 49 (III) (C) and (D) of the listing agreement.

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.
- 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, 2014	No. of shares held as on 31st March, 2013
Mr. Anil Mehta	7,28,700	7,28,700
Mr. Dipan Mehta	1,24,100	1,24,100
Ms. Radhika Mehta	20,10,000	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:

AXIS CAPITAL MARKETS (INDIA) LIMITED

Date of Meeting	G.B. Desai*	Dipan Mehta#	Dilip Kapadia\$
30.05.2013	Present	Present	Present
14.08.2013	Present	Present	Present
13.11.2013	Present	Present	Present
14.02.2014	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

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 01/04/2013 TO 31/03/2014

Category	No. of Complaints Received	No. of Complaints Received	No. of Complaints Pending
Non Receipt of Credit of Dividend	-	-	-
Non Receipt of Dividend Warrant	-	-	-
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	-	-	-
Total:	-	-	-

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
31.03.12	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.
31.03.14	19th AGM	NIL	30.08.13	Indian Merchant Chambers, Churchgate, Mumbai: 400 020	10.00 A.M.

AXIS CAPITAL MARKETS (INDIA) 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

- A. 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.
- B. 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.
- C. The details of all transactions with related parties are placed before the Audit Committee on quarterly basis.
- D. 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.
- E. 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 2013–2014.
- F. The Company has complied with all mandatory requirements of clause 49 of Listing Agreement.

VIII. WHISTLE BLOWER POLICY

During the financial year 2014 – 15, in accordance with the revised clause 49 (II) (F) of listing agreement and pursuant to section 177 (9) read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 of the Companies Act, 2013, the company has adopted a whistle blower policy. The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. As per the whistle blower policy, the employees are free to report violations of laws, rules, regulations or un-ethical conduct to their immediate superior. The confidentiality of those reporting / violations is maintained and they are not subjected to any discriminatory practice.

IX. MEANS OF COMMUNICATION

- A. **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.
- B. The quarterly results for the financial year 2013–14 were published in the News Papers. (Details given below):

Quarter	Results Published in
June, 2013	Free Press Journal(English), Navshakti (Marathi)
September, 2013	Free Press Journal(English), Navshakti (Marathi)
December, 2013	Free Press Journal(English), Navshakti (Marathi)
March, 2014	Free Press Journal(English), Navshakti (Marathi)

AXIS CAPITAL MARKETS (INDIA) LIMITED

- C. **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.
- D. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

X. GENERAL SHAREHOLDER INFORMATION

AGM Date, Time & Venue	Date : 23rd August, 2014 Time : 10.00 a.m. Venue : Ashok Birla Board Room, Indian Merchant Chambers, Churchgate, Mumbai - 400 020.
Financial Year:	1st April to 31st March
Book Closure Date:	20th August, 2014 to 23rd August, 2014
Dividend Payment Date:	22nd September, 2014
Listing on Stock Exchanges:	The Bombay Stock Exchange Limited
Stock Code & Demat Scrip Code (ISIN)	Bombay Stock Exchange Scrip Code: 531278 ISIN: INE 785D01012
Registrar & Transfer Agents	Bigshare Services Private Limited, Address: E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai - 400 072 Tel: 40430200 Fax: 28525207 E mail: rajshree@bigshareonline.com Website: 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, 2014, 57,35,679 (98.84%) of the shares of the Company are dematerialized. All these shares are electronically transferred through the demat facility. The balance 67,521 (1.16%) 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

Transfers Lodged & Transferred	No. of Transfer Deeds Processed	No. of Shares Transferred
1 – 30 days	-	-
30 – 60 days	-	-
Above 60 days	-	-
Total	-	-

Distribution of Shareholding as on 31st March, 2014:

Range (In ₹)	No. of Shareholders	% to total Shareholders	Total Shareholding (In ₹)	% to Capital
1 - 5000	1404	87.4766	1749750	3.0151
5001 - 10000	111	6.9159	939400	1.6188
10001 - 20000	42	2.6168	644480	1.1106
20001 - 30000	14	0.8723	342060	0.5894
30001 - 40000	6	0.3738	222470	0.3834
40001 - 50000	9	0.5607	407940	0.7030
50001 - 100000	4	0.2492	244200	0.4208
100001 & Above	15	0.9346	53481700	92.1590
Total	1605	100.0000	58032000	100.0000

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:

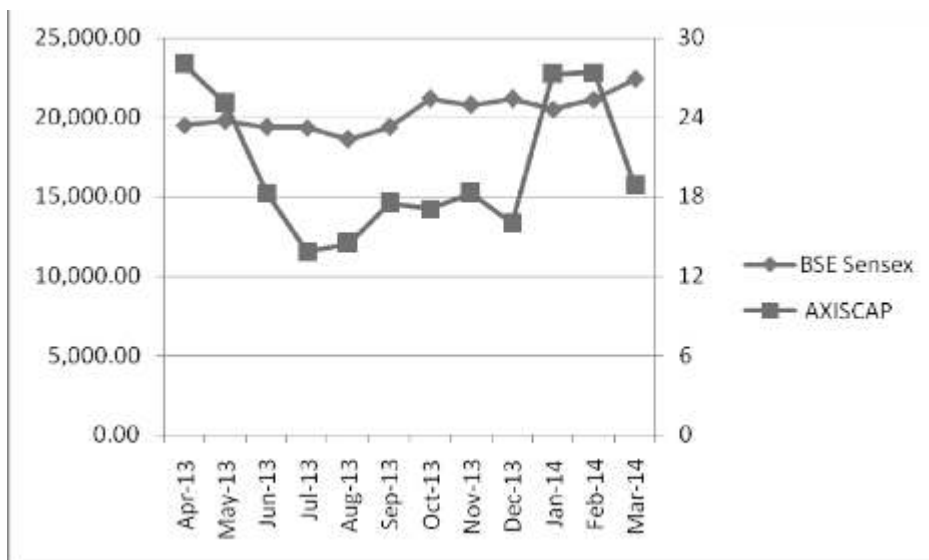
Individual shareholders of physical shares can nominate any person for the shares held by them. This will save the nominee from going through the lengthy process of getting the shares later on transmitted to his name. For further details, shareholders may write to the Registrar and Share Transfer Agent 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, 2014 (Data downloaded from www.bseindia.com):

