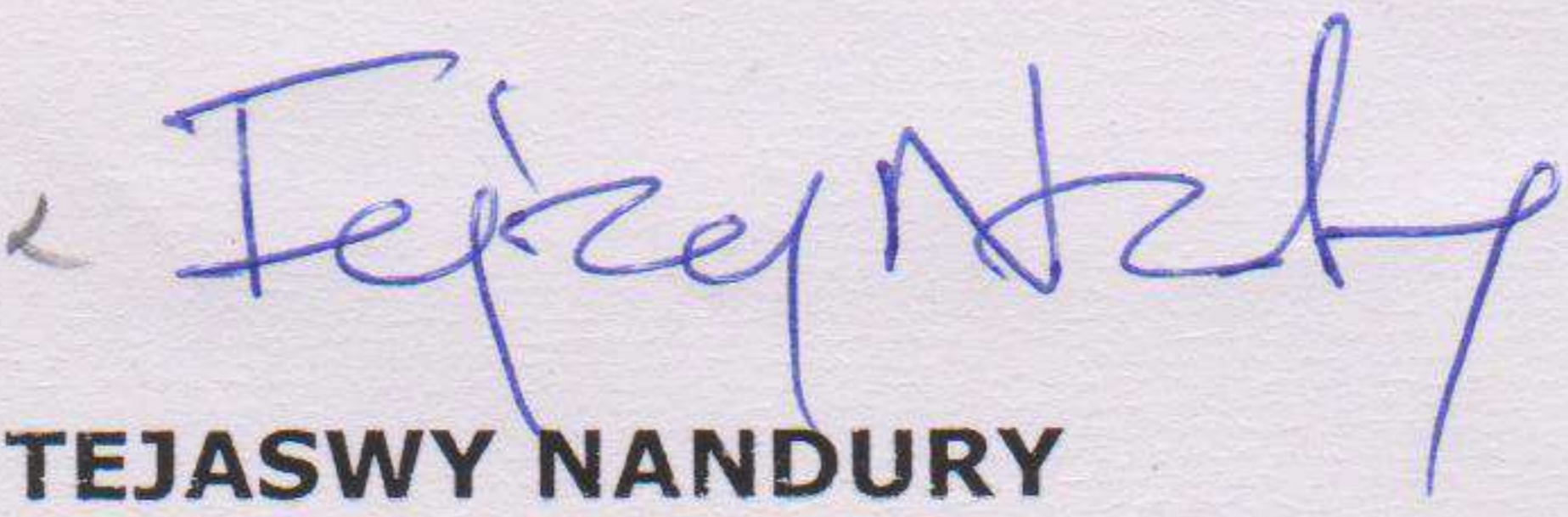
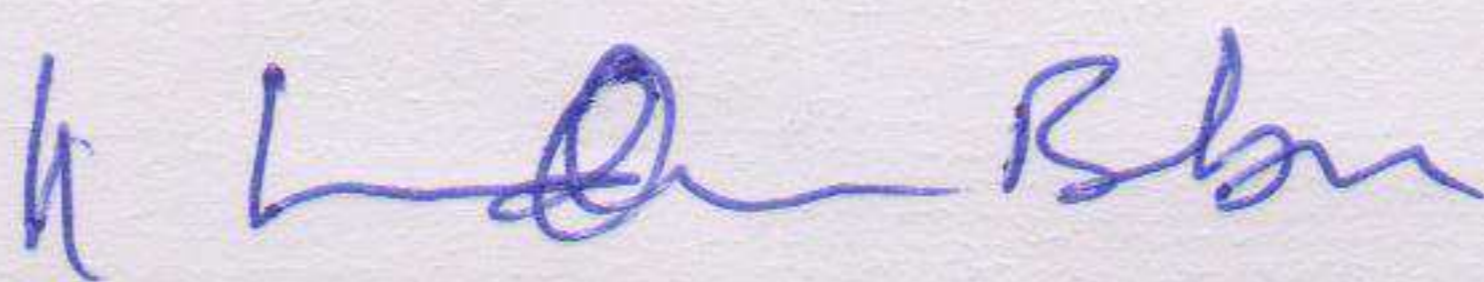

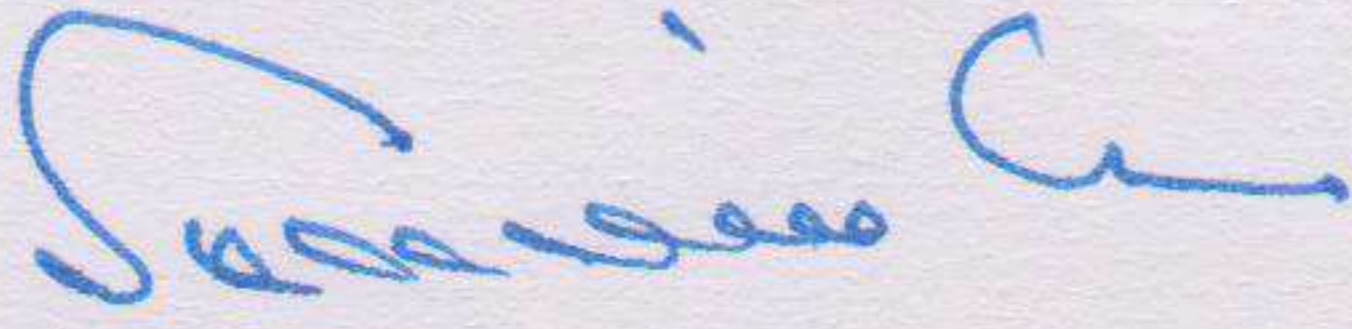


FORM A

1.	Name of the Company:	PHOTON CAPITAL ADVISORS LIMITED
2.	Annual financial statements for the year ended	31 st March, 2014
3.	Type of Audit observation	UN QUALIFIED
4.	Frequency of observation	Not Applicable
5.	<p>To be signed by</p> <ul style="list-style-type: none"> • CEO/ Whole Time Director • CFO • Auditor of the company • Audit Committee Chairman 	 TEJASWY NANDURY  SREEDHAR BABU KANURI  M/s. K. VIJAYARAGHVAN & ASSOCIATES Chartered Accountants  J. NARASIMHA RAO

