

AXON INFOTECH LIMITED

Regd. Office:- E/109, Crystal Plaza, New Link Road, Andheri (West), Mumbai: 400053.

28TH ANNUAL REPORT

BOARD OF DIRECTORS

Shri Girraj Kishor Agrawal	-	Managing Director
Smt Tanu Giriraj Kishor Agarwal	-	Director
Shri Zubin Jasi Pardiwala	-	Director
Shri Tushar Ramchandra Rane	-	Director

BANKERS:

Axis Bank Ltd
HDFC Bank Ltd

AXON INFOTECH LIMITED

28TH ANNUAL REPORT
F.Y. 2012 - 2013

AUDITORS:

DMKH & Co.,
C-9, Sanjay Apartments,
Near Gokul Hotel, S.V.P. Road,
Borivali (West), Mumbai- 400 092

REGISTRAR & TRANSFER AGENT

M/s Sharex Dynamic (India) Pvt Ltd
Unit No.1, Luthra Indl. Premises,
Andheri Kurla Road, Safed Pool,
Andheri (East), Mumbai- 400 072.

REGISTERED OFFICE:

E/109, Crystal Plaza,
New Link Road, Opp. Infinity Mall,
Andheri (West), Mumbai: 400053.
Web Site: www.axoninfotech.in
Email Id: axoninfotechltd@gmail.com

NOTICE

Notice is hereby given that the 28th Annual General Meeting of the Members of **AXON INFOTECH LIMITED** will be held on Friday, 27th September, 2013 at the registered office of the Company at E/109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai: 400053 at 3.00 p.m to transact the following business:

ORDINARY BUSINESS:

1. To Consider and Adopt the Audited Balance Sheet as at 31st March, 2013 , the Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To Re-appoint Mr. Tushar Ramchandra Rane as Director of the company, who retires by rotation and, being eligible, offers herself for reappointment.
3. To Re-appoint Statutory Auditors and fix their remuneration.

REGISTERED OFFICE

E/109, Crystal Plaza,
New Link Road,
Andheri (West),
Mumbai: 400053.
Date: 27/08/2013

By Order of the Board

Sd/-
Girraj Kishor Agrawal
(Chairman)

Important Communiqué to Members - Green Initiative in Corporate Governance

The Ministry of Corporate Affairs (MCA) has taken a Green Initiative in Corporate Governance by allowing paperless compliances by the Companies and has issued a Circular stating that service of all documents including Annual Reports can be sent by e-mail to its Members. Your Company believes that this is a remarkable and environment friendly initiative by MCA and requests all Members to support in this noble cause.

The Company has already embarked on this initiative and proposes to send documents including Annual Reports in electronic form to the Members on the email address provided by them to the R&T Agent/the Depositories.

The Members who hold shares in physical form are requested to intimate/update their email address to the Company/R&T Agent while Members holding shares in demat form can intimate/update their email address to their respective Depository Participants.

Members are requested to further note that they will be entitled to be furnished, free of cost, the physical copy of the documents sent by e-mail, upon receipt of a requisition from them, any time, as a Member of the Company.

Notes:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2) The Register of Members and the Transfer Book of the Company will remain closed from 26/09/2013 to 27/09/2013 (both days inclusive.)
- 3) Members/Proxies should bring attendance slip duly filled in for attending the meeting. Members are also requested to bring their copies of Annual Report.
- 4) Members are requested to notify immediately any change in their address details to the Company's Registrar and share transfer agents for shares held in demat / physical form at Sharex Dynamic Private Limited, Luthra Industrial Premises, Unit No. 1, Safed Pool, Andheri (E), Mumbai - 400 072.
- 5) Printed copies of the Balance Sheet, Profit and Loss Account, Director's Report, the Auditor's Report and every other documents required by the law to be annexed or attached to the Balance Sheet for the period ended 31st March, 2013 are enclosed herewith.
- 6) Members seeking any information with regard to accounts are requested to write to the company at least one week in advance so as to enable the management to keep the information ready.
- 7) Proxies in order to be effective must be deposited duly stamped and signed at the Registered Office of the Company not less than 48 hours before the meeting.

REGISTERED OFFICE

E/109, Crystal Plaza,
New Link Road,
Andheri (West),
Mumbai: 400053.
Date: 27/08/2013

By Order of the Board

Sd/-
Girraj Kishor Agrawal
(Chairman)

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT
THE FORTHCOMING ANNUAL GENERAL MEETING
(IN PURSUANCE OF CLAUSE 49 (VI) (A) OF THE LISTING AGREEMENT)**

Director seeking Re-appointment

Name of the Director.	Mr. Tushar Ramchandra Rane
Date of Birth.	01/05/1980
Date of Appointment.	16/07/2011
Expertise in any specific functional Area.	Administration
Qualification	B.A
Directorships held in other Companies (Excluding Foreign Companies.)	<ol style="list-style-type: none"> 1. Banas Finance Limited 2. Five X Finance & Investment Limited 3. GCV Services Limited 4. Out of City Travel Solutions Limited 5. Rockon Fintech Limited
Committee position held in other Companies.	<ol style="list-style-type: none"> 1. Member in Audit, Shareholder Grievance and Remuneration Committee of Banas Finance Limited. 2. Chairman & Member in Audit, Shareholder Grievance and Remuneration Committee of Five X Finance & Investment Limited. 3. Member in Audit, Shareholder Grievance and Remuneration Committee of Rockon Fintech Limited. 4. Member in Audit, Shareholder Grievance and Remuneration Committee of Out of City Travel Solutions Limited. 5. Member in Audit, Shareholder Grievance and Remuneration Committee of GCV Services Limited

BOARD OF DIRECTORS' REPORT

To
The Members

The Directors are pleased to present the 28th Annual Report together with the Audited Accounts for the financial year ended 31st March, 2013

FINANCIAL RESULTS

(Amount in Lacs)

Particulars	Year Ended 31/03/2013	Year Ended 31/03/2012
Total Income	337.29	1040.19
Total Expenditures (Excl. Dep. & Int.)	333.85	1035.46
Profit before Dep. & Int.	4.09	3.73
Depreciation	0.65	2.74
Interest	0.00	0.00
Profit after Depreciation & interest	3.44	0.99
Provision for Taxation	1.14	1.08
Provision for Tax (deferred)	(0.05)	(0.64)
Profit after Tax	2.35	0.56
Add: Tax Adjustment for earlier year	0.00	0.00
Net Profit	2.35	0.56
Add : Profit B/fd from earlier year	0.56	(8.07)
Amount available for Appropriation	2.91	(7.51)
Balance carried to Balance Sheet	2.91	(7.51)

FINANCIAL HIGHLIGHTS**Revenues:**

- Income has decreased by 67.57% to Rs. 337.29 Lacs from Rs.1040.19 Lacs in the previous year.

Expenditure:

- The total expenditure decreased by 67.76% to Rs. 333.85 from Rs. 1035.46 Lacs in the previous year due to increase in operations.
- Payroll cost was decreased by 1.64% Rs. 18.61 Lacs from Rs. 18.92 Lacs over previous year.

