



Munoth Financial Services Limited

CERTIFIED TRUE COPY

For Munoth Financial Services Limited

[Signature]
Company Secretary

18TH Annual Report 2008-2009



CONTENTS

Page No.

<i>Notice</i>	2
<i>Director's Report</i>	5
<i>Report on Corporate Governance</i>	9
<i>Management Discussion and Analysis Report</i>	18
<i>Auditor's Report</i>	21
<i>Balance Sheet</i>	24
<i>Profit & Loss Account</i>	25
<i>Schedule to Accounts</i>	26
<i>Cash Flow Statement</i>	38
<i>Balance Sheet Abstract & Company's General Profile</i>	40



MUNOTH FINANCIAL SERVICES LIMITED

BOARD OF DIRECTORS

Lalchand Munoth, Chairman
Jaswant Munoth, Managing Director
Bharat Munoth, Managing Director
Vikas Munoth
Datuk Rajandram
Mah Sau Cheong
Ajit Kumbhat
V. Sankaran
M.Jayantilal Jain

SECRETARY

A G Nandini

AUDITORS

Mardia & Associates
Chartered Accountants
1-A, Valliammal Road,
Chennai - 600 007.

BANKERS

HDFC Bank
Union Bank of India
Bank of Baroda
The Federal Bank Ltd.

LEGAL ADVISORS

Aiyar & Dolia
Advocates
29 & 30, Law Chambers
High Court Buildings
Chennai - 600 104.

REGISTRARS AND SHARE TRANSFER OFFICE

Cameo Corporate Services Limited
"Subramanian Building"
1, Club House Road,
Chennai - 600 002.

REGISTERED OFFICE

Munoth Centre, Suite No. 46 & 47
3rd Floor, 343, Triplicane High Road,
Chennai - 600 005.



MUNOTH FINANCIAL SERVICES LIMITED

MUNOTH FINANCIAL SERVICES LIMITED

REGD. OFFICE: SUITE NO. 46 & 47, MUNOTH CENTRE
3RD FLOOR, 343 TRIPLICANE HIGH ROAD
CHENNAI - 600 005

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Eighteenth Annual General Meeting of the Company will be held on Monday, August 31, 2009 at 10:15 A.M. at the Nahar Hall (South India Hire Purchase Association), Desabandhu Plaza, 1st Floor, 47, Whites Road, Royapettah, Chennai - 600 014 to transact the following business:

ORDINARY BUSINESS

- 1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2009 and the Balance Sheet as on that date and the Reports of the Directors and Auditors thereon.*
- 2. To appoint a Director in place of Mr. Vikas Munoth who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.*
- 3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:*

"RESOLVED THAT Mr.V.Sankaran, a Director who retires at this Meeting by rotation and does not wish to be reappointed, is therefore not re-appointed and the resulting vacancy be not filled up and that the number of Directors of the company be reduced accordingly"
- 4. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at a remuneration of Rs.60,000/- plus out of pocket expenses.*

SPECIAL BUSINESS

- 5. To consider and if thought fit, to pass with or without modifications, the following resolution as ORDINARY RESOLUTION.*

"RESOLVED THAT Mr. M Jayantilal Jain who was appointed as Additional Director by the Board of Directors on July 31, 2009 pursuant to Article 43(a) of the Articles of Association of the Company and whose term of office as a Director expires under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a Notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director be and is hereby appointed as Director of the Company liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all steps that may be necessary or desirable to give effect to this resolution."

By Order of the Board
for **MUNOTH FINANCIAL SERVICES LIMITED**

Place : Chennai
Date : July 31, 2009

A.G.NANDINI
COMPANY SECRETARY



NOTES:

EXPLANATORY STATEMENT

The relevant explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.

APPOINTMENT OF PROXY

The Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a Shareholder of the Company. The proxy, in order to be effective, must be received by the company not later than 48 hours before the meeting.

CLOSURE OF REGISTER OF MEMBER:

The Register of Members and the Share Transfer Books of the Company will remain closed from August 28, 2009 to August 31, 2009 (Both days inclusive)

CHANGE OF ADDRESS:

The Shareholders are requested to intimate the change, if any, in their Registered Address, to Cameo Corporate Services Ltd, "Subramaniam Building", No.1, Club House Road, Chennai - 600 002. In case of shares held in dematerialised form this information should be passed on to the respective Depository Participant without any delay.

ATTENDANCE SLIP:

For the convenience of the Shareholders Attendance slip is annexed to the proxy form. The Shareholders are requested to fill in and affix their signatures at the space provided therein and hand over the attendance slip at the entrance of the place of the meeting. Proxy/Representative of Shareholders should mark on the attendance slip as "Proxy" or "Representative" as the case may be. Members who hold shares in dematerialised form are requested to bring their client ID and DP ID for easy identification of attendance at the meeting.

CONSOLIDATION OF FOLIOS:

It is strongly recommended that shareholders having more than one folio in the same name or with identical names in the same order in case of Joint holdings, are requested to write to the company's Share Transfer Agents, viz Cameo Corporate Services Ltd immediately along with the relevant share certificates to enable consolidation of such holdings in a single folio. If the shares are jointly held such requests should be signed by all the joint holders.

DEMATERIALISATION OF SHARES:

The company's equity shares have been notified for compulsory dematerialisation. Accordingly trading of these shares through Stock Exchange would be facilitated if the share certificates are dematerialised. Members having the physical share certificates are advised to consider opening of a Demat account with an authorised Depository participant and arrange for dematerialising their shareholdings in the company.

REQUEST TO MEMBERS:

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 to the meeting. They are further requested to occupy their seats at least fifteen minutes before the scheduled time for the commencement of the meeting to avoid interruption in the proceedings.



MUNOTH FINANCIAL SERVICES LIMITED

ANNEXURE TO NOTICE

Explanatory Statement under Section 173(2) of the Companies Act, 1956

ITEM NO. 5

The Board of Directors at their meeting held on July 31, 2009 appointed Mr. M Jayantilal Jain as Additional Director who will hold office upto the date of ensuing Annual General Meeting. Mr. M Jayantilal Jain, aged about 44 years. has completed his graduation from Nagarjuna University and did his Chartered Accountants training with M/s. Kumbhat & Co., a leading Chartered Accountant firm in Chennai. He then joined M/s. Krishnan & Giri as partner in 1990. He is in the profession for the last 19 years and is in charge of finalization of Statutory and Tax Audits of Corporate and Non Corporate entities and has made representation before various tax authorities. He is also associated with many philanthropic Jain Association and religious trusts both as an auditor and member. He is also having vast experience in Capital Market segment and derivatives.

Due notice under Section 257 of the Companies Act, 1956 has been received from the member proposing the appointment of Mr. M. Jayantilal Jain as Director of the Company. The Directors recommend passing the resolution contained in Item No. 5 of the accompanying Notice.

Apart from Mr. M. Jayantilal Jain, the appointee, no other Directors are interested in the passing of the resolution.

By Order of the Board
for MUNOTH FINANCIAL SERVICES LIMITED

A.G.NANDINI
COMPANY SECRETARY

Place : Chennai
Date : July 31, 2009



MUNOTH FINANCIAL SERVICES LIMITED

DIRECTORS REPORT:

To The Members

Your Directors have pleasure in presenting their Eighteenth Annual Report together with the Audited Accounts for the year ended March 31, 2009.

FINANCIAL RESULTS:

Particulars	2008-2009 Rs.in Lacs	2007-2008 Rs. in Lacs
Total Income	79.50	203.91
Gross Profit/(Loss)	(121.24)	83.18
Less : Depreciation	12.42	12.67
Profit /(Loss)before Tax	(133.66)	70.51
Provision for Tax	0.20	15.83
Profit after Tax	(133.46)	54.68
Balance brought forward from Previous Year	278.84	224.16
Balance carried forward	145.38	278.84

OPERATIONAL REVIEW:

The financial year 2008-2009 was eventful year for the capital market. The year saw the stock market lose the entire lustrous gain that they gained in 2007. This was sparked by the subprime crisis and their ripple effects, bad economic news started from the USA and spread throughout the world and the effect was so cascading that they ruined the sentiments in capital markets globally and indexes of global market crashed more than 65%.

In India, the crude started galloping towards north and reached up to 147\$ a barrel in just one quarter, Inflation also got up into double digit and started facing effect of high credit rate. The recession fear in USA and Japan became evident and under the threat of credit crunch, FII started selling which became the sentiment damper for the equity market. At the same time political uncertainty in India led further downward movement. The year 2008 will be remembered for best and worst both because index touches high of 6287 for nifty and 21200 for SENSEX and low of 2524 for NIFTY and 8000 for SENSEX in same year. The daily average turnover in equity came down from high Rs. 19,441 crores in January 2008 to low Rs. 9,618 crores in November 2008 and daily turnover in derivatives came from high Rs.63,212.21 crores in January 2008 to low Rs. 38,321.53 crores in April 2008.

The performance of the Company under review has to be viewed against the background of the performance of the economy.

STOCK BROKING:

The broking turnover of the company in the capital market segment for the year ended March 31st 2009 is at Rs. 433.50 Crores (Last year Rs. 674.37 Crores) and derivative segment is at Rs. 495.04 Crores (Last year Rs.1048.34 Crores). The income from Stock broking operation has decreased to



Rs.53.50 Lakhs in the current year as against Rs. 153.19 Lakhs in the previous year. The Company also provides institutional broking business.