PHOTON CAPITAL ADVISORS LIMITED

**29th ANNUAL REPORT
2013-2014**

PHOTON CAPITAL ADVISORS LIMITED

Board of Directors	
Whole-time Director	Mr. Tejaswy Nandury
Directors	Mr. J. Narasimha Rao Mr. V R Shankara Mrs. Suchitra Nandury
Company Secretary	Mr. D. M. Basha
Auditors	M/s. K. Vijayaraghavan & Associates Chartered Accountants Hyderabad
Bankers	HDFC Bank Ltd, Banjara Hills Branch, Hyderabad. Syndicate Bank, Banjara Hills Branch, Hyderabad.
Registered Office	Plot No.90-A, Road No.9, Jubilee Hills, Hyderabad – 500 033, Telangana Phone No. 040-40062950 Email ID : sreedhar@photoncapitalgroup.com
Registrars & Transfer Agents	Karvy Computershare Pvt. Ltd. Plot No.17 to 24, Vittal Rao Nagar Madhapur, Hyderabad - 81 Phone No. : 040 - 4465 5000 Email ID : einward.ris@karvy.com

PHOTON CAPITAL ADVISORS LIMITED

NOTICE

Notice is hereby given that the 29th Annual General Meeting of the Company will be held on Monday, the 29th September, 2014 at 10:00 A.M. at Plot No.90-A, Road No.9, Jubilee Hills, Hyderabad - 500 033, Telangana, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited balance sheet as at 31st March, 2014 and the statement of profit and loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon and Compliance Certificate.
2. To appoint M/s. K. Vijayaraghavan & Associates, Chartered Accountants, as Auditors of the company.

To consider and if thought fit to pass the following resolution with or without modification(s) as an ordinary resolution:

RESOLVED THAT Pursuant to Section 139 and other applicable provisions if any, of the Companies Act, 2013 and the rules made thereunder, M/s. K. Vijayaraghavan & Associates, Chartered Accountants, Hyderabad, be and are hereby re-appointed as Auditors of the Company to hold the office from the conclusion of 29th Annual General Meeting till the conclusion of the 32nd Annual General Meeting of the Company, subject to the ratification by members at every Annual General Meeting and the board of directors are hereby authorised to fix the remuneration of the auditors as may be determined by the audit committee in consultation with the auditors.

SPECIAL BUSINESS:

3. To consider and if thought fit to pass the following resolution with or without modification(s) as an ordinary resolution:

RESOLVED THAT pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and the rules made there under, Mrs. Sobha Rani Nandury (DIN:00567002), in respect of whom the Company has received a notice in writing from a member of the Company under Section 160 of the Companies Act, 2013 signifying the member's intension to propose Mrs. Sobha Rani Nandury as a candidate for the office of a Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

4. To consider and if thought fit to pass the following resolution with or without modification(s) as an ordinary resolution:

RESOLVED THAT pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, Mrs. Suchitra Nandury (DIN: 00568167), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 29.05.2014 and who holds the office until the date of the AGM in terms of Section 161 of the Companies Act,2013 and in respect of whom the Company has received a notice in writing from a member of the Company under Section 160 of the Companies Act, 2013 signifying the member's intension to propose Mrs. Suchitra Nandury as a candidate for the office of a Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

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

RESOLVED THAT pursuant to Section 149, 152, 160 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV thereto; Mr. J. Narasimha Rao (DIN: 00024260), who was appointed as Director liable to retire by rotation under erstwhile Companies Act, 1956 and holds office as Independent Director of the Company under clause 49 of the listing agreement with stock exchanges and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years up to 31st March 2019 and that he shall not be liable to retire by rotation.

6. To consider and if thought fit to pass the following resolution with or without modification(s) as an ordinary resolution:

RESOLVED THAT pursuant to Section 149, 152, 160 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV thereto; Mr. V. R. Shankara (DIN: 00041705), who was appointed as Director liable to retire by rotation under erstwhile Companies Act, 1956 and holds office as Independent Director of the Company under clause 49 of the listing agreement with stock exchanges and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5(Five) consecutive years up to 31st March 2019 and that he shall not be liable to retire by rotation.

// By Order of the Board //
for PHOTON CAPITAL ADVISORS LIMITED

Sd/-
TEJASWY NANDURY
WHOLE TIME DIRECTOR
(DIN: 00041571)

Place: Hyderabad
Date: 30.07.2014

PHOTON CAPITAL ADVISORS LIMITED

NOTES:

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies, in order to be effective, must be received at the Registered Office of the Company not less than forty-eight hours before the meeting.
3. The Register of members and transfer books of the Company will be closed from 25th September, 2014 to 29th September, 2014 (both days inclusive).
4. The members are requested to –
 - a) Intimate to the Registrars and Transfer Agents of the Company / Depository Participants changes, if any, in their registered addresses at an early date.
 - b) Quote Ledger Folio/Client ID in all the correspondence.
 - c) Bring the copy of the Annual Report and attendance slip with them to the Annual General Meeting.
5. Members desiring any information as regards accounts are requested to write to the Company at least seven days before the date of the meeting to enable the management to keep the information ready at the meeting.
6. All documents referred to in the notice of AGM and statutory registers are open for inspection at the Registered Office of the Company during office hours on all working days except public holidays up to the date of the Annual General Meeting.
7. The Company pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, is extending e-voting facility for its members to cast their vote electronically instead of participating and voting physically in the Annual General Meeting. The Company has appointed Mr. Gopi Reddy Malayadi, Practising Company Secretary who in the opinion of the Board is a duly qualified person, as Scrutinizer who will collate the electronic voting process in a fair and transparent manner.
8. The e-voting facility will be available at the link <http://evoting.karvy.com> during the voting period.
9. The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail IDs with the Company / their respective Depository Participants, along with physical copy of the AGM Notice and Annual Report of 2014. Those members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for e-voting along with process, manner and instructions by e-mail. Members may also note that the Annual Report of 2014 is available on the Company's website, www.pcalindia.com.
10. Members are requested to note that the e-voting will open on 23rd Sept 2014 and shall remain open for 3 days i.e. up to Sept 25, 2014. E-voting shall not be allowed beyond 6 p.m. on Sept 25, 2014.
11. The procedure and instructions for e-voting are as follows:
 - i. Open your web browser during the voting period and navigate to <https://evoting.karvy.com>
 - ii. Enter the login credentials (i.e., user-id & password) provided to you as mentioned at point no. 9 supra.
 - iii. Please contact Mr. D. M. Basha, Company Secretary & Compliance Officer of the Company on 040-40062950, for any further clarifications.
 - iv. After entering these details appropriately, click on "LOGIN".
 - v. Members holding shares in demat/physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile number, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. You need to login again with the new credentials.
 - vii. On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.
 - viii. If you are holding shares in demat form and had logged on to <https://evoting.karvy.com> and casted your vote earlier for any company, then your existing login id and password are to be used.

PHOTON CAPITAL ADVISORS LIMITED

- ix. On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not want to cast, select 'ABSTAIN'
- x. After selecting the resolution, if you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xi. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xii. Corporate/Institutional Members (corporate /FIs/FILs/Trust/Mutual Funds/Banks, etc.) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to sreedhar@photoncapitalgroup.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no."
- xiii. Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.