Earnings before Interest, Depreciation, Tax and Amortisation (EBIDTA):

EBIDTA registered a rise of 9.65% Rs. 4.09 Lacs in 2012-13 from Rs. 3.73 Lacs in the previous year.

Profit before Tax:

The PBT grew by 247.47% to Rs. 3.44 Lacs from Rs. 0.99 Lac in the previous year.

Profit after Tax:

The PAT increased by 319.64% to Rs. 2.35 Lacs from Rs. 0.56 Lac in the previous year.

DIVIDEND

Your Directors are not declaring any dividend during the year under consideration.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Mr. Tushar Rane retire by rotation at the ensuing Annual General Meeting, and being eligible offers herself for reappointment.

There is no change in composition of Board during the year under consideration.

DEPOSITS

Your company has not accepted any deposits within the meaning of Section 58 A of The Companies Act, 1956.

FOREIGN EXCHANGE EARNINGS / OUT FLOW

During the year under review there has been no Foreign exchange Inflow & Outflow.

PARTICULARS OF EMPLOYEE

During the year under review, no employee of the Company was in receipt of remuneration exceeding the sum prescribed under section 217(2A) of the Companies Act 1956, read with the Companies (particulars of employees) Rules 1975. Thus furnishing of particulars under the Companies ((particulars of employees) Rules 1975 are not applicable.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) That in the preparation of the accounts for the financial year ended 31st March 2013 the applicable accounting standards have been followed, along with proper explanation relating to all material departures.
- (b) That they have, in the selection of the accounting policies, consulted the statutory auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for that period.
- (c) They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies

Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- (d) That the Directors have prepared the accounts for the financial year ended 31st March, 2013 on a going concern basis.

AUDITORS

M/s. DMKH & CO., Chartered Accountants statutory auditors of the Company retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. The Company has received a certificate from them under Section 224(1-B) & 226(3) of the Companies Act, 1956.

AUDITORS REPORT

Observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

LISTING OF SHARES

Equity shares of your Company are listed on Bombay Stock Exchange only and the Company has paid the necessary Listing fees for the year 2013-2014.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The statement pursuant to section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 is given below:

Conservation of Energy :Not Applicable, as not a manufacturing Company.

Technology Absorption :Not Applicable, Involved in Investment in Shares/Giving Inter Corporate Deposits.

PERSONNEL

The Directors express their appreciation for the support and contribution made by the employees at all levels to the successful operations of the company during the year.

Information as per section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of the Employees) Rules, 1975, is NIL as none of the employees is in receipt of remuneration in excess of limits specified in the rules.

APPRECIATION

The Board records its grateful appreciation for the sincere cooperation and valuable guidance from Banks, Central and State Government Authorities and Customers in conduct of its business.

CORPORATE GOVERNANCE COMPLIANCE

As required under the Listing Agreement with the stock exchange, Corporate Governance and Management Discussion and Analysis report form part of this Annual Report.

GREEN INITIATIVE IN CORPORATE GOVERNANCE

The ministry of corporate Affairs (vide circular nos.17/2011 and 18/2011 dated April 21 and April 29,2011 respectively), has undertaken 'Green initiative in corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support their green initiative by registering/updating their email addresses, in respect of shares held in dematerialised form with their respective depository participants and in respect of shares held in physical form with Company Registrar & Share Transfer Agent.

ACKNOWLEDGEMENTS

The Board of Directors wishes to express sincere thanks to Bankers, shareholders, clients, Financial Institutions, customers, suppliers and employees of Companies for extending support during the year.

FOR & ON BEHALF OF THE BOARD

**Place: Mumbai
Date: 27/08/2013**

**Sd/-
Girraj Kishor Agrawal
(Managing Director)**

**Sd/-
Tanu Agarwal
(Director)**

CORPORATE GOVERNANCE REPORT

A) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that corporate governance is the application of best management practices, compliance of law in true letter and spirit and adherence to ethical standards for the effective management and distribution of wealth and discharge of social responsibility for the sustainable development of all stakeholders. Through its processes and independence of functioning, the Board of Directors of the Company provides effective leadership to the Company and its management for achieving sustained prosperity for all the stakeholders.

The cornerstone of the Company's philosophy on corporate governance is accountability to stakeholders, transparency in operations and fairness to all stakeholders. The Board considers itself as a trustee of its stakeholders including its shareholders and acknowledges its responsibilities towards them for safeguarding their interest. The overall endeavour is to take the Company forward, to maximize long term value and shareholders' wealth.

B) BOARD OF DIRECTORS

The Managing Director manages the affairs of the Company. The Board of Directors of the Company comprises an appropriate combination of Executive and Non-Executive Directors.

The Company has Managing Director and the number of Independent Directors is more than one-half of the Board. As on date the Company has 4 Directors on its Board, of which one is Managing Director and 2 Directors are independent and 1 Non-Executive Director. None of the Directors on the Board is a Member on more than 10 Committees or Chairman of more than 5 Committees (as specified in Clause 49), across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The composition of the Board of Directors and their attendance at the meetings during the period and at the last Annual General Meeting as also number of other directorships, membership of committees are as follows: -

Name of Director	Status	No. of Board meetings Attended	Attendance at last AGM	No. of other Directorships	Committee Membership	
					Chairman	Member
Mr. Girraj Kishor Agarwal	M.D	9	Yes	8	-	2
Mrs. Tanu Giriraj Agarwal	N.E.D	9	Yes	9	-	6
Mr. Zubin Pardiwala	I.N.E.D	3	No	2	4	4
Mr. Tushar Rane	I.N.E.D	5	Yes	5	2	10

N.E.D- Non Executive Director

I.N.E.D- Independent Non Executive Director

Notes:

During the period ended 31st March 2013, 9 (Nine) Board Meetings were held on the following dates: 02/04/2012, 16/05/2012, 26/06/2012, 13/08/2012, 28/08/2012, 10/11/2012, 12/02/2013, 21/02/2013 and 30/03/2013

C) AUDIT COMMITTEE

The Audit Committee was constituted in terms of Section 292A of the Companies Act, 1956 and as per the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges.

a) Brief description of terms of reference

The terms of reference of the Audit Committee are in conformity with the provisions of Sub-clause II of Clause 49 of the Listing Agreements with the Stock Exchanges which, inter alia, include the following:

- Oversight of the Company's financial reporting process.
- Recommending appointment and removal of external auditors and fixing of their fees.
- Reviewing with management the quarterly, half-yearly and annual financial results / statements with special emphasis on accounting policies and practices, compliances with accounting standards and other legal requirements concerning financial statements.
- Reviewing the adequacy of the Audit and compliance functioning including their policies, procedures, techniques and other regulatory requirements.
- Reviewing the adequacy of internal control systems and significant audit findings.
- Discussion with statutory and internal auditors regarding nature and scope of audit.

b) The composition and details of the meetings of the Audit Committee are as follows:

Name of the Member	Position	Meetings held during the year	Meetings attended
Mr. Zubin Pardiwala	Chairman	4	4
Mr. Tushar Rane	Member	4	4
Mrs. Tanu Giriraj Agrawal	Member	4	4

During the year constitution of Audit Committee is not changed. The Chairman of the Audit Committee had not attended the 27th Annual General Meeting (AGM) due to his some preoccupations.