MERCHANT BANKING OPERATIONS:

During the financial year, the Company managed business pertaining to FBT certification of Scandisk India Device Design Centre Private Limited.

DEPOSITORY BUSINESS:

As a Depository Participant, the Company offers facilities to both institutional and retail investors to maintain their investments in securities in electronic form. The Company manages about 4600 accounts of both individual and corporates. Income from depository operation has decreased to Rs. 9.72 Lakhs as against Rs.13.69 Lakhs in the previous year

PORTFOLIO MANAGEMENT SERVICES:

The Company continues to provide PMS services to high networth NRI clients. During the current year, PMS activities will also be focused on domestic clients.

FUTURE PROSPECTS:

The company will continue to focus on getting more clients in the retail and institution segment in stock broking division and to get more client in Portfolio Management Division. The long term future of capital market industry is bright and your company will position itself to get a good share of this growth.

DIVIDEND:

The Board of Directors have decided not to recommend any dividend with a view to conserve resources.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) of the Companies Act, 1956, your Directors confirm and state that:

- 1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;*
- 2. That the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year (March 31, 2009) and of the profit and loss of the company for that period;*
- 3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;*
- 4. That the Directors had prepared the annual accounts on a going concern basis.*

STOCK EXCHANGES



MUNOTH FINANCIAL SERVICES LIMITED

The Company's shares are listed on Madras Stock Exchange and The Stock Exchange, Mumbai. The Listing Fees to all Stock Exchanges have been paid up to date.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO.

The Company has no activities relating to conservation of energy, technology absorption, foreign exchange earning. There has been an expenditure of Rs. 3,39,793 towards foreign travel.

FIXED DEPOSITS

The Company has not accepted any public deposits and, as such, no amount on account of principal or interest on public deposits was outstanding as on the date of balance sheet.

PARTICULARS OF EMPLOYEES

There are no persons employed in the Company during the year or for part of the year who were in receipt of remuneration exceeding the sums prescribed under the provisions of Section 217(2A) of the Companies Act, 1956.

DIRECTORS:

In terms of the provisions of the Articles of Association, Mr. Vikas Munoth and Mr.Sankaran retire by rotation at the forthcoming Annual General Meeting . Mr.Vikas Munoth offers himself for reappointment and Mr.Sankaran is not seeking reappointment.

CORPORATE GOVERNANCE:

The Securities and Exchange Board of India (SEBI) has introduced a code of Corporate Governance for implementation by Companies listed on the Stock Exchange. A report of Corporate Governance along with the Management Discussion and analysis report pursuant to Clause 49 of the Listing Agreement are annexed hereto.

AUDIT COMMITTEE:

The Audit Committee that was constituted pursuant to Section 292A of the Companies Act, 1956 has Mr.Ajit Kumbhat (Chairman), Mr.V.Sankaran and Mr.Mah Sau Cheong as its Members.

REMUNERATION COMMITTEE:

The Remuneration Committee, which was constituted pursuant to the amendment, made to the Schedule XIII of the Companies Act, 1956 has Mr.V.Sankaran (Chairman), Mr.Ajit Kumbhat and Datuk Rajandram as its Members.

AUDITORS, AUDITORS' REPORT & CERTIFICATE

M/s.Mardia Associates, Chartered Accountants, the Auditors of the Company, retire at the close of the ensuing Annual General Meeting and are eligible for re-appointment.

The Auditor's have certified the Company's Compliance of the requirements of Corporate Governance in terms of the Listing Agreement and the same is enclosed as an annexure to the Corporate Governance Report.



MUNOTH FINANCIAL SERVICES LIMITED

The comments made by the Auditors in their report vide point no. f have been duly explained in the attached Notes on Accounts. [Note No.9(b)]

ACKNOWLEDGEMENTS:

Your Directors would like to express their gratitude to the Shareholders, vendors, bankers and customers for their support and co-operation. They wish to thank all the employees of the Company for their sincere and dedicated services.

*For and on behalf of the Board of Directors
for* **MUNOTH FINANCIAL SERVICES LIMITED**

*Place : Chennai
Date : June 30, 2009*

**LALCHAND MUNOTH
CHAIRMAN**



MUNOTH FINANCIAL SERVICES LIMITED

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2008-2009

(as required under Clause 49 of the Listing Agreement entered into with stock exchanges)

A MANDATORY REQUIREMENTS:

1. Company's Philosophy on code of corporate Governance

Munoth Financial Services Limited (MFSL)'s philosophy in relation to Corporate Governance is to ensure transparent disclosures and reporting that conforms fully to laws, regulations and guidelines and to promote ethical conduct throughout the Company with an emphasis on accountability beyond the stipulations required for fulfillment of the requirements of the Listing Agreement with Stock Exchanges. MFSL remains focused on pursuing a business that optimized long term stakeholder value.

2. Board of Directors

Composition

The Board consists of four Executive Directors and four Non Executive Directors and all the four non executive directors are independent.

The brief background, functional experience of the Director's seeking reappointment is given below.

Mr. Vikas Munoth is a graduate in Commerce and has Masters Degree in Business Administration. He is CFA with specialisation in Finance and Marketing. He has extensive knowledge in the field of finance and investments. His dynamism and the business acumen will be of great asset to the Company. He is also the Managing Director of Munoth Industries Limited.

Board Procedures

During the year 2007-08, the board of directors met six times on the following dates April 11, 2008, June 30, 2008, July 28, 2008, October 31, 2008, December 30, 2008 and January 30, 2009 and the dates of the meetings were decided well in advance.

Information Supplied to the Board

The board is presented with all the relevant information well in advance before each meeting on various matters affecting the working of the company and the Directors have separate and independent access to senior management at all times. In addition to items which are required to be placed before the board for its noting and/or approval under the statutes or regulations, information is also provided for the periodic review/information on various items, such as:

- *Financial performance and operations*
- *Financial results*
- *Staff matters, including senior appointments and extensions*
- *Legal proceedings by or against the company*
- *Legal compliance reports*
- *Share transfer and demat compliance*
- *Donations and other significant matters*
- *Labour matters and human resource issues*



MUNOTH FINANCIAL SERVICES LIMITED

Details of attendance and Outside directorships and committee positions:

Table showing the number of outside directorships and committee positions held by the directors is given below with the details of attendance of each director at the board meetings and the last AGM.

Name of Director	Attendance		Directorships (Private Cos excluded)		Chairman / Member of Committees of Listed Companies
	Board Meeting	AGM	Listed Cos	Unlisted Public Companies	
Mr. Lalchand Munoth (Chairman)	5	Yes	1	2	1
Mr. Jaswant Munoth (Managing Director)	6	Yes	1	2	1
Mr. Bharat Munoth (Managing Director)	6	Yes	1	2	-
Mr. Vikas Munoth	6	Yes	-	1	-
Mr. Mah Sau Cheong	-	No	-	-	-
Datuk Rajandram	1	No	-	-	-
Mr. V Sankaran	6	Yes	3		3
Mr. Ajit Kumbhat	5	Yes	1	-	-

Notes:

Only audit committee and shareholders' grievance committee are considered for the purpose of committee positions as per listing agreement. None of the directors was a member in more than ten committees, nor a chairman in more than five committees across all companies in which he was a director.

Pecuniary relationship or transactions of non-executive directors

The Company does not have any pecuniary relationship or transaction with the non-executive directors during the year 2008-2009.

3. Audit committee

Composition, Meetings and Details of attendance

The company has been reviewing and making appropriate changes in the composition and working of the committee from time to time to bring about greater effectiveness and to comply with various requirements under the Companies Act, 1956 as well as Clause 49 of the listing agreement.

During 2008-09, the audit committee met four times on June 30, 2008, July 26, 2008, October 30, 2008 and January 29, 2009. The meetings were scheduled well in advance. In addition to the members of the audit committee, these meetings were attended by the heads of finance and internal audit functions, the statutory auditors of the company and those executives of the company who were considered necessary for providing inputs to the committee. The company secretary acted as the secretary to the audit committee. Details of Members and their attendance is given below

Name of the Director	Status	No. of Meetings attended
Mr. Ajit Kumbhat	Chairman	4
Mr. V Sankaran	Member	4
Mr. Mah Sau Cheong	Member	Nil



MUNOTH FINANCIAL SERVICES LIMITED

All members of the audit committee are independent, non-executive directors. Mr. Ajit Kumbhat, the Chairman of the Audit Committee attended the last Annual General Meeting of the Company

Topics discussed

The terms of reference of the audit committee are extensive and include all that is mandated in Clause 49 of the listing agreement and section 292A of the Companies Act, 1956. Apart from overseeing and monitoring the financial reporting system within the company and considering un-audited and audited financial results for the relevant quarter and the year as the case may be, before being adopted by the board, the audit committee focused its attention on topics, such as:

- *Review of annual revenue and capital budgets*
- *Annual internal audit plan*
- *Legal compliance reporting system*
- *Related party transactions of a material nature*
- *Review of internal control systems*
- *Audit methodology and process*
- *Major accounting policies and practices*
- *Compliance with accounting standards, and risk management.*

The committee also continued to advise the management on areas where greater internal audit focus was needed, and on new areas to be taken up for audit purposes.