ANNEXURE TO THE NOTICE

STATEMENT AS REQUIRED UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013.

Item No. 3

Pursuant to Section 152 of the Companies Act, 2013, the Board of Directors, in a view to expand the Board, recommended the appointment of Mrs. Sobha Rani Nandury (DIN: 00567002) as the Director of the Company in the ensuing Annual General Meeting. The Company has received a notice in writing pursuant to Sec 160 of the Companies Act, 2013 from a member along with the requisite deposit proposing the candidature of Mrs. Sobha Rani Nandury for the office of the Director.

The Company has received consent to act as a director in form DIR-2 and intimation in form DIR -8 to the extent that she is not disqualified under sub section (2) of section 164 of the Companies Act, 2013 from Mrs.Sobha Rani Nandury.

Brief Profile of Mrs. Sobha Rani Nandury

Mrs. Sobha Rani Nandury holds a degree in History and Economics from Andhra University and she is director in Soven Management Associates Pvt Ltd, Nandury Finance and Investments Pvt Ltd, Hifco Consumer Credit Pvt Ltd and Alchemist Outsourcing Pvt Ltd and brings with her years of experience in strategic and operational oversight. She is holding 4,67,416 equity shares in the Company.

Except Mr. Tejaswy Nandury and Mrs. Suchitra Nandury, none of the Directors, Key Managerial Personnel or their relatives have concern or interest in the above said resolution.

The Board recommends the resolution set forth in item number 3 for the approval of the members.

Item No. 4

Pursuant to Section 161 of the Companies Act, 2013, the Board of Directors at their meeting held on 29th May, 2014, appointed Mrs. Suchitra Nandury (DIN: 00568167) as an Additional Director of the Company and will hold office up to the date of Annual General Meeting. The Company has received a notice in writing pursuant to Sec 160 of the Companies Act, 2013 from a member along with the requisite deposit proposing the candidature of Mrs. Suchitra Nandury for the office of the Director.

The Company has received consent to act as a director in form DIR -2 and intimation in form DIR -8 to the extent that she is not disqualified under sub section (2) of section 164 of the Companies Act, 2013 from Mrs. Suchitra Nandury.

Brief profile of Mrs. Suchitra Nandury

Mrs. Suchitra Nandury holds a Master's degree in Business Administration from Osmania University and began her career in Deloitte Consulting and moved on to ICMR as a research analyst. She is a director in Sapiens Educare Pvt Ltd, Quicfai Knowledge Services Pvt Ltd and Iforce Knowledge Service Pvt Ltd and brings several years of experience with her in the business research, consulting and outsourcing fields. She does not hold any shares in the Company.

Except Mr. Tejaswy Nandury and Mrs. Sobha Rani Nandury, none of the Directors, Key Managerial Personnel or their relatives have concern or interest in the above said resolution.

The Board recommends the resolution set forth in item number 4 for the approval of the members.

Item Nos. 5 and 6

Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, every listed company needs to have at least one-third of the total number of directors as Independent directors, who shall hold the office for a term up to 5 consecutive years. The said section further provides that any tenure of Independent Director on the date of commencement of the Companies Act, 2013 i.e. 01.04.2014 shall not be counted as term for aforesaid period of 5 years and also lays down additional criteria for becoming Independent Director of the Company.

PHOTON CAPITAL ADVISORS LIMITED

Mr. V. R. Shankara (DIN: 00041705) and Mr. J. Narasimha Rao (DIN: 00024260) are earlier appointed as directors liable to retire by rotation under erstwhile Companies Act, 1956 and holds office as Independent Director of the Company under clause 49 of the listing agreement with stock exchanges. They have held the positions as such for more than 5 (five) years.

The Company has received consent to act as a director in form DIR -2 and intimation in form DIR -8 to the extent that they are not disqualified under sub section (2) of section 164 of the Companies Act, 2013 from Mr. V. R. Shankara and Mr. J. Narasimha Rao.

The Company has also received declarations from Mr. V. R. Shankara and Mr. J. Narasimha Rao stating that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and under Clause 49 of the listing agreement.

The Board of Directors of your Company, after reviewing the declarations submitted by the above Independent Directors, is of the opinion that the said Directors meet the criteria of Independence as per Section 149(6) of the Companies Act, 2013 and the rules made thereunder and also meet with the requirements of Clause 49 of listing agreements for being Independent Directors on the Board of the Company and are also independent of the management.

The Company has received notices in writing from members along with the deposit of requisite amount under Section 160 of the Act, proposing the candidatures of each, Mr. V. R. Shankara and Mr. J. Narasimha Rao for the office of Directors of the Company.

In view of the same, it is proposed to appoint Mr. V. R. Shankara and Mr. J. Narasimha Rao as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years i.e. upto 31.03.2019 and shall not be liable to retire by rotation during the said period.

Brief resume of Mr. V. R. Shankara and Mr. J. Narasimha Rao, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees and shareholding as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided hereunder.

Brief Profile of Mr. V. R. Shankara:

Mr. V. R. Shankara is a post graduate in commerce and has an experience of over 32 years in administration. He started his career in 1977 in corporate sector and held several senior management positions.

He is not a director of any other public company and also not a member/chairman of any board committees of other public companies. He does not hold any shares in the Company.

Brief Profile of Mr. J. Narasimha Rao :

Mr. J. Narasimha Rao is a commerce and law graduate, member of the Institute of Internal Auditors Inc., U.S.A. and fellow member of Institute of Chartered Accountants of India. He is in practice since 1970.

He is not a director of any other public company and also not a member/chairman of any board committees of other public companies. He is holding one equity share in the Company.

None of the Directors, Key Managerial Personnel or their relatives have concern or interest in the above said resolution.

The Board recommends the resolutions set forth in item number 5 and 6 for the approval of the members.

// By Order of the Board//
for **PHOTON CAPITAL ADVISORS LIMITED**

Sd/-
TEJASWY NANDURY
WHOLE TIME DIRECTOR
(DIN: 00041571)

Place: Hyderabad
Date: 30.07.2014

PHOTON CAPITAL ADVISORS LIMITED

DIRECTORS' REPORT

To,
The Members of
PHOTON CAPITAL ADVISORS LIMITED
Your Directors are pleased to present the 29th Annual Report together with Audited Accounts of the Company for the year ended 31st March, 2014.