D) SHARE TRANSFER COMMITTEE

a) Terms of reference:

The Committee was constituted to specifically look into the redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend.

b) The composition of the Shareholders Grievance Committee is as follows:

Name of the Member	Position
Mr. Zubin Pardiwala	Chairman
Mrs. Tanu Giriraj Agrawal	Member
Mr. Tushar Rane*	Member

During the year constitution of Shareholders Grievance Committee is not changed.

c) Name of Compliance Officer: Mr. Girraj Kishor Agrawal

E) REMUNERATION COMMITTEE

The Company has constituted a Remuneration Committee with terms of reference to evaluate compensation/commission and benefits for Directors. This Committee also acts as Nomination Committee and Compensation Committee.

a) The composition of the Remuneration Committee is as follows:

Name of the Member	Position
Mr. Zubin Pardiwala	Chairman
Mrs. Tanu Giriraj Agrawal	Member
Mr. Tushar Rane*	Member

During the year constitution of Remuneration Committee is not changed.

b) Remuneration Policy:

The Company while deciding the remuneration package of the directors and senior management personnel takes into consideration the following:

- (i) Employment scenario
- (ii) Remuneration package in the industry and
- (iii) Remuneration package of the managerial talent of other industries.

The Executive and Non-Executive Directors (NEDs) are eligible for commission not exceeding an aggregate of 1% of the net profits of the Company but till date Company has not paid any Commission and will pay only after the approval of member in general meeting.

The Company may pay sitting fees of 20,000 per meeting to the NEDs for attending the meetings of the Board and other Committees. But till date company is not paying any sitting fees.

The Company pays remuneration by way of Salary, Perquisites and Allowances (fixed component) and Commission (variable component) to Chairman & Managing Director as approved by the shareholders of the Company. The ceiling on perquisites and allowances as a percentage of salary, is fixed by the Board as per Schedule XIII.

c) Remuneration paid to Directors during the period ended 31st March, 2013

Name of the Director	Salary (Rs.)	Commission (Rs.)	Sitting Fees(Rs.)	Contribution To Various Funds(Rs.)	Total (Rs.)
-	-	--		-	-
-	-	--		-	-
-	-	--		-	-

The above amounts do not include provisions for encashable leave, gratuity and premium paid for Group Health Insurance as separate premium.

d) Shareholding of the Directors in the Company as on 31st March, 2013

Mr. Girraj Kishor Agrawal, Chairman and Managing Director, holds 106460 equity shares of Rs.10/- each in the Company.

None of the other Non-Executive Director holds any Shares, Convertible Instruments or Stock Options in the Company. As on 31st March, 2013, there are no outstanding options granted to any of the Directors of the Company.

F) GENERAL BODY MEETINGS

a) The last three Annual General Meetings were held as under:-

Year/Period Ended	Date of Meeting	Time
31 st March 2010	24/08/2010	03:30 P.M
31 st March ,2011	18/08/2011	03.30 P.M
31 st March, 2012	27/09/2012	11.30 A.M

b) No Extra-Ordinary General Meeting of the shareholders was held during the year.

c) No Special Resolutions passed through postal ballot during the year.

G) DISCLOSURES

1. The Chairman & Managing Director and Chief Financial Officer have given a Certificate to the Board as contemplated in Clause 49 of the Listing Agreement.
2. During the period, there were no transactions materially significant with Company's promoters, directors or management or subsidiaries or their relatives that may have potential conflict with the interests of the Company at large.
3. There were no instances of non-compliance on any matter related to the Capital Markets during the last three years.
4. There were no pecuniary transactions with any of the Non-Executive Directors, except payment of sitting fee and commission, if any.
5. The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.

H) MEANS OF COMMUNICATION

- a) Statutory advertisements and financial results of the company (Quarterly, Half-yearly and Annual) are published in English and one regional language dailies.
- b) Apart from the financial results, all official press releases of the Company and presentations made to the institutional investors and analysts, if any, are being placed on the Company's website.
- c) The company also releases all price sensitive information simultaneously to BSE.

I) GENERAL INFORMATION FOR MEMBERS

(i) **Annual General Meeting** - The 28th Annual General Meeting of the Company will be held on 27/09/2013 at 03.00 p.m. at registered office of the Company at E/109, Cystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai : 400053.

(ii) **Financial Calendar** :

Last AGM held on 27/09/2012
First Quarter Results Declared : Second Week of August, 2012
Second Quarter Results Declared : Second Week of November, 2012
Third Quarter Results Declared : Second Week of February, 2013
Fourth Quarter Results Declared : Last Week of May, 2013

(iii) **Book Closure date:** 26/09/2013 to 27/09/2013

(iv) **Dividend payment date:** Not applicable

(v) **Listing of Equity Shares on Stock Exchanges and market information:** The Company's Equity Shares are listed on Bombay Stock Exchange the Company has paid listing fees to Bombay Stock Exchange for F.Y 2013-2014.

(vi) **Registrar & Transfer Agents and Share Transfer System:** All documents, transfer deeds, demat requests and other communication in relation thereto should be addressed to the R & T Agents at its following address:

Sharex Dynamic (India) Private Limited,

Luthra Industrial Premises, Unit No. 1, Safed Pool, Andheri (E), Mumbai - 400 072

Tel: 022 28515606

Share transfers in physical form are processed within about 2 weeks from the date of receipt of the valid and completed documents.

J) (i) Stock Code - BSE Code - 505506

(ii) Demat ISIN Numbers in NSDL & CDSL INE 663D01011 for equity shares.

K) STOCK MARKET DATA AT BSE

Month	High	Low	Close	No. of Shares
April 2012	11.84	9.54	11.15	9448
May 2012	11.69	08.80	10.27	4474
June 2012	13.50	08.89	12.34	3527
July 2012	12.90	08.43	09.12	3856
August 2012	11.28	08.94	10.36	15797
September 2012	11.73	09.70	10.00	9430
October 2012	11.00	08.66	09.02	10225
November 2012	15.00	08.64	15.00	76993
December 2012	16.79	12.49	12.49	359250
January 2013	14.91	10.50	14.80	95357
February 2013	14.72	11.02	13.95	23595
March 2013	14.92	08.32	09.17	19514

L) REGISTERED OFFICE: E-109 Crystal Plaza, New Link Road, Andheri (West), Mumbai 400053.

M) REGISTRAR & TRANSFER AGENTS (SHARE TRANSFER AND COMMUNICATION REGARDING SHARE CERTIFICATE, DIVIDENDS AND CHANGE OF ADDRESS.)