4. Remuneration Committee

The Remuneration Committee comprises of three independent, non-executive Directors viz. Mr.V Sankaran (Chairman), Mr. Ajit Kumbhat and Datuk Rajandram to review or recommend the remuneration paid to Executive Directors. The committee is vested with all necessary powers and authority to determine and recommend the remuneration payable to Executive Directors. There was one meeting held on June 30, 2008 for the financial year 2008-09.

Details of Members and their attendance is given below

Name of the Director	Status	No. of Meetings attended
Mr.V Sankaran	Chairman	1
Mr. Ajit Kumbhat	Member	1
Datuk Rajandram	Member	Nil

Remuneration Policy

Non-Executive Independent Directors:

Non-Executive Independent Directors are paid a sitting fee of Rs.5000/- for every meeting of the Board attended by them. No other remuneration is being paid to them.

Executive Directors

A meeting of Remuneration Committee was held on June 30, 2008 to discuss about the remuneration to be payable to Mr. Bharat Munoth and Mr. Jaswant Munoth, the Managing Directors on their reappointment as Managing Directors.



MUNOTH FINANCIAL SERVICES LIMITED

The remuneration paid to Managing Director for the year ended 31.03.2009 is as follows:

	Rs.
Salary	15,00,000
Commission	—
Perquisites & other allowances	—
Total	15,00,000

5. Shareholders' and investors' grievance committee

The committee specifically looks into the shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report etc. In addition, the committee also oversees the share transfers and transmission.

Composition and the process of share transfer

The Committee comprises of Mr. V Sankaran (Chairman), Mr. Jaswant Munoth (Managing Director), Mr. Ajit Kumbhat and Datuk Rajandram. The Company Secretary of the Company has been designated as the Compliance Officer.

The process of share transfers is assigned to Cameo Corporate Services Limited, the Registrars & Share Transfer Agent, for the Company, who take care of the share transfer formalities on an ongoing basis.

The total number of shareholder complaints received during the financial year was nil and there are no share transfer pending as on March 31, 2008.

Meetings, attendance and topics discussed

During the year under review, the committee met five times on June 30, 2008; July 26, 2008; September 29, 2008, October 30, 2008 and January 29, 2009 to review the status of investors' services rendered.

Name of the Director	Status	No of Meetings attended:
Mr. V Sankaran	Chairman	5
Mr. Ajit Kumbhat	Member	5
Mr. Jaswant Munoth	Member	5
Datuk Rajandram	Member	Nil

The company secretary (who is the compliance officer for looking into shareholders' grievances on a day-to-day basis), was also present. The committee focused its attention on various topics, such as

- Complaints of investors routed by SEBI/Stock Exchanges
- Transfer, transmission, dematerialisation and rematerialisation of shares
- investors' queries and complaints regarding transfer, annual reports, etc

6. General Body Meetings:

The details of the last three Annual General Meetings are as under:

Year	Location	Date	Time
2005-2006	Nahar Hall Desabandhu Plaza, I Floor 47, Whites Road, Royapettah, Chennai - 600 014.	4 th September 2006	10.40 A M



MUNOTH FINANCIAL SERVICES LIMITED

2006-2007	Nahar Hall Desabandhu Plaza, I Floor 47, Whites Road, Royapettah, Chennai - 600 014.	27 th August 2007	10.40 A M
2007-2008	Nahar Hall Desabandhu Plaza, I Floor 47, Whites Road, Royapettah, Chennai - 600 014.	22 nd August 2008	10.15 A M

There were two special resolutions passed in the Annual General Meeting held on 22nd August 2008.

- Reappointment of Mr. Jaswant Munoth as Managing Director of the Company
- Reappointment of Mr. Bharat Munoth as Managing Director of the Company.

During the year ended 31 March 2009, there has been no resolution passed by the Company's Shareholders by Postal Ballot. At the ensuing Annual General Meeting, there is no resolution proposed to be passed by Postal Ballot.

7. Disclosures:

- a. Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc, that may have potential conflict with the interests of the Company at large.

NIL

- b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to Capital Markets, during the last three years.

NIL

- c. Whistle Blower Policy has been adopted by the Company and employees are free to raise issues, if any pertaining to Company's operations and report them to Audit Committee.
- d. The Company has complied with the mandatory requirements of revised Clause 49 of the Listing Agreement.

8. Means of Communication:

* Half yearly report sent to each household of shareholders:	No
* Quarterly Results normally published in the newspapers:	The Trinity Mirror Makkal Kural (Tamil Daily)
* Any website, where displayed:	www.munothfinancial.com
* Whether it also displays, official news releases and Presentations made to institutional Investors/ Analysis	Yes
* Whether Management Discussion & Analysis (MD & A) report is a part of Annual Report:	Yes
* Whether shareholder information Section forms part of the Annual Report	Yes

9. General Shareholder information:

a) Annual General Meeting:	Monday, August 31, 2009 at 10: 15 AM at Nahar Hall Desabandhu Plaza, I Floor 47, Whites Road, Royapettah, Chennai - 600 014.
----------------------------	---



MUNOTH FINANCIAL SERVICES LIMITED

b) Financial Calendar:

First Quarter Results: July
 Second Quarter Results: October
 Third Quarter Results: January
 Last Quarter Results and Annual Results: Within three months of the end of the financial year

c) Dividend Payment Date:

Not applicable

d) Dates of Book Closure:

August 28, 2009 to August 31, 2009
(Both days inclusive)

e) Listing Details:

Name	Address	Stock Code
The Stock Exchange, Mumbai	Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 023.	531821
Madras Stock Exchange Limited	Exchange Building, PO Box No. 183 11, Second Line Beach, Chennai – 600 001.	MNFS

Listing fees to all the stock exchanges for the financial year 2008-2009 has been paid.

International Securities Identification Number (ISIN)

INE348D01019

(CDSL & NSDL)

Market Price data: Bombay Stock Exchange Limited, Mumbai

Month	High	Low
April 2008	15.50	9.45
May 2008	24.30	15.05
June 2008	26.50	21.70
July 2008	28.80	22.65
August 2008	21.55	21.55
September 2008	20.50	16.25
November 2008	15.45	11.50
December 2008	13.60	11.70
January 2009	11.79	11.21
February 2009	10.65	9.03
March 2009	9.10	5.83

f) Registrar and Share Transfer Agents:

Cameo Corporate Services Limited
 "Subramanian Building"
 1, Club House Road,
 Chennai – 600 002.



MUNOTH FINANCIAL SERVICES LIMITED

g) Share Transfer System:

Trading in equity shares of the Company is permitted only in dematerialized form

Share Transfers in physical form are registered and returned between 15 to 30 days from the date of receipt, if documents are in order in all respects by the Share Transfer Agents.

h) Distribution of Shareholding as on March 31, 2009

Shareholding of nominal value of	Shareholders		Shareholding	
Rs.	Number	% to Total Nos.	In Rs.	% to Total Amount
[1]	[2]	[3]	[4]	[5]
10-5000	2477	96.9092	8798850	17.1340
5001-10000	40	1.5649	337610	0.6574
10001-20000	13	0.5086	201530	0.3924
20001-30000	2	0.0782	48010	0.0934
30001-40000	5	0.1956	172000	0.3349
40001-50000	3	0.1173	135000	0.2628
50001-100000	3	0.1173	235000	0.4576
100001 AND ABOVE	13	0.5086	41425000	80.6671
TOTAL	2556	100.000	51353000	100.00

i) Categories of shareholders as on March 31, 2009

CATEGORY	No. of shares held	Percentage of shareholding
A. Promoter's holding		
1. Promoters*		
Indian Promoters	28,63,800	55.77
Foreign Promoters	NIL	NIL
2. Persons acting in concert #	NIL	NIL
Sub- Total	28,63,800	55.77



MUNOTH FINANCIAL SERVICES LIMITED

CATEGORY	No. of shares held	Percentage of shareholding
B. Non-Promoters Holding		
3. Institutional Investors		
a. Mutual Funds and UTI	NIL	NIL
b. Banks, Financial Institutions, Insurance Companies [central/State Govt. Institutions/Non-Government Institutions]	NIL	NIL
c. FII's	2,25,000	4.38
Sub- Total	2,25,000	4.38
4. Others		
a. Private Corporate Bodies	10,74,759	20.95
b. Indian Public	9,71,741	18.90
c. NRIs/OCBs	NIL	NIL
Sub- Total	20,46,500	39.85
Grand Total	51,35,300	100.00

j) Dematerialisation of shares:

As on 31st March 2009, 77.60% of the total shares of the Company have been dematerialised.

k) Details on use of public funds obtained in the last three years:

No funds have been raised from the public in the last three years.

l) Outstanding GDR/Warrants and Convertible bonds, conversion date and likely impact on the equity.

There are no outstanding/warrants and convertible bonds as on March 31, 2009 and therefore there will be no consequential impact on equity.

m) Plant Locations:

As this a service industry, no need for any Plant set up.

n) Investor Correspondence:

*The Company Secretary,
Munoth Financial Services Limited,
Suite No. 46& 47, Munoth Centre,
343, Triplicane High Road,
Chennai – 600 005.*

B. NON MANDATORY REQUIREMENTS:

1. Chairman of the Board:

The Company has a non executive Chairman and chairman's office is maintained at the Company's expense.