FINANCIAL RESULTS

(₹ in Lakhs)

PARTICULARS	Standalone		Consolidated
	2013-14	2012-13	2013-14
Income from operations	169.23	20.40	169.23
Other Income	16.50	78.88	19.12
Expenditure	363.64	1,170.03	365.83
Profit/(loss) before tax	(181.04)	(1,074.26)	(180.68)
Provision for tax	(50.60)	(340.57)	(50.43)
Profit/(loss) after tax	(130.44)	(733.69)	(130.24)

REVIEW OF OPERATIONS

The major event that affected equity markets this year was the Indian election. A few months prior to the election the market dropped precipitously. As soon as indications started appearing that a more right-leaning government had a good chance of winning the election, the markets began a rally. This volatile environment led us to believe that there were very few trading opportunities. So we mostly abstained from trading. However, we are always considering and evaluating trading opportunities that might develop.

SUBSIDIARIES:

During the year, the Company has acquired an equity interest of 49.5% on 27th March 2014 in Soven Management Associates Private Limited ("Soven"). Since one of the Directors of the Company can control the composition of Board of Directors of Soven, the equity interest so held has been consolidated as per the applicable Accounting Standards.

Your Board of Directors has reviewed the affairs of the Subsidiary Company and included the audited consolidated financial statements for the financial year 2013-14 in this Annual Report as required under Section 212 of the Companies Act 1956 read with Circular No. 2/2011 dated February 8, 2011. The Statement pursuant to Section 212 of the Companies Act, 1956, highlighting the summary of the financial performance of our subsidiaries is annexed to this report.

MANAGEMENT DISCUSSION AND ANALYSIS:

Industry Structure and developments:

There have been no substantial changes in the NBFC industry as a whole.

Opportunities and threats:

The new government at the centre appears to be more business friendly but it is not clear what policies it is likely to follow. Until policies are more clearly articulated by the government it is difficult to analyze the opportunities and threats in this market. However, old issues such as a persistently high level of inflation, high deficits and slow down of the economy continue to remain issues. However, the dramatic decline in the Indian rupee against the dollar will create some opportunities. We are particularly hopeful that infrastructure development in India will pick up. This can create dramatic equity investment and trading opportunities.

Outlook:

The exact policy direction of this government is not clear. Therefore it is difficult to ascertain the outlook. However, it appears to be broadly more investment and business friendly than the former. So our hope is that the economy will see a revival. But given that there has been very little policy communication from this government, we cannot speak with certainty about the outlook.

Risks and concerns:

Your Company has continued to minimize risks from external factors and has constantly preferred and adopted methods and systems in its economic activities with low element of risk. In the current and future years, your company will further strengthen and bolster its efforts to minimize or negate all risk factors. However, external factors of foreign currencies and impact of global slowdown, currency corrections of other large growing economies do cause concern to all enterprises and your company does consider this as a concern. Nevertheless, such factors will be dealt with caution and adequate foresight.

DIVIDEND:

As the company incurred loss during the financial year 2013-14, your Board of directors do not recommend any dividend.

PHOTON CAPITAL ADVISORS LIMITED

PUBLIC DEPOSITS:

Your company has not invited and accepted any deposits falling within the meaning of Sec.58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, during the financial year under review.

BOARD OF DIRECTORS:

Appointment of Mrs. Sobha Rani Nandury (DIN : 00567002) as a director

Pursuant to Section 152 of Companies Act, 2013, the Board, in a view to expand the Board and to comply with the provisions of new Companies Act, 2013, recommends the appointment of Mrs. Sobha Rani Nandury as the Director of the Company in the ensuing Annual General Meeting, liable to retire by rotation.

Appointment of Mrs. Suchitra Nandury (DIN : 00568167) as a director

Pursuant to sec 161 of the Companies Act, 2013, in a view to expand the Board and to comply with the provisions of new Companies Act, 2013 the Board appointed Mrs. Suchitra Nandury, as an additional Director of the Company, w.e.f. 29.05.2014 to hold office up to the ensuing Annual General Meeting. The Board of Directors recommend her infusion into the Board, as a Director of the Company in the ensuing Annual General Meeting, liable to retire by rotation.

Appointment of Mr. V. R. Shankara (DIN: 00041705) and Mr. Narasimha Rao Joga (DIN: 00024260) as independent directors

Pursuant to Section 149 of Companies Act, 2013, Mr. V. R. Shankara and Mr. Narasimha Rao Joga will retire in the ensuing Annual General Meeting and being eligible seek re-appointment. The Board of Directors recommend their re-appointment. Sub-section (10) of Section 149 of the Companies Act, 2013, provides that Independent Directors shall hold office for a term of 5 consecutive years on the Board of the Company, and shall be eligible for re-appointment of the said term only by passing a Special Resolution by the shareholders of the Company.

DIRECTORS RESPONSIBILITY STATEMENT :

Pursuant to the provisions of Sec.217 (2AA) of the Companies Act, 1956 the Board of Directors of your Company hereby certify and confirm 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. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (to the extent notified) for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the Annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:

The required information as per Sec.217 (1) (e) of the Companies Act 1956 is provided hereunder:

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

The Company has been continuously making efforts to reduce energy consumption. The management is striving to achieve cost reduction by economical usage of energy and to bring a general awareness about energy conservation among employees.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Earnings in Foreign Currency	: Nil
Expenditure in Foreign Currency	: 2,33,780/-

PARTICULARS OF EMPLOYEES:

No employee of the Company was in receipt of remuneration in excess of the limits as laid down under Sec.217 (2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules, 1975.

STATUTORY AUDITORS:

M/s. K. Vijayaraghavan & Associates, Chartered Accountants, Hyderabad, the present statutory auditors of the Company hold office in accordance with the provisions of the Companies Act, 1956, upto the conclusion of the ensuing annual general meeting and are eligible for re-appointment. A written consent letter and certificate under section 139(1) of the Companies Act, 2013 have been received from them. The Board of directors recommends their re-appointment for a period three years.

CORPORATE GOVERNANCE:

As a listed company, necessary measures have been taken to comply with the listing agreement with the Bombay Stock Exchange Ltd, Mumbai. A report on Corporate Governance, along with a certificate of compliance from the Auditors, forms part of this Report as Annexure.

PHOTON CAPITAL ADVISORS LIMITED

SECRETARIAL AUDITORS:

During the year under review, the Board has appointed M/s. SGP & Associates, Company Secretaries as Secretarial Auditors for issuing Compliance Certificate in terms of Section 383A of the Companies Act, 1956 for the financial year 2013 - 2014. A copy of the Compliance Certificate is annexed to this report.

ACKNOWLEDGEMENTS:

Your Directors gratefully acknowledge the support and co-operation extended by all the shareholders, customers, bankers, mutual funds, share brokers to your company during the year and look forward to their continued support.