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (₹)	* Spread(₹)	
								H-L	C-O
Apr 13	25.90	29.35	25.35	28.00	1,319	33	35,588	4.00	2.10
May 13	29.00	31.00	25.00	25.00	1,002	27	27,177	6.00	-4.00
Jun 13	23.85	23.85	18.30	18.30	2,062	22	46,314	5.55	-5.55
Jul 13	17.45	17.45	13.85	13.85	1,124	16	17,651	3.60	-3.60
Aug 13	14.54	14.54	12.50	14.45	1,834	12	24,800	2.04	-0.09
Sep 13	15.17	19.30	15.17	17.48	7,440	11	12,986	4.13	2.31
Oct 13	18.35	21.20	14.85	17.10	30,837	162	5,21,530	6.35	-1.25
Nov 13	17.95	20.75	17.60	18.25	14,867	85	2,86,520	3.15	0.30
Dec 13	17.65	17.65	14.35	15.95	2,711	31	42,381	3.30	-1.70
Jan 14	16.70	29.85	15.30	27.25	18,102	427	4,20,551	14.55	10.55
Feb 14	28.45	29.00	23.60	27.40	13,910	221	3,61,903	5.40	-1.05
Mar 14	26.05	28.00	18.25	18.80	4,585	87	1,10,000	9.75	-7.25

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

AXIS CAPITAL MARKETS (INDIA) LIMITED

Shareholding Pattern as on 31st March, 2014

Category	No of Shares Held	% of Share Holding
A. Promoter (s) Holding		
Promoter (s)		
-India Promoters	41,64,899	71.77
-Foreign Promoters	0	0.00
Sub - Total (A)	41,64,899	71.77
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	4,65,196	8.02
ii. Indian Public	11,70,705	20.18
iii. NRI/OCB(s)	2,200	0.03
iv. Clearing Members	200	0.00
Sub - Total (B)	16,38,301	28.23
Total	58,03,200	100.00

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: May 30, 2014

AXIS CAPITAL MARKETS (INDIA) LIMITED

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, 2014.

Dipan Mehta
Director

Place: Mumbai
Date: May 30, 2014

AXIS CAPITAL MARKETS (INDIA) LIMITED

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 2014, 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 : May 30, 2014

Sunil Bohra
Partner
Membership No. 39761

AXIS CAPITAL MARKETS (INDIA) LIMITED

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, 2014, 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, 2014;
- (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

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, 2014, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014, from being appointed as a Director in terms of Section 274(1) (g) of the Act.

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

Place : Mumbai

Date : 30th May 2014

Sunil Bohra
Partner
Membership No. 39761

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 ₹10.35 lakhs and the year end balance is ₹ 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 ₹ 5,00,000 in respect of each party during the year have been made at prices which appear

AXIS CAPITAL MARKETS (INDIA) LIMITED

reasonable as per information available with the Company.

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, 2014 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, 2014 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.

AXIS CAPITAL MARKETS (INDIA) LIMITED

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.
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 2014

Sunil Bohra
Partner
Membership No. 39761

AXIS CAPITAL MARKETS (INDIA) LIMITED

BALANCE SHEET AS AT MARCH 31, 2014

	Note No.	As at March 31, 2014	As at March 31, 2013
		₹	₹
I) EQUITY AND LIABILITIES			
1 Shareholders' Funds			
a) Share Capital	2	58,032,000	58,032,000
b) Reserves & Surplus	3	<u>103,730,197</u>	<u>107,182,445</u>
		161,762,197	165,214,445
2 Non -Current Liabilities			
Deferred tax liabilities (Net) (Related to Fixed Assets)		399,677	399,285
3 Current Liabilities			
a) Short-term borrowings	4	1,307,000	1,035,000
b) Trade Payables		38,933	49,046
c) Other current liabilities	5	212,688	238,464
d) Short Term Provisions	6	<u>7,254,000</u>	<u>4,352,698</u>
		8,812,621	5,675,208
TOTAL		<u>170,974,495</u>	<u>171,288,938</u>
II ASSETS			
1 Non-current Assets			
a) Fixed Assets			
Tangible Assets	7	1,671,809	1,712,633
b) Non-current Investments	8	168,845,213	169,033,722
c) Other Non-Current Assets	9	<u>105,929</u>	<u>182,180</u>
		170,622,951	170,928,535
2 Current Assets	10		
(a) Inventories		-	-
(b) Trade Receivables		-	-
(c) Cash and Cash equivalents		305,288	360,147
(d) Short term Loans and Advances		<u>46,256</u>	<u>256</u>
		351,544	360,403
TOTAL		<u>170,974,495</u>	<u>171,288,938</u>
Significant Accounting Policies	1		
Other Notes on Accounts	16 to 24		

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

For and on behalf of the Board

Sunil Bohra
 Partner

Dipam Mehta
 Director

Radhika Mehta
 Director

Place : Mumbai
 Date : 30th May, 2014

AXIS CAPITAL MARKETS (INDIA) LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Note No.	For the year ended March 31, 2014 ₹	For the year ended March 31, 2013 ₹
INCOME			
(I) Revenue from Operations	11	-	-
(II) Other Operating Income	12	<u>4,360,768</u>	<u>1,541,156</u>
(III) Total Revenue		4,360,768	1,541,156
(IV) EXPENSES			
Depreciation and amortization expenses	13	117,075	119,676
Other expenses	14	<u>937,392</u>	<u>658,812</u>
Total Expenses		<u>1,054,467</u>	<u>778,488</u>
(V) Profit before tax		3,306,301	762,668
(VI) Tax Expenses:			
(1) Current tax		-	(159,774)
(2) Deferred tax		(392)	(1,038)
(3) Adjustment in Taxation in earlier years		<u>495,843</u>	-
		<u>495,451</u>	<u>(160,812)</u>
(VII) Profit for the Year		<u>3,801,752</u>	<u>601,856</u>
(VIII) Earning Per equity Share			
15			
1. Basic		0.66	0.10
2. Diluted		0.66	0.10
Significant Accounting Policies	1		
Other Notes on Accounts	16 to 24		