2. Remuneration Committee:

The Listing agreement with the stock exchanges provides that a company may appoint a committee for



MUNOTH FINANCIAL SERVICES LIMITED

recommending managerial remuneration payable to the Directors. The Company already has a remuneration committee for the said purpose. Please refer item no. 4 under the heading Mandatory requirement.

3. Shareholders Rights:

As the Company's half yearly results are published in an English Newspaper having circulation all over India and in a Tamil Newspaper widely circulated in Tamil Nadu the same are not sent to reach household of shareholders.

4. Postal Ballot:

The provisions related to Postal Ballot will be complied with in respect of matters wherever applicable.

On behalf of the Board of Directors
for **MUNOTH FINANCIAL SERVICES LIMITED**

LALCHAND MUNOTH
CHAIRMAN

Place : Chennai
Date : June 30, 2009



MANAGEMENT DISCUSSION AND ANALYSIS (MD &A)

Environment:

The financial year 2008-2009 was eventful year for the capital market. The year saw the stock market lose the entire lustrous gain that they gained in 2007. This was sparked by the subprime crisis and their ripple effects, bad economic news started from the USA and spread throughout the world and the effect was so cascading that they ruined the sentiments in capital markets globally and indexes of global market crashed more than 65%.

In India, the crude started galloping towards north and reached up to 147\$ a barrel in just one quarter, Inflation also got up into double digit and started facing effect of high credit rate. The recession fear in USA and Japan became evident and under the threat of credit crunch, FII started selling which became the sentiment damper for the equity market. At the same time political uncertainty in India led further downward movement.

The performance of the Company under the review has to be viewed against the background of the performance of the economy

Segment- wise product performance

The Company's main business is activity falls within a single primary business segment i.e., capital market and hence can be called as a single segment Company.

Opportunities & Threats:

A growing economy needs investment to sustain its growth process. Such investments can be quickly and efficiently undertaken if investors have access to a well-developed financial market. Historically, banks have played the role of intermediaries matching savers with investors. However, the modern world of business requires a much more sophisticated level of intermediation. The Services Sector in India is expected to contribute at a faster pace to the overall economy in the future. This is likely to create a positive environment for the financial services industry in India. The Company provides all Capital Market related activities like broking, depository, portfolio management services, Share transfer agent and merchant banking activity and hence growth opportunities are high in future.

The Capital Market Sector faces competitive pressures from the banking sector, which enjoys access to lower cost factoring.

Risks & Concerns:

Indian capital market is characterized by its high degree of volatility which has been instrumental in both creating and destroying the wealth of many investors. Considering global monetary concerns over rising interest rates amid high inflationary pressures, the market appears to be overheated at current valuations and market may take a modest beating in the near future. This may lead the investors to concentrate on long term investments.

Outlook:

Against the backdrop of expected expansion of activity in the Indian capital market, the importance of ensuring healthy and orderly conditions in the market becomes more urgent. Ensuring stable conditions in the market is the responsibility of policymakers, regulators as well as market participants. While the policy initiatives are required to be well calibrated to transmit the right policy signals unambiguously, the regulators need to remain proactive and vigilant to obviate the occurrence of any irregularities in the conduct of business in the market. Investors' awareness is equally important from the market stability angle as investment in equities could be based on incomplete analysis and guided by short-term speculative gains. Individual investors need to take informed decisions and remain cautious.



MUNOTH FINANCIAL SERVICES LIMITED

Adequacy of Internal Controls:

The Company has a proper and adequate system of internal controls to ensure that all activities are monitored and controlled against any unauthorized use or disposition of assets, and that the transactions are authorized, recorded and reported correctly. The Company also ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. The audit committee of the Board of Directors reviews the adequacy of internal controls

Financial Review:

During the year, the Company has recorded total revenue of Rs. 79.50 Lacs..

Human Resource Development:

The Company has a team of able and experienced professionals and the Company considers that the main strength is its human resources, who create a climate to suit its growth and excellence.

By order of the Board
Sd/-

Lalchand Munoth
Chairman

Date : June 30, 2009

Place : Chennai.

Annexure – 1

Auditors' Certificate on Corporate Governance

CERTIFICATE

To the members of Munoth Financial Services Limited

We have examined the compliance of the conditions of Corporate Governance by Munoth Financial Services Limited, for the year ended 31st March 2009 as stipulated in clause 49 of the Listing Agreement of the said company with the Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Share Transfer and Shareholder/ Investor Grievance Committee.

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

For Mardia & Associates
Chartered Accountants
(MANISH MARDIA)

Proprietor

M. No. 205307

Place : Chennai

Date : 30.06.2009



MUNOTH FINANCIAL SERVICES LIMITED

Annexure- 2

Declaration by Chief Executive Officer (CEO)

I, Jaswant Munoth, Managing Director of Munoth Financial Services Limited hereby declare that all the board members and senior managerial personnel have affirmed for the year ended 31 March 2009 compliance with the code of conduct of the company laid down for them.

Date : June 30, 2009

Place : Chennai.

Jaswant Munoth
Managing Director

Annexure- 3

Certificate by Chief Executive Officer (CEO)

I, Jaswant Munoth, Managing Director of Munoth Financial Services Limited hereby certify

1. *That I have reviewed the financial statements and the cash flow statement for the year ended 31 March 2009 and that to the best of my knowledge and belief,*
 - *These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and*
 - *These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.*
2. *That there are, to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.*
3. *That I accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which I was aware and the steps that we have taken or propose to take to rectify the identified deficiencies and*
4. *That I have informed the auditors and the audit committee of:*
 - *Significant changes in internal control during the year;*
 - *Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, and*
 - *Instances of significant fraud of which I 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.*

Date : June 30, 2009

Place : Chennai.

Jaswant Munoth
Managing Director



MUNOTH FINANCIAL SERVICES LIMITED

AUDITOR'S REPORT

To

The Member of

M/s MUNOTH FINANCIAL SERVICES LTD,

Chennai

We have audited the attached Balance Sheet of M/S. **MUNOTH FINANCIAL SERVICES LTD**, as at 31st March 2009 and the Profit and Loss Account, Cash Flow for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with accounting standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

Further to our comments in the Annexure referred to in paragraphs 1 above, we report that:

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
- b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books;
- c) The Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, Profit and Loss Account, Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- e) On the basis of the written representation received from the directors as on 31st March 2009 and taken on record by Board of Directors, we report that none of the directors are disqualified as on 31st March 2009 from being appointed as the directors under clause (g) of sub section (1) of the section 274 of the Companies Act, 1956
- f) In our opinion and to the best of our information and according to the explanation given to us, the said accounts, **subject to note No. 9(b) regarding non-provision of Rs.2,82,03,283/- being diminution in the market value of quoted investments and its effect on the profit and other notes thereon**, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009.
 - (ii) In the case of the Profit and Loss Account, of the LOSS of the company for the year ended 31st March 2009.
 - (iii) In the case of the Cash Flow Statement of the cash flows for the year ended 31st March 2009.

For MARDIA & ASSOCIATES

Chartered Accountants

MANISH MARDIA

(Proprietor)

Membership No: 205307

Place : Chennai

Date : 30.06.2009



MUNOTH FINANCIAL SERVICES LIMITED

ANNEXURE TO THE AUDITORS REPORT

REF: M/s MUNOTH FINANCIAL SERVICES LTD

(Referred to in paragraph (1) of our report of even date)

1. a. The company is generally maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
b. These fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
c. There is no substantial disposal of fixed assets during the year.
2. The company is not holding any inventory therefore the provisions of clause 4(11) of the Companies (Auditors Report) order 2003 are not applicable to the Company.
3. According to the information and explanation given to us the company has not granted any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Act.
4. According to information and explanation given to us and in our opinion there is an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of fixed assets.
5. a) To the best of our knowledge and belief and according to the information and explanations given to us, transactions that are need to be entered in the register in pursuance of Section 301 have been so entered.
b) Each of these transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The company has not accepted deposits from the public attracting the provisions of Section 58 A of the Companies Act 1956 and the rules framed thereunder.
7. In our opinion and according to explanations and information given to us, the company has an internal audit system commensurate with its size and nature of its business.
8. In our opinion, the company is not required to maintain the cost accounts and records prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act 1956.
9. (a) The company is regular in depositing 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 any other statutory dues with the appropriate authorities.
(b) Disputed dues in respect of Income Tax of Rs.10,50,104/- pending before income tax authorities have not been deposited since the matters are pending before relevant appellate authorities.
10. The Company does not have any accumulated loss and hence this clause is not applicable.
11. The Company has not defaulted in repayment of dues to a financial institution or bank or debenture holder.
12. The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. This provision of any special statute applicable to chit fund, mutual fund, society are not applicable to the company.
14. The company has maintained proper records of the transactions and contracts and has timely entries in respect of its dealing of trading in shares, securities, debentures register showing proper particulars of transactions. The investments are in the name of the company other than those specified in schedule 'E' forming part of Balance Sheet amounted to Rs.1,75,56,107/-
15. The company has not given any guarantee for loans taken by others from bank or financial institutions.