Your Directors also place on record their appreciation of the dedication and commitment displayed by the employees of the company.

//On behalf of the Board//

For **PHOTON CAPITAL ADVISORS LIMITED**

Sd/-

V R SHANKARA
DIRECTOR
(DIN:00041705)

Sd/-

TEJASWY NANDURY
WHOLE-TIME DIRECTOR
(DIN: 00041571)

Place: Hyderabad

Date : 30.07.2014

Statement pursuant to section 212 of the companies act, 1956 relating to the Subsidiary Companies.

1.	Name of the Subsidiary	Soven Management Associates Private Limited
2.	Financial year of the Subsidiary ended	31.03.2014
3.	Share of Subsidiary held by Photon Capital Advisors Limited a) Number of shares and face Value b) Extent of holding	50,000 equity shares of Rs 100/- each 49.50% in Equity Shares
4.	Net aggregate amount of profit/(Loss) of the Subsidiary so far as they concern the members of Photon Capital Advisors Limited a) Dealt with in the Accounts of Photon Capital Advisors Limited for the year ended 31st March, 2014. b) Not dealt with in the accounts of Photon Capital Advisors Limited for the year ended 31st March,2014.	--- (Rs.18,381.33)
5.	Net aggregate amount of profit/(Loss) for previous financial years of the Subsidiary so far they concern members of Photon Capital Advisors Limited a) Dealt within the accounts of Photon Capital Advisors Limited for the year ended 31st March,2013 b) Not dealt within the accounts of Photon Capital Advisors Limited for the year ended 31st March,2013	--- Rs.98,070.88

PHOTON CAPITAL ADVISORS LIMITED

Corporate Governance Report

1. Company's Philosophy on Code of Governance:

Your Company believes in conducting its affairs with the highest level of integrity, with proper authorizations, professionalism, accountability and transparency. The business operations of your Company are conducted not to benefit any particular interest group but for the benefit of all stakeholders. All matters of strategy and significant developments and other matters which are required for consent of Board are being placed before the Board. The Audit and Share Transfer and Grievance Committees regularly meet to consider aspects relevant to each committee whereas the Remuneration Committee meets based on need.

2. Board of Directors:

a. Composition of the Board:

The Board of Directors consists of Four (04) Directors and the composition and category of Directors is as follows:

Sl. No.	Name & Category of the Directors	No. of Directorships held in other Public Companies	No. of Memberships / Chairmanships held in Committees of other companies
1.	Mr. Tejaswy Nandury Promoter - Executive Director (DIN- 00041571)	NIL	NIL
2.	Mr. V. R. Shankara Independent - Non - Executive (DIN- 00041705)	NIL	NIL
3.	Mr. J. Narasimha Rao Independent - Non - Executive (DIN- 00024260)	NIL	NIL
4.	Mr. Madhukar Yarra# Independent- Non - Executive (Din- 00041885)	NIL	NIL
5.	Mrs. Suchitra Nandury@ Promoter - Non - Executive (DIN-00568167)	NIL	NIL

Resigned on 15th February, 2014@ Appointed as director on 29th May, 2014

The composition of the Board is in conformity with Clause 49of the Listing Agreement entered into with the Bombay Stock Exchange.

b. Details of Directors being appointed and reappointed at the ensuing Annual General Meeting :

- 1) Mrs. Sobha Rani Nandury, is being appointed as the Director of the Company, as a Director liable to retire by rotation to comply with the provisions of section 149 and 152 of the Companies Act, 2013 and to avail the valuable advices/services as non-executive director A brief resume of the Director is as follows:

Mrs. Sobha Rani Nandury holds a degree in History and Economics from Andhra University and she is director in Soven Management Associates Pvt Ltd, Nandury Finance and Investments Pvt Ltd, Hifco Consumer Credit Pvt Ltd and Alchemist Outsourcing Pvt Ltd and brings with her years of experience in strategic and operational oversight. She is holding 4,67,416 equity shares in the Company.

- 2) Mrs. Suchitra Nandury, is being appointed as the Director of the Company, as a Director liable to retirement by rotation to comply with the provisions of section 149 and 152 of the Companies Act, 2013 and to avail the valuable advices / Services as non-executive director. A brief resume of the Director is as follows:

Mrs. Suchitra Nandury holds a Master's degree in Business Administration from Osmania University and began her career in Deloitte Consulting and moved on to ICMR as a research analyst. She is a director in Sapiens Educare Pvt Ltd, Quicifai Knowledge Services Pvt Ltd and Iforce Knowledge Service Pvt Ltd and brings several years of experience with her in the business research, consulting and outsourcing fields. She does not hold any shares in the Company.

- 3) Mr. V. R. Shankara, independent director retires at the ensuing Annual General Meeting and is being re-appointed for a term of 5 years till 31st March, 2019. A brief resume of the Director being re-appointed is as follows:

Mr. V. R. Shankara is a postgraduate in commerce and has an experience of over 34 years in administration. He started his career in 1977 in corporate sector and held several senior management positions.

- 4) Mr. J. Narasimha Rao, independent director retires at the ensuing Annual General Meeting and is being re-appointed for a term of 5 years till 31st March, 2019. A brief resume of the Director being re-appointed is as follows:

Mr. J. Narasimha Rao is a commerce and law graduate, member of the Institute of Internal Auditors Inc., U.S.A. and fellow member of Institute of Chartered Accountants of India. He is in practice since 1970.

c. Non-Executive Directors' compensation and disclosures:

No fees/compensation is being paid to the Non-Executive Directors of the Company.

PHOTON CAPITAL ADVISORS LIMITED

d. Board Meetings:

During the Financial Year 2013-2014 the Board of Directors met Five (05) times on the following dates:

1. 30th April, 2013,
2. 30th May, 2013,
3. 31st July, 2013,
4. 31st October, 2013 and
5. 30th January, 2014

The Attendance of Directors at these Board Meetings and at the previous Annual General Meeting was as under:

Sl. No.	Name of the Directors	No. of Board Meetings held during the period April 2013 -March 2014	No. of Meetings attended by the Director	Whether present at the previous AGM (27.09.2013)
1.	Mr. Tejaswy Nandury	5	5	Yes
2.	Mr. V. R. Shankara	5	5	No
3.	Mr. Madhukar Yarra	5	2	No
4.	Mr. J. Narasimha Rao	5	5	Yes

e. Committees of the Board:

i. Audit Committee:

The Audit Committee was constituted by the Board of Directors. The terms of reference of this committee cover the matters specified in the clause 49 of the Listing Agreement and as may be referred to the committee by the Board of Directors of the company.