SHAREX DYNAMIC PRIVATE LIMITED,
Luthra Industrial Premises,
Unit No. 1, Safed Pool, Andheri (E), Mumbai - 400 072
Tel: 022 28515606

(VII) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2013

Shareholders			Shareholding	
No. of Shares	Nos.	%	Holding in Rs.	%
1 - 5000	2362	83.40	3681130	4.82
5001 - 10000	213	7.52	1725480	2.26
10001 - 20000	110	3.88	1657450	2.17
20001 - 30000	30	1.06	748230	0.98
30001 - 40000	19	0.67	681090	0.89
40001 - 50000	21	0.74	998200	1.31
50001 - 100000	37	1.31	2865490	3.75
100001 - and above	40	1.41	64042930	83.83
Total	2832	100.00	76400000	100.00

SHAREHOLDING PATTERN AS ON 31.03.2013

Category	No. of Shares held	Percentage of Shareholding
A Promoter's Holding		
1 Promoters		
- Indian Promoters	1070179	14.01
- Foreign Promoters	-	-
2 Persons acting in concert	-	-
Sub - Total	1070179	14.01
B Non-Promoter's Holding	-	-
3 Institutional Investors	-	-
a) Mutual Funds and UTI	-	-
b) Banks, Financial Institutions, Insurance Companies	-	-
(Central/State Govt. Institutions/Non Government Institutions)	-	-
C FII's	-	-
Sub - Total	-	-
4 Others	-	-
a) Private Corporate Bodies	2505586	32.80
b) Indian Public	4059095	53.13
c) NRI's/OCB's - NRI	5105	0.06
d) Any Other (Please specify) - Clearing Members	35	0.00
Sub-Total	6569821	85.99
Grand Total	7640000	100%

(VIII) DEMATERIALISATION OF SHARES.

As on 31st March, 2013, 99.99% of the Company's Shares representing **7639996** Share were held in dematerialized form and the balance **4** Shares were held in physical form.

(IX) Investor Correspondence: For Transfer / dematerialisation of shares, payment of dividend on shares, interest and redemption of debentures, and any other query relating to the shares and debenture of the company.

SHAREX DYNAMIC (INDIA) PRIVATE LIMITED.

Unit No. 1, Luthra Industrial Premises,
Safed Pool, Andheri (E), Mumbai - 400 072

ADDRESS FOR CORRESPONDENCE

The Company's Registered Office is situated at
E-109 Crystal plaza, New Link Road, Andheri (west), Mumbai 400 053.

Shareholder's correspondence should be addressed to Transfer Agent **Sharex Dynamic (India) Private Limited.**

Shareholders holding shares in electronic mode should address their correspondence to their respective Depository participants.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORTS

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31st March, 2013.

The management discussion and analysis have been included in consonance with the code of corporate governance as approved by The Securities and Exchange Board of India (SEBI). Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinions or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.

The management of the company is presenting herein the overview, opportunities and threats, initiatives by the company and overall strategy of the company and its outlook for the future. This outlook is based on management's own assessment and it may vary due to future economic and other future developments in the country.

OVERVIEW:

The operations of the company are centered in Finance and Share Trading.

INDUSTRY STRUCTURE AND DEVELOPMENT:

The Indian economy has witnessed all round growth in year 2012-13 and more growth and prosperity in coming future with increased investment in information Technology Market.

Of late, especially in the past few decades, there has been tremendous growth in finance Industries in India. The finance industry where the company is also involved, major developments have taken place for the past few decades in view of the fact that plethora of finance companies have come into existence with various finance products and there has been tremendous finance growth due to foreign collaboration, foreign equity participation etc, under Finance Division, dealing in equity shares and stock is the main activity of the company.

SUBSIDIARY COMPANY

As there are no subsidiaries of the Company, Investment made in Subsidiaries is NIL.

SEGMENT-WISE PERFORMANCE

The Company operates in single reported segment with main business of Investments & Inter Corporate Deposit to the Corporate Sector.

OPPORTUNITIES AND THREATS:

Some of the key trends of the industry that are favourable to the company to exploit these emerging opportunities are:

1. Clients are more comfortable with uniform high quality and quick services and security process across the enterprise.

2. The company since involved in the Information Technology enabled services for a very long time there are good prospects for expanding further activities in this direction.
3. The company is also facing server competition from other Information Technology companies and software companies.

Some of the key changes in the industry unfavourable to the company are:

1. Heightened competition
2. Increasing cost of the product
3. Increasing customer demand

OUTLOOK:

The Company is mainly engaged in finance and related business. The company is planning to expand and diversify the activities in this time to tap higher revenues.

RISK AND CONCERNS:

Due to stiff competitions in the finance fields where the company's activities are centred in, the overall margins are under pressure but maintainable with constant effort and good services.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has adequate system of strong internal controls for business processes, with regards to operations, financial reporting, compliance with applicable laws and regulations, etc. Regular internal audits and checks ensure that responsibilities are executed effectively. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening the existing control system in view of changing business needs from time to time.

HUMAN RESOURCES/INDUSTRY RELATIONS:

Your Company firmly believes that its employees are the key to driving performance and developing competitive advantage. The emphasis has been on proper recruitment of talent and empowerment while devoting resources for their continuous development.

The basic objective has been to unlock the people potential and further developing their functional operational and behavioural competencies so as to build a team of dedicated employees who work with passion, zeal and a sense of belongingness and play a defining role in significantly accelerating the growth and transformation of the Company, thereby, consolidating its position in the market.

CAUTIONARY STATEMENT

Statement in the Management Discussion and analysis describing the company's objectives exceptions or predications may be forwards looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Several factors could make significant difference to the company's operation.

The Company is not under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

**AUDITOR'S CERTIFICATE ON COMPLIANCE OF THE CONDITIONS
OF CLAUSE 49 OF THE LISTING AGREEMENT (CORPORATE
GOVERNANCE) FOR THE YEAR ENDED 31ST MARCH, 2013**

To
The Members of
AXON INFOTECH LIMITED.

We have examined the compliance of corporate governance by AXON INFOTECH LIMITED for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange.

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

In our opinion and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions for Corporate Governance as stipulated in the above mentioned Listing Agreement except for the appointment of a Whole Time Secretary as required under Section 383A of the Companies Act, 1956.

We state that none of the Investor Grievances is pending for a period exceeding one month, as at 31st March, 2013 against the Company as per records maintained by the Shareholders/Investors Grievance Committee.

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

For DMKH & Co.,
(Chartered Accountants)
Firm Reg. No. 116886W

Sd/-
Omprakash Somani
(Partner)
M No. 123830

Place: Mumbai
Date: 29/05/2013

INDEPENDENT AUDITORS' REPORT

To,
The Members of,
Axon Infotech Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Axon Infotech Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

- b) In the case of the Statement of Profit and Loss, of the loss 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.