MUNOTH FINANCIAL SERVICES LIMITED

16. *In our opinion and according to the information and explanation given to us the company has not taken any term loan hence clause (XVI) of the order is not applicable.*
17. *According to the cash flow statement and other records examined by us and information and explanations given to us, on an overall basis, funds raised on short term basis have prima facie not been used during the year for long term investment (Fixed Assets etc.,) and vice versa, other than temporary deployment pending application.*
18. *The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.*
19. *The company has not issued any debentures during the year.*
20. *The company has not received any money by public issues during the year.*
21. *During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.*

For MARDIA & ASSOCIATES

Chartered Accountants

MANISH MARDIA

(Proprietor)

Membership No: 205307

Place : Chennai

Date : 30.06.2009



MUNOTH FINANCIAL SERVICES LIMITED

BALANCE SHEET AS ON 31.3.2009

	SCH	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
I. SOURCES OF FUNDS			
<u>SHARE HOLDER'S FUNDS</u>			
Share Capital	A'	51,612,500	51,612,500
Reserves & Surplus	B'	34,788,085	48,134,232
		<u>86,400,585</u>	<u>99,746,732</u>
<u>LOAN FUNDS</u>			
Secured Loans	C'	11,416,904	1,564,424
DEFFERED TAX LIABILITY		330,703	430,953
TOTAL		<u>98,148,192</u>	<u>101,742,109</u>
II. APPLICATION OF FUNDS			
<u>FIXED ASSETS</u>	D'		
Gross Block		26,198,894	23,519,411
Less: Depreciation Reserve		15,727,594	14,485,134
Net Block		10,471,300	9,034,277
<u>INVESTMENTS</u>	E'	65,309,148	67,139,981
<u>CURRENT ASSETS, LOANS & ADVANCES</u>			
Current Assets	F'	23,993,769	25,234,758
Loans & Advances	G'	13,020,284	19,530,695
		<u>37,014,053</u>	<u>44,765,453</u>
<u>LESS: CURRENT LIABILITIES & PROVISION</u>			
Current Liabilities	H'	14,646,308	19,197,602
Net Current Assets		<u>22,367,744</u>	<u>25,567,851</u>
TOTAL		<u>98148,192</u>	<u>101,742,109</u>
Notes on Accounts	P'		

As per our report of even date attached.

For MARDIA & ASSOCIATES
CHARTERED ACCOUNTANTS

JASWANT MUNOTH
BHARAT MUNOTH
Managing Directors

LALCHAND MUNOTH
Chairman

(MANISH MARDIA)

Proprietor

M. No 205307

PLACE : CHENNAI

DATE : JUNE 30, 2009

A.G. NANDINI
Company Secretary



MUNOTH FINANCIAL SERVICES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2009

	SCH	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
Income :			
Income from Operations	I'	6,612,611.72	18,233,082.73
Interest Income	J'	1,103,936.99	975,695.88
Other Income	K'	<u>233,828.75</u>	<u>1,182,607.72</u>
	TOTAL	<u>7,950,377.46</u>	<u>20,391,386.33</u>
Expenditure :			
Financial Expenses	L'	1,790,607.40	402,402.08
Staff Cost	M'	4,649,611.76	4,862,247.80
Administrative & Other Expenses	N'	5,182,540.07	6,167,064.97
Loss on Sale of Investments, Derivatives & commodities		8,416,657.61	-
Provisions & write off	O'	<u>34,715.97</u>	<u>641,551.93</u>
	TOTAL	<u>20,074,132.81</u>	<u>12,073,266.78</u>
Profit before depreciation & tax		(12,123,755.35)	8,318,119.55
Less: Depreciation		<u>1,242,459.81</u>	<u>1,266,821.00</u>
Profit before tax		(13,366,215.16)	7,051,298.55
Less: Provision for Taxation -Income Tax		-	1,573,934.77
- Fringe Benefit Tax		80,182.00	55,690.02
-Deferred Tax		<u>(100,250.00)</u>	<u>(46,762.71)</u>
Profit after tax		(13,346,147.16)	5,468,436.47
Balance B/f. from Previous Year		27,884,232.09	22,415,795.62
Profit available for appropriation	TOTAL	<u>14,538,084.93</u>	<u>27,884,232.09</u>
Appropriation :			
Transfer to General Reserve		-	-
Surplus Carried Forward		14,538,084.93	27,884,232.09
	TOTAL	<u>14,538,084.93</u>	<u>27,884,232.09</u>
Earnings per share (Basic & Diluted)		(2.60)	1.06
Notes on Accounts & Accounting			
Policies	'P'		

As per our report of even date attached.

For MARDIA & ASSOCIATES
CHARTERED ACCOUNTANTS

JASWANT MUNOTH
BHARAT MUNOTH
Managing Directors

LALCHAND MUNOTH
Chairman

(MANISH MARDIA)

Proprietor

M. No 205307

PLACE : CHENNAI

DATE : JUNE 30, 2009

A.G. NANDINI
Company Secretary



MUNOTH FINANCIAL SERVICES LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS A/C FOR THE YEAR ENDED 31.03.2009

	As on 31.3.2009 Rs.	As on 31.3.2008 Rs.
<u>SCHEDULE 'A' SHARE CAPITAL</u>		
<u>Authorised Share Capital</u>		
1,00,00,000 Equity Shares of Rs. 10/- each	100,000,000.00	100,000,000.00
Issued, Subscribed & Paid up capital 51,35,300 (52,26,000) Equity Shares of Rs. 10/- each	51,353,000.00	51,353,000.00
(Of the above 1,12,000 equity shares of Rs. 10/- each allotted as fully paid up pursuant to a contract for consideration other than cash.) Add: Forfeited Shares	259,500.00	259,500.00
Total	51,612,500.00	51,612,500.00
<u>SCHEDULE 'B' RESERVES & SURPLUS</u>		
Share Premium A/C	20,250,000.00	20,250,000.00
Profit & Loss Account	14,538,084.93	27,884,232.09
Total	34,788,084.93	48,134,232.09
<u>SCHEDULE 'C' SECURED LOANS</u>		
Overdraft from Banks (Secured Against Property with Federal Bank Ltd.)	11,416,903.93	1,564.424.00
Total	11,416,903.93	1,564.424.00
<u>SCHEDULE 'F' CURRENT ASSETS</u>		
Cash in Hand	217,144.45	9,136.45
Balances with Schedule Banks:-		
In Current Accounts	7,498,261.52	4,534,116.18
In Other Bank Deposits	11,047,075.00	9,464,160.00
Accrued Interest on Deposits	492,802.61	339,667.08
Sundry Debtors:-		
(Unsecured - considered good) Debts outstanding for a period over six months	3,251,010.20	9,815,372.25
Others	1,487,474.87	1,072,306.36
Total	23,993,768.65	25,234,758.32



SCHEDULE - D

FIXED ASSETS & DEPRECIATION

Rs.

NAME OF ASSETS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	AS ON 01/04/2008	ADDITION	DELETION	AS ON 31/03/2009	AS ON 01/04/2008	FOR THE YEAR	UP TO 31/03/2009	AS ON 31/03/2008	AS ON 31/03/2009
MSE Membership Card	2,000,000	-	-	2,000,000	-		-	2,000,000	2,000,000
Motor Car	520,542	816,959	-	1,337,501	349,242	149,815	499,057	171,300	838,444
Computer	5,602,346	76,120	-	5,678,466	5,028,006	256,061	5,284,067	574,340	394,399
Software	4,462,550	-	-	4,462,550	3,588,649	349,560	3,938,209	873,901	524,341
Airconditioner	1,117,041	110,000	-	1,227,041	846,446	46,737	893,183	270,595	333,858
Furniture & Fixtures	2,948,321	1,372,500	-	4,320,821	2,544,362	258,242	2,802,604	403,959	1,518,217
Land	2,479,430	-	-	2,479,430	-	-	-	2,479,430	2,479,430
Building	3,342,043	-	-	3,342,043	1,455,704	94,317	1,550,021	1,886,339	1,792,022
Music System	26,556	-	-	26,556	20,618	826	21,444	5,938	5,112
Fire Alaram	139,004	-	-	139,004	107,919	4,324	112,243	31,085	26,761
Office Equipments	615,384	303,904	-	919,288	362,861	70,773	433,634	252,523	485,654
Office Equipment Access Control	57,624	-	-	57,624	19,400	5,317	24,717	38,224	32,907
Electrical Fittings	208,570	-	-	208,570	161,927	6,488	168,415	46,643	40,155
Total	23,519,411	2,679,483	-	26,198,894	14,485,134	1,242,460	15,727,594	9,034,277	10,471,300
As on 31.03.2008	23,242,389	277,022	-	23,519,411	13,218,313	1,266,821	14,485,134	10,024,076	9,034,277