Composition, Name of Members and Chairman:

The Audit committee consists of the following Independent and Non-Executive Directors:

1. Mr. J. Narasimha Rao : Chairman
2. Mr. V. R. Shankara : Member
3. Mr. Madhukar Yarra# : Member
4. Mrs. Suchitra Nandury@ : Member

Resigned on 15th February, 2014 @ Appointed as director on 29th May, 2014

The Audit Committee invites the Statutory Auditors or their representatives, to be present at its meeting.

During the year under review, the total number of meetings held was Four (04) on the following dates:

1. 30th May, 2013,
2. 31st July, 2013,
3. 31st October, 2013 and
4. 30th January 2014.

Meetings and attendance during the year:

Name of the Member	No. of Meetings held	Attendance
Mr. J.Narasimha Rao	4	4
Mr. V.R.Shankara	4	4
Mr. Madhukar Yarra	4	1

Necessary Quorum was present for all the meetings.

Mr. J. Narasimha Rao, Chairman of the Audit Committee attended the previous Annual General Meeting of the Company held on 27.09.2013.

ii. Nomination and Remuneration Committee:

The Remuneration Committee comprises of Three (03) Non-Executive Independent Directors as below:

1. Mr. J. Narasimha Rao,
2. Mr. V.R. Shankara, and
3. Mr. Madhukar Yarra#
4. Mrs. Suchitra Nandury@

Resigned on 15th February, 2014 @ Appointed as director on 29th May, 2014

The committee elected Mr. J. Narasimha Rao, an Independent director, as the Chairman of the Committee. No remuneration committee meeting was held during the financial year 2013 - 2014 as none of the directors of the company received remuneration during the year 2013 - 2014.

iii. Share Transfer and Investors Grievance Committees:

Share Transfer and Investors Grievance Committees were formed by the Board of Directors in terms of clause 49 of the Listing Agreement.

The said Committees consist of the following Independent and Non-Executive Directors:

1. Mr. J. Narasimha Rao,
2. Mr. V. R. Shankara, and

PHOTON CAPITAL ADVISORS LIMITED

3. Mr. Madhukar Yarra#
4. Mrs. Suchitra Nandury@

Resigned on 15th February, 2014 @ Appointed as director on 29th May, 2014

Mr. J. Narasimha Rao is the Chairman of the Share Transfer Committee and Mr. V. R. Shankara is the Chairman of the Investor Grievances Committee.

The committees look into the matters relating to the shareholder's complaints, grievances, various requests in the nature of transfer, transmission, etc., and also overseeing the performance of the Registrar & Transfer agents to improve the quality of investor services.

General Body Meetings:

a. Annual General Meetings:

The last 3 Annual General Meetings were held as under:

Date	Time	Venue
27.09.2013	10.00 A.M	Sree Sitarama Kalyana Mandapam, Near Shiva Temple, IDPL Township, Balanagar, Hyderabad-500037
28.09.2012	10.00 A.M	Neni Hi-tech Club, 169, Old Airport Road, New Bowenpally, Secunderabad - 500011, Andhra Pradesh.
23.09.2011	10.00 A.M	Neni Hi-tech Club, 169, Old Airport Road, New Bowenpally, Secunderabad - 500011, Andhra Pradesh.

- b. **Extra-Ordinary General Meetings** : No Extra-Ordinary General Meeting of the Members was held during the year 2013 - 2014.
 - c. **Postal Ballot** : No Postal Ballot was conducted during the year 2013 - 2014.
 - d. **Special Resolutions** : No Special Resolutions were passed at the three (03) previous Annual General Meetings held on 23.09.2011, 28.09.2012 and 27.09.2013.
3. **Disclosures :**
- a. There are no materially significant related party transactions of the Company which have potential conflicts with the interest of the company at large.
 - b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during last three (03) years 2011 - 12, 2012 - 13, 2013 -14, respectively : NIL
 - c. The Company has not adopted Whistle Blower policy.
 - d. The Company has complied with all mandatory requirements of clause 49 and it has not adopted non-mandatory requirements of this clause except constitution of remuneration committee.
4. **Means of Communication:**
- a. The Quarterly results are published in one english newspaper and in one regional newspaper i.e., Business Standard and Andhra Prabha.
 - b. No Information is released to the press at the time of declaration of results except the publication of results in the newspapers.
 - c. The Management Discussion and Analysis (MD & A) is a part of the Annual Report.
5. **General Shareholder Information:**
- i. **Annual General Meeting:**
Date : 29.09.2014
Time : 10 A.M
Venue : Plot No. 90-A,
Road No.9, Jubilee Hills, Hyderabad - 500 033, Telangana
 - ii. **Financial Calendar:**
The financial year covers the period from 1st April to 31st March:
Financial Reporting for 2014- 2015 (tentative):
The First Quarter Results – 30.06.2014 Held on 30.07.2014.
The Second Quarter Results – 30.09.2014 Between 15.10.2014 to 14.11.2014
The Third Quarter Results – 31.12.2014 Between 15.01.2014 to 14.02.2014
The Last Quarter Results – 31.03.2015 Between 15.04.2015 to 14.05.2015
 - iii. **Book Closure:** The Register of members and share transfer books of the company will remain closed from 25th September, 2014 to 29th September, 2014 (both days inclusive).
 - iv. **Dividend payment date:** Not applicable as the Board has not recommended any dividend for the year.
 - v. **Listing on Stock Exchanges:** Shares of the Company are listed on Bombay Stock Exchange Limited [BSE]. Company's Stock Code in BSE : 509084

PHOTON CAPITAL ADVISORS LIMITED

The Company has paid Annual Listing Fees for the year 2014-2015 to the Bombay Stock Exchange [BSE].

- vi. **Market Price Data:** Market Price Data: High / Low during each month of 2013 - 2014 on the BSE:

Month	High (Rs.)	Low (Rs.)	Close (Rs.)	Volume (Nos.)
Apr, 2013	17.70	16.85	16.85	1,600
May, 2013	16.10	16.10	16.10	16
Jun, 2013	15.30	13.95	14.60	297
Jul, 2013	13.90	13.90	13.90	286
Aug, 2013	20.48	14.59	20.48	245
Sep, 2013	21.50	21.50	21.50	10
Oct, 2013	--	--	--	--
Nov, 2013	24.70	22.50	24.70	288
Dec, 2013	23.50	22.50	22.50	153
Jan, 2014	24.75	23.55	23.55	509
Feb, 2014	25.50	23.50	23.55	300
Mar, 2014	25.00	24.70	25.00	3

- vii. **Registrars and Transfer Agents:**

Karvy Computershare Pvt. Ltd.

Plot No.17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad – 81. Ph No: 040-44655000

Email Id: einward.ris@karvy.com.