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 sub-section (4A) of section 227 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956

**For DMKH & Co.,
(Chartered Accountants)
Firm Reg. No. 116886W**

**Sd/-
Omprakash Somani
(Partner)
M No. 123830**

**Place: Mumbai
Date: 29/05/2013**

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date)

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

- i. a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) We have been informed that the fixed assets of the Company have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- c) According to the information & explanation given to us, the Company has not disposed of any substantial part of its fixed assets during the year.
- ii. a) As explained to us, inventories (shares in demat form) have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of Inventories referred to in 2(a) above followed by the management, are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) In our opinion and according to the information and explanation given to us, the company has maintained proper records of inventories. As per the information and explanation provided to us and having regard to the size of the company, no material discrepancies were noticed on physical verification of inventory as compared to book records.
- iii. a) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has not granted any interest free loan to parties covered in the Register maintained under section 301 of the Companies, Act 1956. Accordingly, the clause (iii)(b), (iii) (c) and (iii) (d) of paragraph 4 of the order are not applicable to the company for the year.
- e) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the clause (iii) (f) and (iii) (g) of paragraph 4 of the order are not applicable to the company for the year.
- iv. In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regards to the purchase of inventory (shares), fixed assets and sale of goods (shares). During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
 - a) In our opinion, and according to the information and explanations given to us, the transactions that need to be entered into the register maintained under Section 301 of the Companies act, 1956 have been so entered.

- b) In our opinion and according to information and explanation given to us, where such transactions are in excess of Rupees Five Lacs or more during the year in respect of any party have been made at a prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- vi. The Company has not accepted any deposits during the year under the provisions of section 58A and 58AA of the Companies Act, 1956, and the rules framed there under are not applicable.
- vii. As explained to us, there is no formal internal audit system. However, the Company has adequate internal control procedure involving internal checking of its financial record.
- viii. According to the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under Section 209 (1)(d) of the Companies Act, 1956 for the Company.
- ix. In Respect of statutory dues :
- a) According to the information and explanation given to us the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable.
- b) According to the information and explanation given to us, no undisputed amount payable in respect of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess were in arrears, as at 31st March,2013 for a period of more than six months from the date they became payable.
- x. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- xi. Based on our examination or the records and the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- xii. Based on our examination or the records and the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion and according to the information and explanation given to us, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Accordingly the provisions of the clause 4(xiii) of the said order are not applicable to the Company.
- xiv. The Company has maintained proper records of the transactions and contracts of the investment dealt in by the Company and timely entries have been made therein. The investments made by the Company are held in its own name.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi. According to the information and explanation given and based on the documents and records produced, the company has not taken any term loan for the period.

- xvii. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion that no funds raised on a short-term basis which have been used for long term investment.
- xviii. 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 during the year.
- xix. According to the information and explanations given to us, the Company has no outstanding debentures during the period under audit.
- xx. According to the information and explanations given to us, the Company has not raised any money by way of public issue during the year and accordingly the provision of the relevant clause of the order is not applicable to the Company.
- xxi. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For DMKH & Co.,
(Chartered Accountants)
Firm Reg. No. 116886W**

**Sd/-
Omprakash Somani
(Partner)
M No. 123830**

**Place: Mumbai
Date: 29/05/2013**

CEO / CFO CERTIFICATION

**The Board of Directors,
Axon Infotech Limited**
E/109, Crystal Plaza,
New link road, Andheri (west),
Mumbai : 400053.

We hereby certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2013 and that to the best of our knowledge and belief;
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. No transaction is entered into by the company during the year which is fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee:
 - a. Significant changes in internal control over financial reporting during the year.
 - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Axon Infotech Limited

**Sd/-
Girraj Kishor Agrawal
(Managing Director/CEO)**

**Place: Mumbai,
Date: 27/08/2013**

COMPLIANCE CERTIFICATE

To
The Members of
Axon Infotech Limited

It is hereby certified and examined that as provided in Clause 49 I (D) of the listing agreement with the stock exchanges, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2013.

For Axon Infotech Limited

Sd/-
Girraj Kishor Agrawal
(Managing Director / CEO)

Place: Mumbai
Date: 27/08/2013

**AXON INFOTECH LIMITED
BALANCE SHEET AS AT 31st MARCH, 2013**

(Rs. In 000')

Particulars		Note No.	As at 31 March, 2013	As at 31 March, 2012
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	2	76,400.00	76,400.00
	(b) Reserves and surplus	3	55,683.40	55,448.22
			132,083.40	131,848.22
2	Non-current liabilities			
	(a) Long-term borrowings		-	-
	(b) Deferred tax liabilities		26.35	31.87
	(c) Other long-term liabilities		-	-
	(d) Long-term provisions		-	-
			26.35	31.87
3	Current liabilities			
	(a) Short-term borrowings		-	-
	(b) Trade payables	4	153.99	120.87
	(c) Other current liabilities	5	3.37	-
	(d) Short-term provisions	6	114.15	373.30
			271.52	494.17
	TOTAL		132,381.26	132,374.26
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	7	324.58	389.65
	(ii) Intangible assets		-	-
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(v) Fixed assets held for sale		-	-
			324.58	389.65
	(b) Non-current investments	8	-	6.57
	(c) Deferred tax assets (net)		-	-
	(d) Long-term loans and advances	9	1,089.38	1,089.38
	(e) Other non-current assets		-	-
			1,089.38	1,095.95
2	Current assets			
	(a) Current investments		-	-
	(b) Inventories	10	65,639.06	51,639.96
	(c) Trade receivables	11	31.88	73.36
	(d) Cash and cash equivalents	12	395.26	1,378.39
	(e) Short-term loans and advances	13	64,901.11	77,796.95
	(f) Other current assets		-	-
			130,967.31	130,888.66
	TOTAL		132,381.26	132,374.26
	Significant Accounting Policies	1		
	The accompanying notes are an integral part of the financial statements			

In terms of our report attached.

For DMKH & Co.

Chartered Accountants

FRN:- 116886W

Sd/-

CA. OM PRAKASH SOMANI

Partner

M.No.- 123830

Place : MUMBAI

Dated: 29/05/2013

For and on behalf of the Board

Sd/-

Girraj Kishor Agrawal

(Managing Director)

Sd/-

Tanu Agarwal

Director

**AXON INFOTECH LIMITED
STATEMENT FOR PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2013**

(Rs. In 000')

Particulars		Note No.	For the year ended 31 March, 2013	For the year ended 31 March, 2012
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)	14	29,526.08	98,990.51
2	Other income	15	4,202.60	5,028.30
3	Total revenue		33,728.67	104,018.81
4	Expenses			
	(a) Cost of Goods Sold	16	31,018.48	101,035.09
	(b) Employee benefits expense	17	1,861.48	1,892.34
	(c) Finance costs		0.03	-
	(d) Depreciation and amortisation expense	7	65.07	273.95
	(e) Other expenses	18	439.81	717.84
	Total expenses		33,384.86	103,919.21
5	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		343.81	99.60
6	Exceptional items		-	-
7	Profit / (Loss) before extraordinary items and tax (5 ± 6)		343.81	99.60
8	Extraordinary items		-	-
9	Profit / (Loss) before tax (7 ± 8)		343.81	99.60
10	Tax expense:			
	(a) Current tax expense for current year		114.15	107.81
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Current tax expense relating to prior years		-	-
	(d) Net current tax expense		-	-
	(e) Deferred tax		-5.52	-63.94
			108.63	43.88
11	Profit / (Loss) for the year		235.18	55.73
12	Earnings per share (of Rs. 10/- each):			
	(a) Basic		0.03	0.00
	(b) Diluted		0.03	0.00
	The accompanying notes are an integral part of the financial statements			

In terms of our report attached.