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, 2014

AXIS CAPITAL MARKETS (INDIA) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	For the year ended March 31, 2014 ₹	For the year ended March 31, 2013 ₹
A. Cash Flow From Operating Activities		
Net Profit before Tax as per Profit and Loss Statement	3,306,301	762,668
Adjusted for:		
Depreciation & Amortisation	117,075	119,676
Dividend and Interest Income	(4,549,277)	(29,878)
Investment written off	188,509	
Profit on Sale of Investment	-	(1,511,278)
Operating Profit before Working Capital Changes	(937,392)	(658,812)
Adjusted for:		
(Increase)/Decrease in Trade and Other Receivables	-	-
(Increase)/Decrease in Stock in Trade	-	-
(Increase)/Decrease in Trade and Other Payables	(35,889)	21,843
Net Cash generated from Working Capital changes	(35,889)	21,843
Cash generated from Operating Activities	(973,281)	(636,969)
Direct Taxes Refunds/(Net of Payments)	449,843	(7,774)
Net Cash Flow from Operating Activities - (A)	(523,438)	(644,743)
B. Cash Flow from Investing Activities		
Dividend and Interest Income	4,549,277	29,878
(Purchase) / Sale of Investments (net)	-	7,772,897
Net Cash Flow from Investing Activities - (B)	4,549,277	7,802,775
C. Cash Flow from Financing Activities		
Dividend Paid	(4,352,400)	(8,704,800)
Tax on Dividend	(298)	(1,412,136)
Proceeds from allotment of Equity Shares against Share Warrants	-	-
Proceeds from Short term Borrowings	272,000	1,035,000
Share Warrant Expenses	-	-
Net Cash Flow from Financing Activities - (C)	(4,080,698)	(9,081,936)
Net Increase in Cash and Cash Equivalents (A+B+C)	(54,859)	(1,923,905)
Opening Balance of Cash and Cash Equivalents	360,147	2,284,052
Closing Balance of Cash and Cash Equivalents	305,288	360,147

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

For and on behalf of the Board

Sunil Bohra
 Partner

Dipam Mehta
 Director

Radhika Mehta
 Director

Place : Mumbai
 Date : 30th May, 2014

AXIS CAPITAL MARKETS (INDIA) LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

1 SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements are prepared under historical cost convention in accordance with the generally accepted accounting principles in India and comply with the provisions of the Companies Act, 1956.

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.

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.

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.

STOCKS IN TRADE

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

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.

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, 2014

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
2 Share Capital		
Authorised		
60,00,000 (Previous year-60,00,000) Equity Shares of ₹ 10 each	60,000,000	35,000,000
	60,000,000	35,000,000
Issued, Subscribed & Fully paid up:		
58,03,200 (Previous year - 58,03,200) Equity Shares of ₹ 10 each	58,032,000	58,032,000
fully paid up	58,032,000	58,032,000
2.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year		
Equity Shares		
No. of the Equity shares at the beginning of the year	5,803,200	5,803,200
Add: Shares issued on conversion of share warrants	-	-
Equity shares at the end of the year	5,803,200	5,803,200

2.2 The details of Shareholders holding more than 5% of Equity shares:

	No. of shares	% held	No. of shares	% held
Ms. Radhika Mehta	2,010,100	34.64%	2,010,100	34.64%
Ms. Vina Mehta	849,300	14.64%	849,300	14.64%
Mr. Anil Mehta	728,700	12.56%	728,700	12.56%
Mr. Tapan Mehta	424,800	7.32%	424,800	7.32%
Ms. Bhavana Desai	497,500	8.57%	497,500	8.57%
M/s Sudarshan Securities Pvt. Ltd.	375,214	6.47%	400,000	6.89%

2.3 28,00,000 Equity Shares issued on conversion of Share Warrants during five years preceding March 31, 2014.

AXIS CAPITAL MARKETS (INDIA) LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
3 Reserves & Surplus		
Securities Premium Account		
Balance as per last Balance Sheet	65,240,000	65,240,000
General Reserve		
Balance as per last Balance Sheet	7,812,000	7,812,000
Add : Transferred from Profit & Loss Account	157,000	-
	7,969,000	7,812,000
Profit and Loss Account		
Balance as per last Balance Sheet	34,130,445	47,998,223
Add : Profit for the year	3,801,752	601,856
	37,932,197	48,600,079
Less : Transferred to General Reserve	(157,000)	-
Interim Dividend ₹ 1.50 Per Share, (Previous Year Nil)	-	(8,704,800)
Dividend Distribution Tax on Interim Dividend	-	(1,412,136)
Proposed Dividend ₹ 1.25 Per Share, (Previous Year ₹ 0.75]	(7,254,000)	(4,352,400)
Dividend Distribution Tax on Proposed Dividend	-	(298)
	30,521,197	34,130,445
Total Reserves & Surplus	103,730,197	107,182,445
4 Short Term Borrowings		
Unsecured		
Loans & Advances from Related Parties	1,307,000	1,035,000
	1,307,000	1,035,000
5 Other Current Liabilities		
a) TDS Payable	4,326	5,449
b) Unclaimed Dividend	208,362	233,015
	212,688	238,464
6 Short Term Provisions		
a) Proposed Dividend	7,254,000	4,352,400
b) Tax on Proposed Dividend	-	298
	7,254,000	4,352,698