- viii. **Delegation of Share Transfer Formalities:**

The Board has delegated share transfer formalities to the Registrars and Transfer Agents:

Karvy Computershare Pvt. Ltd.

Plot No.17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad – 81. Ph No: 040-44655000

Email Id : einward.ris@karvy.com

All communications regarding Share Transfers, Transmissions Change in Address and any other correspondence etc., may be addressed to the Registrars & Transfer Agents.

The company has constituted Share Transfer Committee, which meets as and when required. Physical transfers are affected within the statutory period of 15 days. The Board has designated Mr. Sreedhar Babu Kanuri as the Compliance Officer. Hence, in case of any grievances, the shareholders are free to approach the Share Transfer Committee for due redressal of their grievances.

- ix. **Shareholding as on 31st March, 2014:**

- a) Distribution of Shareholding as on 31st March, 2014:

Shares Amount	Number of Shares		Share holders	
	Number of accounts	% to accounts	In Rs.	% of Capital
(1)	(2)	(3)	(4)	(5)
1 - 500	6664	99.54	3542260.00	23.40
501 - 1000	16	0.24	97630.00	0.64
1001 - 2000	4	0.06	56650.00	0.37
2001 - 3000	3	0.04	72800.00	0.48
3001 - 4000	1	0.01	31710.00	0.21
4001 - 5000	0	0.00	0	0.00
5001 - 10000	1	0.01	92870.00	0.61
10001 - Above	6	0.09	11243020.00	74.28
Total	6695	100.00	15136940	100.00

COMPLIANCE CERTIFICATE

Corporate Identity Number : L65910TG1983PLC004368
Authorised Capital : Rs. 4,00,00,000.00
Paid up capital : Rs. 1,51,36,940.00

To

The Members of
PHOTON CAPITAL ADVISORS LIMITED,
Plot. No.90-A, Road No.9, Jubilee Hills,
Hyderabad – 500 033, Telangana.

We have examined the registers, records, books and papers of PHOTON CAPITAL ADVISORS LIMITED, (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2014 (Financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in **Annexure 'B'** to this certificate with the Registrar of Companies.
3. The Company, being a public limited Company, has minimum prescribed Paid-up Capital.
4. The Board of Directors duly met five [05] times respectively on 30.04.2013, 30.05.2013, 31.07.2013, 31.10.2013 and 30.01.2014 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 23rd September, 2013 to 27th September, 2013 (both days inclusive) and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31st March, 2013 was held on 27.09.2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. The provisions of Section 314 of the Act have not been attracted and therefore no approvals were required to be taken.
12. The Company has not issued any duplicate share certificates during the period under review.
13. The Company:
 - (i) has delivered all the certificates on lodgment thereof for transfer/transmission in accordance with the provisions of the Act and the Company has not made any allotment of shares during the financial year.
 - (ii) has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - (iii) was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
 - (iv) was not required to transfer any amount to Investor Education and Protection Fund.
 - (v) has duly complied with the requirements of section 217 of the Act.

PHOTON CAPITAL ADVISORS LIMITED

14. The Board of Directors of the Company is duly constituted and there was no appointment of additional directors and alternate directors and directors to fill casual vacancy during the financial year. Mr. MadhukarYarra, resigned from the Board with effect from 15th February, 2014.
15. The Company has re-appointed Mr. Tejaswy Nandury as Whole time Director during the financial year and complied with the procedure required under the Companies Act,1956 and there were no appointment of any Managing Director / Manager during the financial year.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares or debentures during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has so far not issued any redeemable preference shares/debentures.
22. During the year under review, there were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has not made any borrowings during the financial year ended 31st March 2014.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was/were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. Since the Company does not have its own trust for provident fund, provisions of Section 418 of the Act are not applicable to the Company.

For **SGP & Associates**,
Company Secretaries

Sd/-
GOIPREDDY MALYADRI
Partner
C.P.No:7911

Place: Hyderabad
Date: 30.07.2014

Registers as maintained by the Company:**Statutory Registers:**

- | | |
|--|---------------------|
| 1. Register of Share Transfers | u/s 108 of the Act. |
| 2. Register of Charges | u/s 143 of the Act. |
| 3. Register of Members | u/s 150 of the Act. |
| 4. Register of Directors | u/s 303 of the Act. |
| 5. Register of Directors' Shareholding | u/s 307 of the Act. |
| 6. Minutes of the Board Meetings | u/s 193 of the Act. |
| 7. Minutes of General Meetings | u/s 193 of the Act. |
| 8. Books of Accounts | u/s 209 of the Act. |
| 9. Register of Contracts in which Directors are interested | u/s 301 of the Act. |

Other Registers:

- Attendance Register of General Meetings.
- Attendance Register of Board Meetings.

ANNEXURE 'B'

Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ending 31st March, 2014:

Sr. No.	Form No/ Return	Filed under Section	For	Date of filing	Whether filed with in prescribed time (yes / no)	If delay in filing, whether requisite additional fee paid (yes / no)
1.	Form.66 Compliance Certificate	383A	Compliance Certificate for the financial year ended 31.03.2013	23.10.2013	Yes	NA
2.	Form.23AC&ACA Schedule - VI	220	Balance Sheet as at 31.03.2013.	25.10.2013	Yes	NA
3.	Form.20B Schedule- V	159	Annual Return as on 28.09.2013.	06.11.2013	Yes	NA
4.	Form.32	303(2)	Resignation of Director	26.02.2014	Yes	NA
5.	Form 25C	269(2)	Appointment of Whole-time Director	10.08.2013	No	Yes

For **SGP & Associates,**
Company Secretaries

Sd/-
GOPIREDDY MALYADRI
Partner
C.P.No:7911

Place: Hyderabad
Date: 30.07.2014

PHOTON CAPITAL ADVISORS LIMITED

INDEPENDENT AUDITORS' REPORT

To the Members of
Photon Capital Advisors Limited, Hyderabad

Report on the Financial Statements

We have audited the accompanying financial statements of Photon Capital Advisors Limited ("the Company"), which comprise the balance sheet as at March 31, 2014, 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, 2014;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on March 31, 2014; 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

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.

1. 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, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

for **K. Vijayaraghavan & Associates**
Chartered Accountants
Firm Registration No: 004718S

Sd/-
K. Ragnathan
Partner

Membership No.213723

Date: Hyderabad
Place: May 29,2014

Annexure to the Auditors' Report

The Annexure referred to the members of Photon Capital Advisors Limited for the year ended March 31, 2014. We report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. Due to the nature of business, the Company has no inventories and accordingly the provisions of clause 4(ii) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
3. (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 loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
- (e) 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 taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956, and accordingly sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of fixed assets and payment for expenses and for purchase and sale of investment and derivatives. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) As per information and explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information and explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. To the extent of our knowledge and as explained, the Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the company.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does not have any accumulated loss and has incurred cash loss of Rs.8,782,514/- during the financial year covered by our audit and in the immediately preceding financial year Rs 107,995,505/-
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in shares, mutual funds, derivative futures and other investments. Proper records & timely entries have been maintained in this regard and further, investments specified are held in its own name.