**MUNOTH FINANCIAL SERVICES LIMITED****SCHEDULE : E-INVESTMENTS**

	AS ON 31.03.2009		AS ON 31.03.2008	
	QTY	AMT.IN Rs.	QTY	AMT.IN Rs.
Agritech India	2,140	2,140.00	2,140	2,140.00
Alembic Chemicals	11,000	10,46,129.00	11,000	10,46,129.00
Antartica Ltd	1,000	2,368.70	1,000	2,368.70
Arihant Constyn	150	600.00	150	600.00
ATV Projects	300	5,100.00	300	5,100.00
B H E L	1,000	13,53,221.49	2,500	61,63,250.00
Bafna Spinning #	500	2,900.00	500	2,900.00
Bajaj Auto	100	56,406.36	100	2,55,232.39
Bajaj Finserv Limited	100	54,619.73	0	0.00
Bajaj Holdings And Investments Ltd	100	1,44,206.30	0	0.00
Bhirwani Denim	200	1,250.00	200	1,250.00
Biofin Chemical	1,000	1,000.00	1,000	1,000.00
Blue Bend Petro	350	1,050.00	350	1,050.00
Bonanza Pharma #	100	775.00	100	775.00
Brigade Enterprises Ltd	1,000	4,06,344.00	1,000	4,06,344.00
BTW Industries	100	300.00	100	300.00
Cable Corporation	1,000	1,500.00	1,000	1,500.00
Celebrity Fashions	1,873	2,56,099.49	1,873	2,56,099.49
Computer Power	25,000	50,000.00	25,000	50,000.00
Computer Power	1,59,000	15,900.00	1,59,000	15,900.00
Concert Spices	100	300.00	100	300.00
Consolidated Fibre	100	400.00	100	400.00
Coromandel Finance	900	6,300.00	900	6,300.00
CT Cotton Yarn	300	3,550.00	300	3,550.00
Deccan Granites	100	1,100.00	100	1,100.00
Dhampur Sugars	5,066	12,53,287.53	5,066	12,53,287.53
DSQ Biotech	20	76.00	20	76.00
DSQ Biotech	50	190.00	50	190.00
Dynavision	200	650.00	200	650.00
Essar Steel	114	32,940.00	190	32,940.00
Europeon Software	600	300.00	600	300.00
Fab Worth	100	1,975.00	100	1,975.00
Finolex	100	6,035.45	100	6,035.45
Gangadharan Appliances	226	2,599.00	226	2,599.00
Golden Textiles	1,300	3,900.00	1,300	3,900.00
Gujrat Ambuja Cot Spin Limited	400	3,200.00	400	3,200.00
Gujrat Cotex	300	2,955.00	300	2,955.00
Harayana Petro	400	3,000.00	400	3,000.00
HDFC Bank Ltd	22	28,453.09	500	7,54,392.00
Hindustan Lever Ltd	1	173.27	1	173.27
Induj Infotech	105	105.00	105	105.00
Innovation Sec	1,400	4,200.00	1,400	4,200.00
Ispat Industries	4,000	1,18,920.00	4,000	1,18,920.00
ITI	12,000	9,42,574.14	12,000	9,42,574.14



MUNOTH FINANCIAL SERVICES LIMITED

SCHEDULE : E-INVESTMENTS

	AS ON 31.03.2009		AS ON 31.03.2008	
	QTY	AMT.IN Rs.	QTY	AMT.IN Rs.
ITI Ltd	5,425	5,425.00	5,425	5,425.00
Jaswal Granites	600	3,100.00	600	3,100.00
Jay Flash	19,500	58,500.00	19,500	58,500.00
Kirlosker Electricals	100	1,926.00	100	1,926.00
Krishna Life	1,000	993.00	100	993.00
Kumar Metallurgical	300	750.00	300	750.00
L M L	450	7,534.00	450	7,534.00
Lic Housing Finance	1,000	3,77,194.50	1,000	3,77,194.50
Madan Financials/Riashab Financial Services Ltd	18,000	4,48,740.00	18,000	4,48,740.00
MCC Finance Ltd	7,000	77,000.00	7,000	77,000.00
Midland Plastics	200	1,800.00	200	1,800.00
Modern Synthetics	1,150	14,892.50	1,150	14,892.50
Modi Threads	200	900.00	200	900.00
Munoth Invesment Ltd	7,91,200	1,58,77,675.00	7,91,200	1,58,77,675.00
Nahar Spinning Mills	2,000	2,43,985.00	2,000	2,43,985.00
Nath Bio Genes	2,354	2,354.00	2,354	2,354.00
Nath Seeds	6,206	6,206.00	6,206	6,206.00
Natural Stone	900	5,400.00	900	5,400.00
Nepc Micon	200	4,188.00	200	4,188.00
Network Ltd	200	6,100.00	200	6,100.00
Orient Info / IT People	10,000	5,14,400.00	10,000	5,14,400.00
Oswal Agro	300	546.43	300	546.43
Oswal Chemicals #	50	12,636.00	50	12,636.00
Padmini Technology	700	1,400.00	700	1,400.00
Pan Asia Industries	100	1,200.00	100	1,200.00
Pba Infrastructure	17,733	23,06,172.15	17,733	23,06,172.15
Power Grid Corporation Ltd.	10,078	16,58,335.70	10,078	16,58,335.70
Premier Ltd	100	5,324.67	100	5,324.67
Premier Plantations	100	200.00	100	200.00
Rajarathan Synthetic	600	3,000.00	600	3,000.00
Rathi Alloy and Steel	300	1,350.00	300	1,350.00
Reliance Capital Limited	2,400	33,99,655.19	300	4,31,438.00
Reliance Communication Ltd	3,300	17,12,845.22	3,200	17,12,287.00
Reliance Petroleum Ltd	2,000	4,50,973.00	2,000	4,50,973.00
RNRL	20,000	19,30,429.00	18,000	18,82,300.00
S Kumar Online	1,000	2,000.00	1,000	2,000.00
Sal Steel	10,000	2,47,809.00	10,000	2,47,809.00
Sanghi Poly Ltd	300	6,195.00	300	6,195.00
Sarala Gems Ltd	200	650.00	200	650.00
Silver Tech	65	786.50	65	786.50
Siris Ltd #	200	16,846.00	200	16,846.00
Spice Jet	20,000	1293294.29	10000	9,01,663.00
Square D Bio	100	23,534.00	100	23,534.00



MUNOTH FINANCIAL SERVICES LIMITED

SCHEDULE : E-INVESTMENTS

	AS ON 31.03.2009		AS ON 31.03.2008	
	QTY	AMT.IN Rs.	QTY	AMT.IN Rs.
State Bank of India	13	18,320.47	10	9815.5
Sudati Hosiery	300	3,000.00	300	3,000.00
Sunpharma Ltd	100	-	100	-
Super Forgings	200	3,300.00	200	3,300.00
Supreme Petrochemicals	20,000	9,68,650.00	20,000	9,68,650.00
Surya Pharma ltd	400	41,506.00	0	-
Tata Motors	1,602	11,78,148.47	1,202	9,31,561.42
Tirumal Textiles Process	400	2,000.00	400	2,000
TN Sponge	100	400.00	100	400.00
TNPL	100	8,254.00	100	8,254.00
Uniworth International	150	1,550.00	150	1,550.00
Vantel Tech	50	50.00	50	50.00
Veena Textiles	200	1,500.00	200	1,500.00
Videocon VCR	100	1,600.00	100	1600.00
Vikas WSP Ltd	3,000	3,000.00	3,000	3,000.00
Vishal Exports-(Bonus)	1,000	-	1000	-
Welwin	100	1,800.00	100	1,800.00
		38,786,417.64		40,615,111.34

UNQUOTED SHARES

Arihant Fabrics	50	100	50	100
# Benaras Bank	87,490	48,11,950	87,490	48,11,950
# Deve Sugar	9,400	14,10,000	9,400	14,10,000
# Parvathi Hi tech	10,000	1,00,000	10,000	1,00,000
*# Rayalaseema Paper Mills	11,20,000	1,12,00,000	11,20,000	1,12,00,000
# Rhino Tyres	200	1,000	200	1,000
South India Chemicals & Leasing P Ltd	15,000	15,00,000	15,000	15,00,000
Sankeshwara Finance & Investments P Ltd	20,000	20,00,000	20,000	20,00,000
Jaswant Estates P Lt	5,000	5,00,000	5,000	5,00,000
Madras Stock Exchange	14,679	1,76,748	14,679	1,76,748
Munoth Industries Limited	4,50,000	45,00,000	4,50,000	45,00,000
Munoth Neg Windfarm Pvt. Limited	1,29,700	3,22,932	1,29,700	3,22,932
		26,522,730		26,522,730

GRAND TOTAL

65,309,147.64 **67,137,841.34**

* Received as consideration against preferential issue of 112000 equity shares of Rs.10/- each at a premium of Rs. 90/- each.

Shares are not held in the Name of the Company.