**7. Fixed Assets
Tangible Assets**

DESCRIPTION	Gross Block				Depreciation				Net Carrying Value	
	As at 01.04.2013	Additions	Deletions	As at 31.03.2014	Up to 31.03.2013	Depreciation For the year	Adjust- ments	Up to 31.03.2014	As at 31.03.2014	As at 31.03.2013
OFFICE PREMISES	2,378,300	-	-	2,378,300	675,103	38,760	-	713,863	1,664,437	1,703,197
FURNITURE & FITTINGS	430,509	-	-	430,509	430,508	-	-	430,508	1	1
COMPUTERS	541,351	-	-	541,351	541,350	-	-	541,350	1	1
AIR CONDITIONER	43,500	-	-	43,500	34,066	2,064	-	36,130	7,370	9,434
Total	3,393,660	-	-	3,393,660	1,681,027	40,824	-	1,721,851	1,671,809	1,712,633
Previous year	3,393,660	-	-	3,393,660	1,637,602	43,425	-	1,681,027	1,712,633	

AXIS CAPITAL MARKETS (INDIA) LIMITED

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
8 Non-Current Investments		
1. Trade Investments (at Cost) In Equity Shares (Unquoted)		
a) Investment in Subsidiary Company		
12,98,700 (Previous year - 12,98,700) - Fully paid up Equity Shares of ₹ 10/- each in Axis Equities Pvt Ltd	168,845,213	168,845,213
2. Non - Trade Investments (at Cost) In Equity Shares (Quoted)		
Nil (Previous Year - 5,600) Magnum Intermediates Ltd.	-	112,560
Nil (Previous Year - 100) Orisa Extrusion Ltd.	-	549
Nil (Previous Year - 500) Omega Industries Ltd.	-	65,350
Nil (Previous Year - 1,000) Varun Seacon Ltd.	-	10,050
	-	188,509
Total Non-current Investments	168,845,213	169,033,722
Notes :		
1. Aggregate market value of quoted Investments	-	-
2. Aggregate cost of quoted Investments	-	188,509
3. Aggregate value of Unquoted Investments	168,845,213	168,845,213
9 Other Non Current Assets		
Preliminary Expenses	105,929	182,180
10 Current Assets		
Inventories (At cost, except otherwise stated) (As valued & certified by the Management)		
Stock in Trade	-	-
Trade Receivables	-	-
Cash and Cash Equivalents		
i) Balances with Bank		
In Current Accounts	19,813	47,896
In Unclaimed Dividend Accounts	208,362	235,138
ii) Cash on hand	77,113	77,113
	305,288	360,147
Short Term Loans and Advances (Unsecured and considered good)		
Advance Income Tax (Net of Provisions)	46,256	256
Total Current Assets	351,544	360,403

AXIS CAPITAL MARKETS (INDIA) LIMITED

	For the Year ended March 31, 2014 ₹	For the Year ended March 31, 2013 ₹
11 Revenue from Operations		
Share Trading Income	-	-
	-	-
12 Other Operating Income		
Interest on income tax refunds	196,654	-
Dividend	4,352,623	29,878
Investments written off	(188,509)	
Net profit on Sale of Investments	-	1,511,278
	4,360,768	1,541,156
13 Depreciation & Amortization Expenses		
Depreciation of Tangible Assets	40,824	43,425
Amortization of Share Issue Expenses	76,251	76,251
	117,075	119,676
14 Other Expenses		
Communication and Connectivity Charges	25,680	21,568
Software Charges	6,180	5,705
Directors' Sitting Fees	-	12,000
Legal & Professional Fees	590,698	335,602
Miscellaneous Expenses	176,391	154,609
Payment to Auditors	50,562	50,562
Printing & Stationery	52,555	37,792
Power & Fuel	3,156	3,559
Rates & Taxes	4,080	3,560
Stock Exchange Charges and SEBI Fees	28,090	33,855
	937,392	658,812

AXIS CAPITAL MARKETS (INDIA) LIMITED

	For the Year ended March 31, 2014 ₹	For the Year ended March 31, 2013 ₹
15 Earnings Per Share (EPS)		
i) Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders for calculating basic and diluted EPS	3,801,752	601,856
ii) Weighted Average number of Equity Shares in calculating Basic EPS	5,803,200	5,803,200
iii) Weighted Average number of Equity Shares in calculating Diluted EPS	5,803,200	5,803,200
iv) Basic EPS [i]/(ii)	0.66	0.10
v) Diluted EPS [i]/(iii)	0.66	0.10
vi) Face value per Equity Share	10.00	10.00
16 Earning in Foreign Exchange	Nil	Nil
17 Remittance in Foreign Currency on account of Dividend		
The company has paid dividend in respect of shares held by Non-Residents on repatriation basis.		
i) Number of Non Resident Shareholders	Nil	Nil
ii) Number of Equity Shares held by them	NA	NA
iii) Amount of Dividend Paid		
Tax Deducted at Source	NA	NA
Year to which dividend relates	NA	NA
18 Expenditure in Foreign Currency	Nil	Nil
19 Payment to Auditors are:		
i) Statutory Audit Fees	28,090	28,090
ii) Certification Matters	11,236	-
iii) Income Tax Matters	11,236	22,472
	50,562	28,090
20 Value of Imports on .C.I.F. Basis	Nil	Nil
21 Contingent Liabilities	Nil	Nil
22 Segment Reporting (AS-17)		
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.		

AXIS CAPITAL MARKETS (INDIA) LIMITED

23 Related party disclosures for the year ended March 31, 2014 pursuant to Accounting

Standard AS-18

Related Parties and their relationship:

Subsidiary Companies

Axis Equities Pvt. Ltd.

Dipan Mehta Commodities Pvt. Ltd.