For DMKH & Co.

Chartered Accountants

FRN:- 116886W

For and on behalf of the Board

Sd/-

CA. OM PRAKASH SOMANI

Partner

M.No.-123830

Place : MUMBAI

Dated: 29/05/2013

Sd/-

Girraj Kishor Agrawal
(Managing Director)

Sd/-

Tanu Agarwal
(Director)

AXON INFOTECH LIMITED				
Cash Flow Statement for the year ended 31 March, 2013		(Rs. In 000')		
Particulars	For the year ended 31 March, 2013		For the year ended 31 March, 2012	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		343.81		99.60
<u>Adjustments for:</u>				
Depreciation and amortisation	65.07		273.95	
Interest income	(4,202.60)		(5,028.31)	
		(4,137.52)		(4,754.36)
Operating profit / (loss) before working capital changes		(3,793.71)		(4,654.76)
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	(13,999.10)		(1,119.21)	
Trade receivables	41.49		50.00	
Short-term loans and advances	12,895.84		12,658.49	
Long-term loans and advances	0.00		600.00	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	33.13		(852.60)	
Other current liabilities	3.10		(0.27)	
Short-term provisions	(259.15)		107.81	
Long-term provisions				
		(1,284.70)		11,444.23
Cash generated from operations		(5,078.41)		6,789.47
Net income tax (paid) / refunds		(114.15)		(107.81)
Net cash flow from / (used in) operating activities (A)		(5,192.57)		6,681.66
B. Cash flow from investing activities				
Loans realised				
- Others	0.00		(13,100.00)	
Amounts received from sale of shares	6.57			
Interest Income	4,202.60		5,028.31	
		4,209.17		(8,071.70)
Cash flow from extraordinary items		-		-
		4,209.17		(8,071.70)
Net income tax (paid) / refunds		-		-
Net cash flow from / (used in) investing activities (B)		4,209.17		(8,071.70)
C. Cash flow from financing activities				
Net cash flow from / (used in) financing activities (C)		-		-
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(983.40)		(1,390.04)
Cash and cash equivalents at the beginning of the year		1,378.39		2,768.43
Cash and cash equivalents at the end of the year		395.26		1,378.39
Reconciliation of Cash and cash equivalents with the Balance Sheet:		395.26		1378.39
		0.00		(0.00)
See accompanying notes forming part of the financial statements				
In terms of our report attached.				
For DMKH & Co.				
Chartered Accountants				
FRN:- 116886W				
			For and on behalf of the Board	
Sd/-		Sd/-		Sd/-
CA.Om Prakash Somani		Girraj Kishor Agrawal		Tanu Agarwal
Partner		(Managing Director)		(Director)
M.No.- 123830				
Place : MUMBAI				
Dated: 29/05/2013				

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 2: SHARE CAPITAL

(Rs. In 000')

Particulars	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares	\	Number of shares	\
(a) Authorised: 8,000,000 Equity Shares of Rs. 10/- each (Previous year 8,000,000 Equity Shares of Rs 10/- each)	8,000,000	80,000	8,000,000	80,000
(b) Issued, subscribed and fully paid-up shares: 7,640,000 Equity Shares of Rs. 10/- each fully paid up (Previous Year 7,640,000 Equity Shares of Rs. 10/- each)	7,640,000	76,400	7,640,000	76,400
Total Issued, subscribed and fully paid-up shares	7,640,000	76,400	7,640,000	76,400

(a) Reconciliation of the shares outstanding at the beginning and end of the reporting year

	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares	\	Number of shares	\
Equity Shares				
At the beginning of the year	7,640,000	76,400	7,640,000	76,400
Issued during the year	-	-	-	-
Outstanding at the end of the year	7,640,000	76,400	7,640,000	76,400

(b) Shares held by each shareholder holding more than 5% of equity share capital:

Name of the shareholder	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares	% Shareholding	Number of shares	% Shareholding
CHANDRAKANT BABU MOHITE	-	-	1,036,200	13.56
NIRMAL BANG SECURITIES PVT. LTD.	528,856	6.91	527,875	6.91
PERFECT CORPORATE SERVICES LTD.	440,000	5.76	440,000	5.76
SANDESH BABARAM MHABDI	710,421	9.30	710,421	9.30
UNISYS SOFTWARES AND HOLDINGS INDUS	800,000	10.47	800,000	10.47
ARVIND KALYANJI RAMBHIA	522,002	6.83	-	-
VRP FINANCIAL SERVICES PVT LTD	-	-	794,729	10.40
BHAVYA SACHIN GALA	532,760	6.97	-	-
PUSHPABEN PANACHAND GALA	658,376	8.62	-	-
KAYAGURU HEALTH SOLUTIONS PVT. LTD. (PROMOTER)	-	-	800,000	10.47
TOTAL [5% & above]	4,192,415	54.86	5,109,225	66.87

(c) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of `10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting. In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The Distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 3: RESERVES AND SURPLUS

(Rs. In 000')

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Securities premium account (As per last Balance Sheet)	50,000.00	50,000.00
Closing balance	50,000.00	50,000.00
(b) General reserve (As per last Balance Sheet)	6,200.00	6,200.00
Closing balance	6,200.00	6,200.00
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(751.78)	(807.51)
Add: Profit / (Loss) for the year	235.18	55.73
Less: Profit / (Loss) transfer to Genral Reserve	-	-
Closing balance	(516.60)	(751.78)
Total	55,683.40	55,448.22

NOTE- 4 TRADE PAYABLE

Particulars	As at 31 March, 2013	As at 31 March, 2012
Trade payables:		
Acceptances	-	-
Other than Acceptances	153.99	120.87
Total	153.99	120.87

NOTE-5 OTHER CURRENT LIABILITIES

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Unpaid dividends	-	0.27
(b) Other payables	3.37	-
Total	3.37	0.27

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE-6 SHORT TERM PROVISIONS

(Rs. In 000')

Particulars	As at 31 March, 2013	As at 31 March, 2012
Provision - Others:		
(i) Provision for tax		
AY 13-14	114.15	-
Earlier year	-	373.30
	114.15	373.30

NOTE-8 NON CURRENT INVESTMENT

	As at 31 March, 2013			As at 31 March, 2012		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
A . Long Term Investments						
(a) Investment in equity instruments:						
Reliance Industries Limited-(Nos.-170)	-	-		3.42	-	3.42
Reliance Natural Resources Limited- (Nos.-170)	-	-		0.05	-	0.05
Reliance Natural Resources Limited- (Nos.-9)	-	-		0.09	-	0.09
Reliance Communication Limited-(Nos.-170)	-	-		2.54	-	2.54
Reliance Infrastructure Limited-(Nos.-8)	-	-		0.48	-	0.48
	-	-		6.57	-	6.57
Aggregate Market Value Of Quoted Investment						146,186.20