QUOTED INVESTMENTS

COST

38,786,418

MARKET VALUE

10,583,135



MUNOTH FINANCIAL SERVICES LIMITED

	As on 31.3.2009	As on 31.3.2008
SCHEDULE 'G' Loans & Advances	Rs.	Rs.
<i>(considered good unless otherwise stated)</i>		
Advance Income Tax	100,000.00	2,100,000.00
Advance Fringe Benefit Tax	79,458.00	63,031.00
Tax Deducted at Sources	217,047.53	268,809.03
Deposits	7,848,473.00	12,588,473.00
Income - tax Appeals - 96-97	555,408.21	555,408.21
Income - tax Refund Due - 2001-2002	273,255.00	273,255.00
Income Tax Refund Due - 2003-2004	276,920.57	276,920.57
Income - tax Refund Due - 2007-2008	794,874.26	-
Prepaid Expenses	1,368,380.45	681,248.00
Share application	540,000.00	555,900.00
other Advances	-	1,000,000.00
Other Receivables	966,467.02	1,167,649.74
Total	13,020,284.04	19,530,694.55
SCHEDULE 'H'		
Current Liabilities & Provisions		
Trade Creditors	1,777,893.19	2,794,554.19
Sundry Creditors	11,804,827.00	13,831,272.51
Other Liabilities	983,406.16	942,150.34
Provision for Income Tax	-	1,573,934.77
Provision for Fringe Benefit Tax	80,182.00	55,690.02
Total	14,646,308.35	19,197,601.83
Schedule 'I' - Income from Operations :		
Brokerage and other charges	5,350,067.81	15,319,055.78
Merchant Banking Income	-	900,000.00
Income from DP operations	972,056.36	1,369,339.27
PMS/Consultancy fees received	290,487.55	644,687.68
Total	6,612,611.72	18,233,082.73
Schedule 'J' - Interest Income		
Interest - Bank	1,103,936.99	773,593.24
Interest - Debentures & Others	-	202,102.64
Total	1,103,936.99	975,695.88
Schedule 'K' - Other Income :		
Dividend	214,483.40	81,804.35
Miscellaneous income	19,345.35	46,099.65
Bad Debts Recovery	-	630,658.89
Profit On F & O Trading	-	424,044.83
Total	233,828.75	1,182,607.72

**MUNOTH FINANCIAL SERVICES LIMITED**

	As on 31.3.2009	As on 31.3.2008
<u>SCHEDULE 'L' Financial Expenses</u>	Rs.	Rs.
<i>Interest Payments</i>	1,491,494.94	112,804.52
<i>Bank charges</i>	15,597.71	2,046.56
<i>Bank Guarantee Charges</i>	283,514.75	287,551.00
Total	1,790,607.40	402,402.08
<u>Schedule 'M' - Staff Cost</u>		
<i>Salaries and allowances</i>	2,494,612.00	2,848,266.00
<i>Directors Sitting Fees</i>	60,000.00	17,000.00
<i>Managerial Remuneration</i>	1,500,000.00	1,500,000.00
<i>ESI Contribution</i>	41,413.00	31,575.00
<i>EPF Contribution</i>	275,244.00	282,589.00
<i>Labour Fund Contribution</i>	240.00	190.00
<i>Staff welfare</i>	278,102.76	182,627.80
Total	4,649,611.76	4,862,247.80
<u>Schedule 'N' - Administrative and Other Expenses</u>		
<i>Electricity Charges</i>	435,913.00	625,571.00
<i>Printing and Stationery</i>	139,367.04	179,654.56
<i>Telephone Charges</i>	253,292.83	360,232.59
<i>Insurance</i>	45,105.00	80,014.33
<i>Repairs and Maintenance</i>	1,118,394.44	1,150,641.92
<i>Rent, rates & taxes</i>	27,448.00	147,159.00
<i>Stamp charges</i>	21,607.00	59,460.00
<i>Travelling & conveyance</i>	190,989.50	150,642.03
<i>Transaction charges - NSE and F&O</i>	255,576.00	450,196.00
<i>Registration Expenses</i>	294,180.67	125,000.00
<i>Advertisement expenses</i>	19,906.00	60,639.00
<i>Postage & telegram</i>	122,448.00	114,600.42
<i>Director's travelling</i>	339,792.68	414,899.26
<i>Auditor's Remuneration</i>	188,000.00	178,915.35
<i>Annual Listing charges (MFSL)</i>	36,000.00	36,000.00
<i>Annual Fees</i>	204,100.80	220,100.00
<i>Professional fees</i>	29,662.00	80,740.00
<i>Share transfer expenses</i>	38,860.00	27,000.00
<i>Business Promotion</i>	226,360.82	175,481.72
<i>Property Taxes</i>	26,030.00	26,030.00
<i>Water Sewage Tax</i>	14,320.00	14,320.00
<i>Website Maintenance Charges</i>	6,813.00	69,937.00
<i>CDSL expenses</i>	19,121.40	40,625.09
<i>Books & Periodicals</i>	18,703.00	22,849.00
<i>SEBI turnover charges</i>	20,202.00	49,125.00

**MUNOTH FINANCIAL SERVICES LIMITED**

	As on 31.3.2009	As on 31.3.2008
<i>ODIN charges</i>	-	230.00
<i>Lease Line Charges</i>	203,560.18	61,457.00
<i>Donation</i>	8,000.00	17,501.00
<i>General Expenses</i>	214,534.53	416,152.48
<i>Service Tax</i>	129,485.34	244,382.98
<i>Bonus</i>	64,825.00	57,693.00
<i>DP Marketing Expenses</i>	158,087.56	153,470.00
<i>NSDL Transaction Charges</i>	210,659.00	222,135.39
<i>Professional Tax</i>	1,620.00	1,620.00
<i>Fringe Benefit Tax</i>	16,566.98	-
<i>Exgratia</i>	49,496.00	102,231.00
<i>Gratuity</i>	33,512.30	30,358.85
Total	5,182,540.07	6,167,064.97

Schedule 'O' - Provisions and Write-Off

<i>Bad Debts written off</i>	34,715.97	641,551.93
Total	34,715.97	641,551.93



SCHEDULE 'P' - Notes on Accounts

1. Significant Accounting Policies

a) Accounting Convention

The financial statements are prepared under the historical cost convention on accrual basis and in accordance with the mandatory accounting standards issued by the Institute of Chartered Accountants of India.

b) Fixed Assets :

It is the practice of the company to state fixed assets at cost of acquisition less accumulated depreciation.

c) Depreciation :

Depreciation has been provided on WDV basis at the rates prescribed under Schedule XIV of the Companies Act, 1956. However no depreciation has been provided on MSE Membership Card.

d) Investments :

Investments are long-term in nature and stated at cost. Provision for diminution in value of long-term investments is made only, if such a decline is other than temporary in the opinion of the management. Bonus entitlements are recognised as ex-bonus dates and no cost is attributed to bonus shares.

e) Taxation :

Income tax expenses comprises current tax and deferred tax charge or credit. The deferred tax charge or credit is recognized using current tax rates. Where there is unabsorbed depreciation and/or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets.

f) Retirement Benefits

i) Company's contribution under Provident Fund Act are charged to profit and loss account on accrual basis.

ii) The Company has provided for gratuity being the estimated liability in terms of payment of Gratuity Act, 1972. The liability has not been ascertained on actuarial basis.

2. The company's business activity falls within a single primary business segment i.e. Capital Market. As such there is no separate reportable segment as per Accounting Standard 17.

3. Related party disclosures under Accounting Standard - 18.

Related Parties

A (I) Associate Companies

a) Munoth Communications Limited

b) Munoth Industries Limited

c) South India Chemicals & Leasing (P) Ltd

d) Maharana Finance & Investments (P) Ltd

e) Shankeswar Finance & Investments (P) Ltd

f) Jaswant Estates (P) Ltd

g) Munoth Negwind Farm (P) Ltd



MUNOTH FINANCIAL SERVICES LIMITED

(II) Key Management personnel and their relatives:-

- a) Lalchand Munoth
- b) Jaswant Munoth
- c) Bharat Munoth
- d) Vikas Munoth
- e) Leela Devi
- f) Vijayalakshmi Munoth
- g) Aruna Munoth
- h) kanchan Munoth

B. Related Party Transactions	Current Year Rs.	Previous Year Rs.
<i>l) With Associate Companies</i>		
a) Purchase of Investments	NIL	NIL
b) Sale of Investments	NIL	NIL
c) Rendering of services	NIL	3,300,098
d) Outstanding balances in loans & Advances	NIL	150
e) Interest Paid	NIL	NIL
C. With Key Management Personnel and their Relatives		
a) Remuneration and perks	1,500,000	1,500,000
b) Incentive Paid	147,726	737,751
c) Outstanding balances in loans & Advances	-	(285,086)
4. Break up of Deferred Tax Liability as on 31-03-2009 is as follows:		
Timing difference on Depreciation	Rs.	
Opening Balance	(430,953)	(477,715)
Depreciable assets	100,250	46,763
	<u>(330,703)</u>	(430,952)
5. We have been informed that Current Assets Loans and Advances other than doubtful have the value at which they are stated in the Balance sheet, if realized in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.		
6. Balances of Sundry Debtors, Sundry Creditors and Loans & Advances are subject to confirmation.		
7. Auditor's Remuneration include towards	Current Year	Previous Year
Statutory Audit	60,000	55,000
Tax Audit	7,500	10,000
Taxation & Other Services	5,000	32,634
Internal Audit	108,000	108,000



MUNOTH FINANCIAL SERVICES LIMITED

8. *Contingent Liability*

- a) *Contingent liabilities comprise Bank Gurantees amounting to Rs. 213.50 Lacs provided to Stock Exchanges. (Previous year - Rs. 187.50 Lacs).*

9. a) *Investment includes Rs. 1,75,56,107/- being cost of shares not held in the name of the company (Prev. Year Rs. 1,75,56,107/-).*