Axis Wealth Management Pvt. Ltd

Key Management Personnel and their relatives

Ms. Radhika Mehta

Mr. Dipan Mehta

Nature of Transaction	Subsidiary Companies	Key Management Personnel
a) Brokerage paid		
Axis Equities Pvt. Ltd.	Nil (957)	- -
b) Loans Received from		
Axis Equities Pvt. Ltd.	272,000 (1,035,000)	- -
Balances as at 31st March 2014		
a) Loan Accounts Payable		
Axis Equities Pvt. Ltd.	1,307,000 (1,035,000)	- -

(Figures in the brackets are of Previous Year)

24 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

Place : Mumbai

Date : 30th May, 2014

Dipan Mehta

Director

Radhika Mehta

Director

AXIS CAPITAL MARKETS (INDIA) LIMITED

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, 2014, 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, 2014;
- (b) In the case of the Consolidated Statement of Profit & Loss, of the profit 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 : 30th May, 2014

Sunil Bohra
Partner
Membership No. 39761

AXIS CAPITAL MARKETS (INDIA) LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.		As at March 31, 2014 ₹	As at March 31, 2013 ₹
I) EQUITY & LIABILITIES				
1 Shareholders' Funds				
a) Share Capital	2	57,756,010	57,756,010	
b) Reserves & Surplus	3	97,013,768	100,406,939	
			154,769,778	158,162,949
2 Share application money pending allotment			-	-
3 Minority Interest			53,855,842	50,809,926
4 Non -Current Liabilities				
Deferred tax liabilities (Net) (Related to Fixed Assets)			399,677	
5 Current Liabilities				
a) Short-term borrowings	4	15,362,234	10,743,300	
b) Trade payables		965,009	1,218,268	
c) Other current liabilities	5	664,812	424,821	
d) Short Term Provisions	6	11,514,780	6,880,483	
			28,506,835	19,266,872
TOTAL			237,532,132	228,239,747
II) ASSETS				
1 Non-current Assets				
a) Fixed Assets				
i) Tangible Assets	7	41,659,035	40,266,743	
ii) Intangible Assets	7	456,027	851,773	
iii) Capital Work-in-Progress		-	5,659,052	
iv) Intangible Assets under development		-	-	
v) Goodwill on Consolidation		16,334,355	16,455,981	
b) Non-current Investments	8	11,929,756	22,128,822	
c) Deferred tax assets (net)	9	-	1,793,133	
d) Long-term Loans and Advances	10	28,956,220	20,328,920	
e) Other Non-Current Assets	11	131,533	231,037	
			99,466,926	107,715,461
2 Current Assets				
(a) Inventories	11	102,334,720	80,044,628	
(b) Trade Receivables		931,464	2,125,079	
(c) Cash and Cash equivalents		30,427,355	34,095,456	
(d) Short-term loans and advances		3,206,215	3,163,987	
(e) Other current assets		1,165,452	1,095,136	
			138,065,206	120,524,286
TOTAL			237,532,132	228,239,747
Significant Accounting Policies	1			
Other Notes on Accounts	19 to 29			

As per our report of even date

For P. C. Surana & Co.

Chartered Accountants

Sunil Bohra

Partner

Place : Mumbai

Date : 30th May, 2014

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, 2014

	Note No.		For the year ended March 31, 2014 ₹	For the year ended March 31, 2013 ₹
(I) Revenue from Operations	13	35,807,688	21,595,912	
(II) Other Operating Income	14	2,840,769	(4,562,888)	
(III) Total Revenue (I) + (II)			38,648,457	17,033,024
(IV) EXPENSES				
Employee benefits expenses	15	3,517,440	2,108,337	
Finance Costs	16	621,472	569,476	
Depreciation and amortization expenses	17	4,996,526	2,688,494	
Other expenses	18	13,607,407	11,020,372	
Total Expenses			22,742,845	16,386,679
(V) Profit before tax (III-IV)			15,905,612	646,345
(VI) Tax Expenses :				
(1) Current tax		(3,140,391)	(175,092)	
(2) Deferred tax		(2,192,810)	(2,620,484)	
(3) Adjustment in Taxation in earlier years		595,113	867	
			(4,738,088)	(2,794,709)
(VII) Profit / Loss for the year before adjustment for Minority Interest			11,167,524	(2,148,364)
(VIII) Add : Share of Profit / (Loss) transferred to Minority Interest			3,045,915	(715,463)
(IX) Profit / Loss for the Year			8,121,609	(1,432,901)
(X) Earning Per equity Share of face value				
of ₹ 10 each	19			
Basic and Diluted			1.41	(0.25)
Significant Accounting Policies	1			
Other Notes on Accounts	19 to 29			

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, 2014

AXIS CAPITAL MARKETS (INDIA) LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	For the year ended March 31, 2014 ₹	For the year ended March 31, 2013 ₹
A. Cash Flow From Operating Activities		
Net Profit / (Loss) before Tax as per Profit and Loss Statement	15,905,612	646,345
Adjusted for:		
Depreciation & Amortisation	4,996,526	2,688,494
Interest & Finance Charges paid	621,472	569,476
Dividend and Interest Income	(4,901,505)	(3,660,668)
Fixed Assets discarded	369,909	-
Investment diminished	188,509	-
Loss on Sale of Investment	2,542,374	8,468,717
Operating Profit / (Loss) before Working Capital Changes	19,722,897	8,712,364
Adjusted for Working Capital changes		
Trade and Other Receivables	603,864	(1,858,264)
Stock in Trade	(22,290,092)	5,940,186
Trade and Other Payables	(13,268)	(7,195,373)
Net Cash generated from Working Capital changes	(21,699,496)	(3,113,451)
Cash Flow from Operating Activities	(1,976,599)	5,598,913
Dividend Tax Paid	(999,478)	(1,412,136)
Direct Taxes paid	(2,271,225)	(221,862)
Net Cash Flow from Operating Activities - (A)	(5,247,302)	3,964,915
B. Cash Flow from Investing Activities		
Dividend Paid	(5,881,005)	(8,704,800)
Dividend and Interest Income	4,901,505	3,660,668
Interest & Finance Charges paid	(621,472)	(569,476)
(Purchase) / Sales of Fixed Assets (Net)	(604,426)	(5,018,904)
(Purchase) / Sale of Investments (Net)	7,589,811	(1,108,653)
Net Cash Flow from Investing Activities - (B)	5,384,413	(11,741,165)
C. Cash Flow from Financing Activities		
Long Term Loans received back	(8,627,300)	1,320,683
Short Term Advances recd. Back	203,154	83,488
Short Term Borrowings	4,618,934	9,745,848
Net Cash Flow from Financing Activities - (C)	(3,805,212)	11,150,019
Net Increase in Cash and Cash Equivalents (A+B+C)	(3,668,101)	3,373,769
Opening Balance of Cash and Cash Equivalents	34,095,456	30,721,688
Closing Balance of Cash and Cash Equivalents	30,427,355	34,095,456