NOTE-9 LONG TERM LOANS & ADVANCES

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Security deposits		
Unsecured, considered good	1,089.38	1,089.38
Doubtful	-	-
Less: Provision for doubtful deposits	-	-
	1,089.38	1,089.38
Total	1,089.38	1,089.38

NOTE- 10 INVENTORIES

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Stock-in-trade of Shares	65,639.06	51,639.96
Total	65,639.06	51,639.96

AXON INFOTECH LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 7: FIXED ASSETS

A	Tangible assets	Gross block						Accumulated depreciation and impairment				Net block	
		Balance as at 1 April, 2012	Additions	Disposals	Borrowing cost capitalised	Other adjustments	Balance as at 31 March, 2013	Balance as at 1 April, 2012	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2013	Balance as at 31 March, 2012	
	(a) Furniture and fixtures	12570	-	-	-	-	12570	6481	796	-	7277	60889	5293
	(b) Vehicles-Motor Car	52800	-	-	-	-	52800	29052	5016	-	34068	237,484	18732
	(c) Office equipment	14647	-	-	-	-	14647	5519	696	-	6215	91,279	8432
	Total	80017	-	-	-	-	80017	41052	6508	-	47560	38965	32457
	Previous year	3,96036	-	-	-	-	80017	271942	57734	-	3,29676	1,24094	66360

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE- 11 TRADE RECEIVABLE

(Rs. In 000')

Particulars	As at 31 March, 2013	As at 31 March, 2012
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	23.36	23.36
Doubtful	-	-
	23.36	23.36
Less: Provision for doubtful trade receivables	-	-
	23.36	23.36
Other Trade receivables		
Secured, considered good	8.51	-
Unsecured, considered good	-	50.00
Doubtful	-	-
	8.51	50.00
Less: Provision for doubtful trade receivables	-	-
	8.51	50.00
Total	31.88	73.36

Note: Trade receivables include debts due from:

Particulars	As at 31 March, 2013	As at 31 March, 2012
1. Private companies in which Director having Substantial Interest:		
--KAYAGURU HEALTH SOLUTION PVT LTD.	-	50.00
Total	-	50.00

NOTE- 12 CASH & CASH EQUIVALENTS

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Cash on hand	203.54	462.91
(b) Balances with banks		
(i) In current accounts	191.72	902.78
(ii) In deposit accounts	-	12.70
Total	395.26	1,378.39

NOTE- 13 SHORT TERM LOANS & ADVANCES

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Balances with government authorities		
(i) TDS receivable	630.84	758.62
	630.84	758.62
(b) Others- (Recoverable in cash or kind)		
Unsecured, considered good	64,270.27	77,038.33
Doubtful	-	-
	64,270.27	77,038.33
Less: Provision for other doubtful loans and advances	-	-
	64,270.27	77,038.33
Total	64,901.11	77,796.95

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE- 14 INCOME FROM OPERATIONS

(Rs. In 000')

	Particulars	For the year ended	For the year ended
		31 March, 2013	31 March, 2012
		-	-
(a)	Sale of Shares	29,526.08	98,990.51
	Total	29,526.08	98,990.51

NOTE- 15 OTHER INCOME

	Particulars	For the year ended	For the year ended
		31 March, 2013	31 March, 2012
		-	-
(a)	Interest income		
	Interest from Bank on Other Balance	3.35	0.50
	Interest on loans and advances [TDS of Rs.2,45,523 (previous year	4,199.24	5,012.90
	TDS of Rs. 3,85,314)]		
(b)	Dividend income	-	14.90
	Total	4,202.60	5,028.30

NOTE -16 COST OF GOODS SOLD

	Particulars	For the year ended	For the year ended
		31 March, 2013	31 March, 2012
		-	-
(a)	Opening Stock	51,639.96	50,520.75
	Add: Purchases	45,017.58	102,154.30
		96,657.54	152,675.05
	Less: Closing Stock	65,639.06	(51,639.96)
	Cost of Goods Sold	31,018.48	101,035.09
	Total	31,018.48	101,035.09

NOTE- 17 EMPLOYEE BENEFIT EXPENSES

	Particulars	For the year ended	For the year ended
		31 March, 2013	31 March, 2012
		-	-
(a)	Salaries and wages	1,853.79	1,875.55
(b)	Staff Welfare Expenses	7.69	16.79
	Total	1,861.48	1,892.34

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE- 18 OTHER EXPENSES

(Rs. In 000')

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Advertisement Expenses	21.33	16.09
Audit Fee (as per below note (i))	30.00	30.00
Bank Charges	0.76	34.06
Computer Expenses	7.01	6.41
Conveyence	8.85	7.63
Electricity Expenses	10.10	9.45
Listing Fees	25.00	25.00
Office Expenses	9.45	10.54
Other Transaction Charges	53.29	288.58
Postage & courier Chareges	8.95	8.40
Printing & Stationary	10.82	11.17
Professional Charges	10.00	10.00
Rent	120.00	120.00
Repair & Maintainance	9.27	50.00
Legal & related Expenses	2.50	74.31
Telephone Charges	10.50	13.12
Service tax	16.03	3.09
Share transfer charges/NSDL/CSDL Charges	85.95	-
Total	439.81	717.84

Note 18 Other expenses (contd.)

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	30.00	30.00
For taxation matters	-	-
For company law matters	-	-
For management services	-	-
For other services	-	-
Reimbursement of expenses	-	-
Total	30.00	30.00

ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES:

(a) Corporate Information

Brief Business Activity : Dealing in Finance and Share Trading
Place of Business : E-109, Crystal Plaza, New Link Road, Andheri (W), Mumbai 53.

(b) Basis of Preparation of Financial Statements

The financial statements have been prepared to comply in all material respects with the accounting standards notified by Companies (Accounting Standards) Rules 2006, (as amended) and the relevant provisions of the Companies Act, 1956 ("the Act"). The financial statements have been prepared under the historical cost convention on an accrual basis in accordance with accounting principles generally accepted in India. The accounting policies have been consistently applied by the Company and are consistent with those used in previous year.

(c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(d) Revenue recognition

All incomes and expenditure are recognized as per 'Accounting Standard- 9' accounted on accrual basis except where stated otherwise.

(e) Fixed Assets

(i) Tangible fixed assets

Tangible fixed assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition price. Borrowing costs directly attributable to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase be put to use.

(ii) Intangible fixed assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a basis which is estimated to be the useful life of the asset.

(f) Depreciation

Depreciation has been provided on Written down value Method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956 on pro-rata basis from the date assets have been put to use.

(g) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized in accordance with Accounting Standard-28 "Impairment of Assets", for the amount by which the asset's carrying amount exceeds its recoverable amount as on the carrying date. The recoverable amount is higher of the asset's fair value less costs to sell vis-à-vis value in at the lowest levels for which there are separately identifiable cash flows.

(h) Investments

Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is of a permanent nature.

Current investments are carried individually, at the lower of cost and fair value. Costs of investments include acquisition charges such as brokerage, fees and duties.

(i) Inventories

Inventories are valued at cost or net realizable value whichever is lower.

(j) Taxation

Provision for current tax is made as per the provisions of the Income-tax Act, 1961.