- b) *The company has not made provision for a sum of Rs 2,82,03,283/- being fall in the market value of quoted investments. Such provision has not been made as the management perceives that the investments are of long term in nature and such diminution in value is temporary. The Current value of unquoted investments cannot be ascertained in the absence of availability of latest financial results.*

10. *The company has received a letter from RBI exempting it from Registration as a Non Banking Financial Company as it is already registered as stock broker with SEBI.*

11. *Bangalore branch transactions are consolidated in respective heads in Head office account.*

12. *Loans and Advances includes Rs. Nil (Prev. Year Rs.NIL) due from the company under the same management.*

13. a) *Sundry creditors includes:*

	Current Year	<i>Previous Year</i>
<i>Amount due to Directors</i>	NIL	<i>NIL</i>
<i>Amount due to Companies under same management</i>	NIL	<i>150</i>
<i>Amounts due to Small Scale Industrial Undertaking</i>	NIL	<i>NIL</i>

b) *Sundry debtors include :*

<i>Amount due from Directors</i>	NIL	<i>NIL</i>
<i>Amount due from companies under same management</i>	NIL	<i>NIL</i>

14. *Managerial Remuneration*

	Current Year RS.	<i>Previous Year RS.</i>
<i>Salaries</i>	1,500,000	<i>1,500,000</i>
<i>Contribution to Provident fund</i>	105,876	<i>105,888</i>

15. *Foreign Currency Transaction :*

<i>Earnings (yet to be realized)</i>	NIL	<i>NIL</i>
<i>Expenditure (towards Foreign Travel)</i>	339,793	<i>414,899</i>



MUNOTH FINANCIAL SERVICES LIMITED

16. Previous year figures have been regrouped and rearranged wherever necessary to conform to this year classification.

(Signatures to Schedules A to Q)

As per our report of even date attached.

For MARDIA & ASSOCIATES
CHARTERED ACCOUNTANTS

(MANISH MARDIA)

Proprietor

M. No 205307

PLACE : CHENNAI

DATE : JUNE 30, 2009

JASWANT MUNOTH
BHARAT MUNOTH
Managing Directors

LALCHAND MUNOTH
Chairman

A.G. NANDINI
Company Secretary



MUNOTH FINANCIAL SERVICES LIMITED

CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT

(Rs.)

	As on 31.03.09	As on 31.03.08
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	-13,366,215.15	7,051,298.55
Add: Financial expenses	1,790,607.40	402,402.08
Depreciation	1,242,459.81	1,266,821.00
Loss / Profit on sale of investments	4,640,997.12	(1,624,719.45)
Loss on F & O Trading	3,775,660.49	-
Dividend received	-214,483.40	(81,804.35)
Interest received	-1,103,936.99	(975,695.88)
Miscellaneous expenses written off	-	(1,012,996.60)
Operating profit before working cap adjustments	-3,234,910.73	6,038,301.95
Decrease / Increase in Debtors	6,149,193.54	61,446.98
Decrease / Increase in Loans & Advances	6,510,410.51	3,639,178.90
Increase in Current Liabilities	-3,001,850.69	(3,582,364.32)
Cash generated from operations	6,422,842.63	6,156,563.51
Financial expenses	-1,790,607.40	(402,402.08)
Loss on F & O Trading	-3,775,660.49	-
Cash from operating activities	856,575	5,754,161.43
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Decrease in Bank deposits	-1,736,050.53	3,730,194.89
Sale of Investments	10,363,926.76	118,713,145.74
Purchase of Investments	-14,803,714.95	(136,453,452.00)
Purchase of Assets	-2,679,483.00	(277,022.00)
Interest Received	1,103,936.99	975,695.88
Dividend Received	214,483.40	81,804.35
	-7,536,901.33	(13,229,633.14)
	-6,680,327	(7,475,471.71)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Increase in Share Capital	-	-
Increase in Share Premium	-	-
Increase in Share Application	-	-
Increase in Bank Borrowing	9,852,479.93	1,564,424.00
Net increase in cash	3,172,153.34	(5,911,047.71)
Cash and Cash equivalents at the beginning of the year	4,543,252.63	10,454,300.34
Cash and Cash equivalents at the end of the year	7,715,405.97	4,543,252.63



MUNOTH FINANCIAL SERVICES LIMITED

Notes :

1. The cashflow has been prepared under the Indirect Method as set out in Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
2. Figures in brackets indicate cash out flows.
3. Previous year's figures have been regrouped to confirm to current year's presentation.

For & on Behalf of Board

Place : Chennai
Date : June 30, 2009

BHARAT MUNOTH
MANAGING DIRECTOR

AUDITORS CERTIFICATE

We have examined the above cash flow statement of M/s Munoth Financial Services Limited for the year ended March 31, 2009 . The above cash Flow Statement has been complied and is based on the audited accounts of Munoth Financial Services Limited for the year ended March 31 ,2009. According to the informations and explanations given, together with Notes thereon, the aforesaid Cash Flow Statement has been prepared pursuant to clause 32 of the Listing Agreement with Stock Exchanges and the reallocations required for the same are as made by the company.

For **MARDIA & ASSOCIATES**
CHARTERED ACCOUNTANTS

Place : Chennai
Date : June 30, 2009

(MANISH MARDIA)
Proprietor



MUNOTH FINANCIAL SERVICES LIMITED

BALANCESHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE OF VI TO THE COMPANIES ACT, 1956.

1. Registration	Registration No.	State Code
	<div>19,836</div>	<div>18</div>
	Balance Sheet date	
	<div>31.03.2009</div>	
II. Capital raised during the year (Amount in Rs. Thousands)	Public Issue	Right Issue
	<div>-</div>	<div>-</div>
	Bonus Issue	Private Placement
	<div>-</div>	<div>-</div>
III. Capital raised during the year (Amount in Rs. Thousands)	Total Liabilities	Total Assets
	<div>98,148</div>	<div>98,148</div>
Source of Funds	Paid up Capital	Reserves & Surplus
	<div>51,612</div>	<div>34,788</div>
	Secured Loans	Unsecured Loans
	<div>11,417</div>	<div>-</div>
	Deferred Tax Assets	
	<div>331</div>	
Application of Funds	Net Fixed Assets	Investments
	<div>10,471</div>	<div>65,309</div>
	Deferred Tax Assets	
	<div>-</div>	
	Net Current Assets	Misc. Expenditure
	<div>37,014</div>	<div>-</div>
	Accumulated Losses	
	<div>-</div>	
IV. Performance of Company (Amount in Rs. Thousands)	Turnover	Total Expenditure
	<div>7,950</div>	<div>21,316</div>
	+Profit(Loss) Before Tax	+Profit(Loss) After Tax
	<div>(13,366)</div>	<div>(13,346)</div>
	Earning per share in Rs.	Dividend Rate %
	<div>(2.60)</div>	<div>-</div>
V. Generic Name of the Principal Products/ services of Company (as per monetary terms) Item Code No. (ITC Code) Product Description		NOT APPLICABLE NOT APPLICABLE

MUNOTH FINANCIAL SERVICES LIMITED

Regd. Off: 3rd Floor, Suite No. 46 & 47, Munoth Centre, 3rd Floor,
343, Triplicane High Road, Triplicane, Chennai - 600 005.

PROXY FORM

Reg. Folio No.

No. of Shares.....

DPID : Client ID

I/We of

In the district of being a member/members

of the above name Company hereby appoint of

in the district of or falling him

..... of in the district of

..... as my/our proxy to vote for me/us on my/our behalf at the Eighteenth Annual General Meeting of the Company to be held on Monday, 31st August, 2009 at 10.15 A.M. at Nahar Hall, South India Hire Purchase Association, Desabandhu Plaza, 1st Floor, 47 Whites Road, Royapettah, Chennai - 600 014. and at any adjournment thereof.

Signed this day of 2009.

Affix 1 Re
Revenue
Stamp

Signature

Note : This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

----- TEAR HERE -----

MUNOTH FINANCIAL SERVICES LIMITED

Regd. Off: 3rd Floor, Suite No. 46 & 47, Munoth Centre, 3rd Floor,
343, Triplicane High Road, Triplicane, Chennai - 600 005.

ATTENDANCE SLIP

18th ANNUAL GENERAL MEETING

Reg. Folio No.

No. of Shares.....

DPID : Client ID

I certify that I am the registered share holder/Proxy for the registered shareholder of the Company.

I hereby record my presence at the Eighteenth Annual General Meeting of the Company held on Monday, 31st August, 2009 at 10.15 A.M. at Nahar Hall, South India Hire Purchase Association, Desabandhu Plaza, 1st Floor, 47 Whites Road, Royapettah, Chennai - 600 014.

Members / Proxy's Name in Block Letters Member's / Proxy Signature

Address:

- Note
1. Only members or their proxies are allowed to attend the meeting. Members are requested to produce the above attendance slip duly filled in the signed in accordance with their specimen signature registered with Company for admission to the meeting hall.
 2. Members/Proxy holders, desiring to attend the meeting should bring their copy of the Annual Report for reference at the Meeting.
 3. No Gifts will be distributed at the Annual General Meeting.

Book Post

To.

If undelivered please return to :
MUNOTH FINANCIAL SERVICES LIMITED
MUNOTH CENTRE
3rd Floor, Suite No. 46 & 47,
343, Triplicane High Road,
Chennai - 600 005.