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, 2014

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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-group transactions
- 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 disposal of Investment in subsidiary
- 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, 2014

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
2 Share Capital		
(a) Authorised		
Equity Shares		
60,00,000 Equity Shares of ₹ 10 each	60,000,000	60,000,000
	60,000,000	60,000,000
(b) Issued, Subscribed & Fully paid up		
Equity Shares		
57,75,601 (Previous Year 57,75,601) Equity Shares of ₹ 10 each fully paid up	57,756,010	57,756,010
	57,756,010	57,756,010
(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the year		
Equity Shares		
No. of the Equity shares at the beginning of the year	5,775,601	5,774,100
Add: Shares issued on conversion of share warrants	-	-
Add: Shares sold by subsidiary	-	1,501
Equity shares at the end of the year	5,775,601	5,775,601
3 Reserves and Surplus		
(a) Capital Redemption Reserve		
Balance as per last Balance sheet	-	-
(b) Securities Premium Account		
Balance as per last Balance sheet	65,240,000	65,240,000
(c) General Reserve		
Balance as per last Balance sheet	7,812,000	7,812,000
Add : Transferred from Profit & Loss Account	2,546,000	-
	10,358,000	7,812,000

AXIS CAPITAL MARKETS (INDIA) LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
(d) Profit and Loss Account		
Balance as per last Balance sheet	27,354,939	45,785,259
Add (Less) : Profit (Loss) for year	8,121,609	(1,432,901)
	<u>35,476,548</u>	<u>44,352,358</u>
Less : Transferred to General Reserve	(2,546,000)	
Interim Dividend on Equity Shares paid	-	(8,704,800)
Proposed Dividend on Equity Shares	(9,877,725)	(5,881,005)
Tax on Interim and Proposed dividends on Equity Shares	<u>(1,637,055)</u>	<u>(2,411,614)</u>
	<u>21,415,768</u>	<u>27,354,939</u>
Total Reserves & Surplus	<u>97,013,768</u>	<u>100,406,939</u>
4 Short Term Borrowings		
(a) Secured		
Overdraft From Banks	15,362,234	10,743,300
Secured against Bank Balances and personally guaranteed by a Director		
	<u>15,362,234</u>	<u>10,743,300</u>
5 Other Current Liabilities		
a) TDS Payable	11,514	17,434
b) Unclaimed Dividends	208,362	233,015
c) Other Payables	444,936	174,372
	<u>664,812</u>	<u>424,821</u>
6 Short Term provisions		
a) Proposed Dividend	9,877,725	5,881,005
b) Tax on Proposed Dividend	1,637,055	999,478
	<u>11,514,780</u>	<u>6,880,483</u>

AXIS CAPITAL MARKETS (INDIA) LIMITED

7. Fixed Assets

DESCRIPTION	Gross Block				Depreciation				Net Carrying Value	
	As at 01.04.2013	Additions	Deletions	As at 31.03.2014	Up to 31.03.2013	Depreciation For the year	Adjustments	Up to 31.03.2014	As at 31.03.2014	As at 31.03.2013
Tangible Assets:										
OFFICE PREMISES	40,110,516			40,110,516	2,561,714	3,623,321	-	6,185,035	33,925,481	37,548,802
OFFICE PREMISES COST OF IMPROVEMENTS		2,730,455		2,730,455	-	273,046		273,046	2,457,409	-
FURNITURE & FITTINGS	2,574,192	2,201,724		4,775,916	1,442,847	333,306	-	1,776,153	2,999,763	1,131,345
ELECTRIC INSTALLATION	235,242	626,855		862,097	91,004	77,109	-	168,113	693,984	144,238
COMPUTERS	9,194,265	443,868		9,638,133	9,034,336	335,667	-	9,370,003	268,130	159,929
AIR CONDITIONER	743,006	215,735		958,741	516,289	67,016	-	583,305	375,436	226,717
OFFICE EQUIPMENTS	126,930	44,840		171,770	96,038	7,997	-	104,035	67,735	30,892
VEHICLES	3,203,623			3,203,623	2,178,803	153,723	-	2,332,526	871,097	1,024,820
Total Tangible Assets	56,187,774	6,263,478	-	62,451,252	15,921,031	4,871,186	-	20,792,217	41,659,035	40,266,743
Intangible Assets:										
BSE DERIVATIVES MEMBERSHIP	325,000			325,000					325,000	325,000
XL RESULTS FOUNDATION	369,909		369,909							369,909
CLUB MAHINDRA TIME SAHRE	198,495			198,495	71,460	7,940		79,400	119,095	127,035
COMPUTER SOFTWARE	1,725,424			1,725,424	1,695,595	17,897		1,713,492	11,932	29,829
Total Intangible Assets	2,618,828	-	369,909	2,248,919	1,767,055	25,837	-	1,792,892	456,027	851,773
Total Fixed Assets	58,806,602	6,263,478	369,909	64,700,171	17,688,086	4,897,023	-	22,585,109	42,115,062	41,118,516
Previous Year	58,806,602			58,806,602	15,099,095	2,588,991		17,688,086	41,118,516	