Deferred tax for the year is recognized on timing difference, being the difference between taxable incomes and accounting income that originates in one period and is capable of reversal in one or more subsequent periods.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty that the assets can be realized in future, however when there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets.

(k) Provision, Contingent Liabilities and Contingent Assets

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

(l) Retirement Benefits

Liabilities in respect of bonus, gratuity, retirement benefit & leave encashment is being accounted for on cash basis.

(m) Earnings per share

The earnings considered in ascertaining the company's EPS comprise of the net profit after tax as per Accounting Standard 20 on "Earnings Per Share", issued by the Institute of Chartered Accountants of India. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

(n) Cash flow statement

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

NOTES TO ACCOUNTS:

19. Balances of Debtors, Loans and Advances, Secured Loans, Sundry Creditors & Others are subject to confirmation and reconciliation and consequential adjustments, if any.
20. In the opinion of the Board & to the best of their knowledge & belief the value of realization of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet & the provisions for all the loans & determined liabilities is adequate and not in excess of the amount.
21. Provision for retirement benefits to employees was not provided on accrual basis, which is not in conformity with Accounting Standard-15 issued by ICAI and the amount has not been quantified because actuarial valuation report is not available. However, in the opinion of the management the amount involved is negligible and has no material impact on the Statement of Profit & Loss.
22. According to a technical assessment carried out by the Company, there is no impairment in the carrying cost of cash generating units of the Company in terms of accounting standards-28 issued by the Institute of Chartered Accountants of India.
23. The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the yearend together with interest paid/payable as required under the said Act have not been made.

24. Earnings Per Share (AS-20) :

The Earning Per Share computed as per the requirement under Accounting Standard 20 on Earning Per Share issued by The Institute of Chartered Accountant of India, is as under:

	2012-2013 (Rs.)	2011-2012 (Rs.)
Profit Attributable to Equity Share Holders (After Tax)	2,35,180	55,730
Weighted Average Number of Equity Share (Nos.)	76,40,000	76,40,000
Basic/ Diluted Earnings Per Share	0.03	0.00
Face Value per Equity Share	10.00	10.00

25. Deferred Tax Assets/(Liability) :

Break up of Deferred Tax Liability into major components of the respective balance is as follows:

	2012-2013 (Rs.)	2011-2012 (Rs.)
Opening Deferred Tax Liability	31,870	95,806
Adjusted during the year	5,522	63,936
Deferred Tax Liability on Account of Depreciation	26,350	31,870

26. According to a technical assessment carried out by the Company, there is no impairment in the carrying cost of cash generating units of the Company in terms of accounting standards-28 issued by the Institute of Chartered Accountants of India.

27. Related Party Transaction :

Related Parties and Nature of Relationship:

Related Party	Nature of Relation ship
Girraj Kishor Agrawal Tanu Giriraj Agrawal Zubin Jasipardiwala Tushar Ramchandra Rane	Managing Director Director Director Director
Five X Finance & Investment Limited Kayaguru Capital Market Private Limited Rockon Capital Market Pvt. Ltd. Kayaguru health solutions limited	Substantial interest of director Substantial interest of director Substantial interest of director Substantial interest of director

Banas Finance Ltd.	Substantial interest of director
Rockon Fintech Ltd.	Substantial interest of director
Shreen Nath Commercial & Finance Ltd.	Substantial interest of director

Note: Related Parties as disclosed by the management and relied upon by auditors

Related Party Transaction

Particulars	Companies in which Directors are substantially interested	Key Management Personnel	Relative of Key Management Personnel
Loan Transactions			
Gross Loans Given	2,50,000	-	-
Gross Loans Repaid	-	-	-
Investments			
Investments in shares	97,00,000		
Credit Balance as on 31.03.2013	-	-	-
Debit Balance as on 31.03.2013	-	-	-

28. Segment Information (AS-17)

Company has only one segment of activity namely "Trading and FinancialActivities". Since there is No export turnover, there are no reportable geographical segments.

AS PER OUR REPORT OF EVEN DATE
For DMKH & Co.,
(Chartered Accountants)
FRN. - 116886W

FOR AND ON BEHALF OF THE BOARD

Sd/-
Om Prakash Somani
(Partner)
M.No.123830

Sd/-
Girraj Kishor Agrawal
(Managing Director)

Sd/-
Tanu Agarwal
(Director)

Place: Mumbai
Date: 29/05/2013

Regd. Off: E/109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai: 400053.

PROXY FORM

Reg. Folio No. _____

No. of Shares: _____

D.P. I.D* _____

Client ID* _____

I/we _____ of _____

Being a shareholder / shareholders of Axon Infotech Limited Hereby appoint _____

or failing him/her _____ as my/ our proxy to attend and vote for me / us and on my/ our behalf at the 28th Annual General meeting of the Company to be held on 27/08/2013 at 03.00 p.m. and at any adjournment thereof.

Signed this ____ day of _____ 2013

Affix
Re. 1/-
Revenue
Stamp

Signature of the shareholder _____

Note: The Proxy form duly completed and signed must be deposited at the Registered office of the company not less than 48 hours before the time for holding the Meeting

*Applicable for shares held in electronic form.

AXON INFOTECH LIMITED

Regd. Off: E/109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai: 400053.

**ATTENDANCE SLIP
28th Annual General Meeting**

Reg. Folio No. _____

No. of Shares: _____

D.P. I.D* _____

Client ID* _____

Name of the Attending Member _____

I/We hereby record my/our presence at the 28th Annual General Meeting of the Company at registered office of the Company at E/109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai : 400053.

Signature of the shareholder(s), Proxy Representative _____

Note:

- 1) Member / proxy holder wishing to attend the meeting must bring the attendance slip to the meeting and hand over the same duly signed at the entrance.
- 2) Member/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

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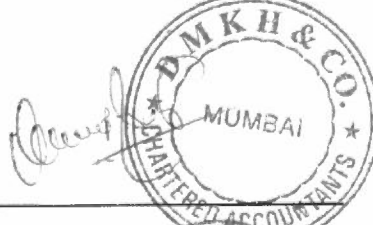
**E/109, CRYSTAL PLAZA,
NEW LINK ROAD, ANDHERI (WEST),
MUMBAI: 400053.**

Web Site: www.axoninfotech.in

Email Id: axoninfotechltd@gmail.com

Form A

Format of covering letter of the annual Audit report to be filed with the Stock Exchange

1	Name of the Company	Axon Infotech Limited
2	Annual Financial Statements for the year ended	31 st March 2013
3	Type of Audit Observation	Un-qualified
4	Frequency of observation	Not Applicable
5	To be signed by –	
	<ul style="list-style-type: none"> • Girraj Kishor Agrawal (Managing Director) 	
	<ul style="list-style-type: none"> • Girraj Kishor Agrawal (CFO) 	
	<ul style="list-style-type: none"> • DMKH & Co. Om Prakash Somani (Auditor of the Company) 	
	<ul style="list-style-type: none"> • Zubin Pardiwala (Audit Committee Chairman) 	