AXIS CAPITAL MARKETS (INDIA) LIMITED

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
8 Non-Current Investments		
1. Non - Trade Investments (Long Term & at Cost) In Equity Shares (Unquoted)		
70,694 (Previous Year - 70,694) - Fully paid up Equity Shares of ₹ 10/- each in BSE Ltd	7,074,838	7,074,838
2. Non - Trade Investments (Long Term & at Cost) In Equity Shares (Quoted)		
Nil (Previous year - 1,200) Advanta Ltd.	-	1,211,772
Nil (Previous year - 900) Apollo Hospitals Ltd.	-	753,627
66 (Previous year - 66) Autolite India Ltd.	396	396
Nil (Previous year - 2,000) Cholamandalam Investments	-	576,000
30,000 (Previous year - 18,000) DCB Ltd.	1,400,180	779,225
Nil (Previous year - 500) Divi's Laboratories Ltd.	-	509,750
400 (Previous year - 500) Eicher Motors Ltd.	553,905	1,390,839
8000 (Previous year - Nil) FCS Software Ltd.	2,000	-
1 (Previous year - Nil) Goldman Sachs Liquid Fund	1,000	-
Nil (Previous year - 1,250) Godrej Consumer Products Ltd.	-	959,790
2,700 (Previous year - 1,950) ING Vysya Bank Ltd.	-	1,051,140
600 (Previous year - 1,350) Jubilant Foodworks Ltd	669,524	1,506,430
Nil (Previous year - 1,600) Larsen & Toubro Ltd.	-	2,960,377
Nil (Previous year - 1,750) M&M Financial Services Ltd.	-	359,711
5,600 (Previous Year - 5,600) Magnum Intermediates Ltd.	-	112,560
100 (Previous Year - 100) Orisa Extrusion Ltd.	-	549
500 (Previous Year - 500) Omega Industries Ltd.	-	65,350
100 (Previous year - 100) Samtel Color Ltd.	9,963	9,963
100 (Previous year - 100) Tata Metaliks Ltd.	1,150	1,150
Nil (Previous year - 1,000) Wockhardt Ltd	-	1,950,056
Nil (Previous year - 2,500) Yes Bank Ltd.	-	845,250
1,000 (Previous Year - 1,000) Varun Seacon Ltd.	-	10,050
5,542 (Previous Year - Nil) Wheel (India) Ltd.	2,216,800	-
Total Non-current Investments	11,929,756	22,128,822
Notes :		
1. Aggregate market value of quoted Investments	6,420,997	15,143,923
2. Aggregate cost of quoted Investments	4,854,918	15,053,984
3. Aggregate value of Unquoted Investments	7,074,838	7,074,838

AXIS CAPITAL MARKETS (INDIA) LIMITED

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
9 Deferred Tax Assets (Net)		
Deferred Tax Assets		
Carried Forward of Unabsorbed Losses	-	2,192,418
Deferred Tax Liabilities		
Related to Fixed Assets	-	399,285
	-	1,793,133
10 Long-term Loans and Advances (Unsecured, considered good)		
Deposits#	28,546,220	19,918,920
Margin with SHCIL	410,000	410,000
	28,956,220	20,328,920
# Includes ₹ 50 lakhs (Previous year ₹ 50 lakhs) relating to Office Deposit with a related party		
11 Other Non Current Assets		
Preliminary Expenses (to the extent not written off or adjusted)	131,533	231,037
	131,533	231,037
12 Current Assets		
a) Inventories (At cost, except otherwise stated) (As valued & certified by the Management)		
i) Stock in Trade	102,334,720	80,044,628
b) Trade Receivables (Unsecured, considered good)		
Over Six months	24,762	550,340
Others	906,702	931,464
	931,464	1,574,739
c) Cash and Cash Equivalents		
i) Balances with Bank		
In Current Accounts	6,466,534	6,583,223
In Fixed Deposit Accounts	23,350,000	26,850,000
Accrued Interest on Fixed Deposit Accounts	325,454	376,866
ii) Cash on hand	285,367	30,427,355
	30,427,355	285,367
d) Short-term Loans and Advances (Unsecured, considered good)		
Advances Recoverable in Cash or In Kind	1,439,723	920,288
Loan To Staff	925,790	428,944
Advance Income- tax (Net of Provision)	540,702	814,755
Advances to Related Parties	300,000	3,206,215
	3,206,215	1,000,000
e) Other Current Assets		
Pre Paid Expenses	1,165,452	1,095,136
Total Current Assets	138,065,206	120,524,286

AXIS CAPITAL MARKETS (INDIA) LIMITED

	For the year ended March 31, 2014	For the year ended March 31, 2013
	₹	₹
13 Revenue from Operations		
Brokerage Income	1,448,207	1,388,439
Share Trading Profits	34,089,047	19,723,370
Diminution In Value Of Investments	(188,509)	-
Portfolio Management Fees	458,943	484,103
	<u>35,807,688</u>	<u>21,595,912</u>
14 Other operating Income		
Interest income	2,501,809	1,973,308
Dividend	2,399,696	1,687,360
Profit on Sale of Investments	(2,542,374)	(8,468,717)
Stock Exchange Incentives	429,394	200,000
Other income	52,244	45,161
	<u>2,840,769</u>	<u>(4,562,888)</u>
15 Employees benefit expenses		
Salaries and Wages	3,211,986	1,899,899
Contribution to Provident Funds	26,455	27,908
Employees Welfare & other Amenities	278,999	180,530
	<u>3,517,440</u>	<u>2,108,337</u>
16 Finance Cost		
Interest Expenses	248,613	146,923
Bank Charges	372,859	422,553
	<u>621,472</u>	<u>569,476</u>
17 Depreciation & Amortization Expenses		
Depreciation of Tangible Assets	4,844,339	2,469,192
Depreciation of Intangible Assets	52,684	119,799
Amortization of Preliminary and Share-issue Expenses	99,503	99,503
	<u>4,996,526</u>	<u>2,688,494</u>
18 Other Expenses		
Business Promotion Expenses	1,100,162	743,517
Communication & Exchange Connectivity Expenses	1,544,119	1,107,439
Conveyance & Motor Car Expenses	476,998	180,516
Demat Charges	396,808	374,033
Directors' Remuneration	1,500,000	1,500,000
Directors' Sitting Fees	-	12,000
Insurance	80,108	69,414
Legal & Professional Fees	2,916,647	2,457,591
Miscellaneous Expenses	816,856	605,773
Payments to Auditors	101,468	111,006
Printing & Stationery	196,895	236,905
Power & Fuel	637,336	709,736
Rates & Taxes	22,662	114,324
Rent	945,506	1,191,609
Repairs & Maintenance	518,361	408,646
Research Charges	100,000	41,370
Fixed Assets Written Off	369,909	-
Software Maintenance Expenses	668,368	772,004
Stock Exchange Charges and SEBI Fees	428,136	379,489
Travelling Expenses	787,068	5,000
	<u>13,607,407</u>	<u>11,020,372</u>

AXIS CAPITAL MARKETS (INDIA) LIMITED

	For the year ended March 31, 2014 ₹	For the year ended March 31, 2013 ₹
19 Earnings Per Share (EPS)		
i) Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders for calculating basic and diluted EPS	8,121,609	(1,432,901)
ii) Weighted Average number of Equity Shares outstanding	5,775,601	5,775,601
iii) Earnings Per Share - Basic and Diluted	1.41	(0.25)
iv) Face value per Equity Share	10.00	10.00
20 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	4,856,083	2,545,274
Total Depreciation charged in Consolidated Accounts	4,897,023	2,588,991
% of Depreciation charged on WDV Basis to total Depreciation	99.16%	98.31%
21 Contingent Liabilities	Nil	Nil
22 Payment to Auditors as :		
i) Statutory Audit Fees	67,997	68,278
ii) Taxation Matters	11,236	-
iii) Certification Fees	22,235	42,228
iv) Out of Pocket Expenses		500
	101,468	111,006
23 Value of Imports on C.I.F. Basis	Nil	Nil
24 Expenditure in Foreign Currency	403,953	155,222
25 Earnings in Foreign Currency	Nil	Nil
26 Segment Reporting (AS-17)		
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.		
27 Related party disclosures for the year ended 31st March, 2014 pursuant to Accounting Standard AS-18		
[1] Related Party and their relationship		
Key Management Personnel and their relatives		
Mrs. Radhika Mehta		
Mr. Dipan Mehta		
Associates		
Dipan Mehta - HUF		
Industrial Engineering Company		

AXIS CAPITAL MARKETS (INDIA) LIMITED

[2] Nature of Transaction	For the year ended March 31, 2014 ₹		For the year ended March 31, 2013 ₹	
	Key Management Personnel	Associates	Key Management Personnel	Associates
a) Brokerage Received From	-	-	704	2,483
b) Loans Received from	-	-	-	-
c) Loans Repaid to	-	-	-	-
d) Purchase of Shares from	-	-	-	-
e) Salaries paid	1,762,500	-	1,500,000	-
f) Rent paid	120,000	-	120,000	-
g) Jobbing Fees paid	3,559,539	-	5,180,000	-
[3] Balance as at 31st March, 2014				
a) Office Deposits Given	5,300,000	-	6,000,000	-
b) Trade Receivable	-	-	27,149	-
c) Loan Accounts Payable	-	-	-	-

28 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%

29 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, 2014

AXIS CAPITAL MARKETS (INDIA) LIMITED

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.
1. Capital	17,550,000	100,200	700,000
2. Reserves	173,751,107	788,284	4,255,877
3. Total Assets	223,785,350	890,732	4,958,125
4. Total Liabilities	32,484,243	2,248	2,248
5. Details of Investments (except investment in subsidiaries)	12,069,749	-	-
6. Gross Income	38,759,960	-	-
7. Profit/(Loss) Before Taxation	17,229,342	(139,516)	(139,870)
8. Provision for Taxation	(5,233,539)	-	-
9. Profit /(Loss) After Taxation	11,995,803	(139,516)	(139,870)
10. Proposed Dividend	10,091,250	-	-

For and on behalf of the Board

Place : Mumbai
Date : 30th May, 2014

Dipan Mehta
Director

Radhika Mehta
Director

ATTENDANCE SLIP

AXIS CAPITAL MARKETS (INDIA) LIMITED

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

AXIS CAPITAL MARKETS (INDIA) LIMITED

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

FORM NO. MGT - 11 PROXY FORM

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

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

I, hereby record my attendance at the Twentieth Annual General Meeting to be held on Saturday 23rd August 2014 at Ashok Birla Board Room, Indian Merchant Chambers, Churchgate, Mumbai-400 020 at 10:00 AM

CIN	:	L67190MH1994PLC083361	
Name of the Company	:	AXIS CAPITAL MARKETS (INDIA) LIMITED	
Registered Office	:	58, Mittal Chambers, 228, Nariman Point, Mumbai-400021	
Email ID	:	axiscapitalmarkets@gmail.com	
Folio No /Client ID / DP ID	:		

I/We, being the member (s) of _____ number of shares of the above named company, hereby appoint:

1. Name		
Address		
Email Id		Or failing him
Signature		
2. Name		
Address		
Email Id		Or failing him
Signature		
3. Name		
Address		
Email Id		Or failing him
Signature		

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twentieth Annual General Meeting of the Company, to be held on the Saturday, 23rd August, 2014 at 10.00 a.m at Ashok Birla Hall, Indian Merchant Chambers, Churchgate, Mumbai 400020 and at any adjournment thereof in respect of such resolutions as indicated below:

Resolutions	For	Against
1. Adoption of Financial Statements for the year ended 31st March, 2014.		
2. To declare dividend on equity shares.		
3. Re-appointment of Ms. Vina Mehta, who retires by rotation.		
4. Re-Appointment M/s. P C Surana & Co., Chartered Accountants as Statutory Auditors and to fix their remuneration.		
5. To appoint Shri Dilipkumar Kapadia as Independent Director		

Signed this _____ day of _____ 2014.

Signature of shareholder : _____

Signature of Proxy Holder (s): _____

Affix
revenue
stamp

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

*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 _____

NOTE: The Proxy Form in order to be effective should be completed and deposited at the Registered Office of the Company not less than 48 before the commencement of the Meeting.

BOOK-POST

If undelivered, please return to :

AXIS CAPITAL MARKETS (INDIA) LIMITED

58, MITTAL CHAMBERS,

228, NARIMAN POINT,

MUMBAI - 400 021.

CIN : L67190MH1994PLC083361