PHOTON CAPITAL ADVISORS LIMITED

15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at March 31, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

for **K. Vijayaraghavan & Associates**
Chartered Accountants
Firm Registration No: 004718S

Sd/-
K. Ragnathan
Partner
Membership No.213723

Date: Hyderabad
Place: May 29,2014

PHOTON CAPITAL ADVISORS LIMITED

Balance Sheet as at

Amount in rupees unless otherwise stated

Particulars	Note No	31 March 2014	31 March 2013
Equity and liabilities			
Shareholders' funds			
Share capital	II (1)	15,136,940	15,136,940
Reserves and surplus	II (2)	95,084,816	108,129,423
		110,221,756	123,266,363
Non current liabilities			
Long-term provisions	II (3)	71,672	121,636
		71,672	121,636
Current liabilities			
Trade payables	II (4)	349,390	722,790
Other current liabilities	II (4)	19,625	31,665
Short-term provisions	II (3)	6,625	145,652
		375,640	900,107
TOTAL		110,669,068	124,288,106
Assets			
Non current assets			
Fixed assets			
- Tangible assets	II (5)	2,195,999	2,510,092
Deferred tax assets (net)	II (6)	39,116,782	34,056,975
Long-term loans and advances	II (7)	348,676	3,161,678
Non-current investments	II (8)	5,000,000	-
		46,661,457	39,728,745
Current assets			
Current investments	II (8)	62,908,563	76,990,851
Cash and bank balances	II (9)	781,053	859,758
Short-term loans and advances	II (7)	67,073	87,025
Other current assets	II (10)	250,922	6,621,727
		64,007,611	84,559,361
TOTAL		110,669,068	124,288,106
Summary of significant accounting policies and notes to accounts	I		

In terms of our report of even date attached

for **K. Vijayaraghavan & Associates**

Chartered Accountants

Firm Registration No.: 004718S

for and on behalf of the Board

Sd/-

K. Ragunathan

Partner

Membership No.: 213723

Sd/-

Tejaswy Nandury

Whole time Director

Sd/-

V. R. Shankara

Director

Hyderabad

Dated:29-05-2014

PHOTON CAPITAL ADVISORS LIMITED

Statement of Profit and Loss for the year ended

Amount in rupees unless otherwise stated

Particulars	Note No	31 March 2014	31 March 2013
Income			
Revenue from operations	II (11)	16,923,058	2,040,083
Other income	II (12)	1,650,492	7,888,460
Total revenue (I)		18,573,550	9,928,543
Expenses			
Loss from investment activities	II (13)	29,367,701	107,847,460
Employee benefits expense	II (14)	2,528,571	3,611,917
Other expenses	II (15)	4,467,598	5,544,608
Total (II)		36,363,870	117,003,985
Earnings before interest, tax, depreciation and amortisation -EBITDA (I)-(II)		(17,790,320)	(107,075,442)
Depreciation and amortisation expense	II (16)	314,094	350,907
Profit/(loss) before tax		(18,104,414)	(107,426,349)
Tax expenses:			
Current tax		-	-
Deferred tax		(5,059,807)	(34,056,975)
Total tax expense		(5,059,807)	(34,056,975)
Profit/(loss) for the year from continuing operations (A)		(13,044,607)	(73,369,374)
Earnings per equity share - basic & diluted	II (17)	(8.62)	(48.47)
Summary of significant accounting policies and notes to accounts	I		

In terms of our report of even date attached

for **K. Vijayaraghavan & Associates**
Chartered Accountants
Firm Registration No.: 004718S

for and on behalf of the Board

Sd/-
K. Ragunathan
Partner
Membership No.: 213723

Sd/-
Tejaswy Nandury
Whole time Director

Sd/-
V. R. Shankara
Director

Hyderabad
Dated : 29-05-2014

PHOTON CAPITAL ADVISORS LIMITED

Statement of cash flow for the year ended

Amount in rupees unless otherwise stated

Particulars	31 March 2014	31 March 2013
(I) Cash flows from operating activities		
Profit / (loss) before taxation	(18,104,414)	(107,426,349)
Adjustments for:		
Depreciation and amortisation	314,094	350,907
Interest on fixed deposits	(160,085)	(3,085,078)
Interest on tax refund	(486,407)	-
Diminution in value of investments	458,870	-
Provision for loss on commodities futures	-	144,000
Adjustment of rent from deposit	24,750	295,492
Provision for gratuity	(49,387)	175,617
Loans and advances written off	-	113,242
Excess provision no longer required written back	-	(1,648,414)
(Profit) / loss on sale of investments	4,206,663	6,786,310
Dividends	(1,004,000)	(3,154,968)
Operating profit before working capital changes	(14,799,916)	(107,449,241)
(Increase)/decrease in current assets	3,392,078	(3,013,323)
Increase/(decrease) in long term loans and advances	-	282,547
Increase/(decrease) in current liabilities and provisions	(525,043)	474,520
Cash generated from operations	(11,932,881)	(109,705,497)
Income taxes paid	-	(8,479,546)
Income tax refund received (including interest)	6,292,520	-
Net cash from operating activities	(5,640,361)	(118,185,043)
(II) Cash flow from investing activities		
Purchase of fixed assets	-	(198,607)
Investment in subsidiary	(5,000,000)	-
Purchase of investment	(355,401,972)	(788,019,176)
Proceeds from sale of investments	365,798,875	707,004,012
Interest received on fixed deposits	140,898	3,696,837
Proceeds from cancellation of fixed deposit	-	175,400,000
Security deposit	-	(69,750)
Dividends received	23,855	396,594
Net cash used in investing activities	5,561,656	98,209,910
(III) Cash flow from financing activities		
Net Increase in cash and cash equivalents	(78,705)	(19,975,133)
Cash and cash equivalents at the beginning of the period	859,758	20,834,891
Cash and cash equivalents at the end of the period (refer note II (9))	781,053	859,758

Notes

- The above cash flow statement has been prepared under Indirect method as per Accounting Standard 3 "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.
- Figures in bracket indicate cash outgo, except for adjustments for operating activities.
- Previous year's figures have been regrouped / rearranged wherever necessary.

In terms of our report of even date attached

for **K. Vijayaraghavan & Associates**
Chartered Accountants
Firm Registration No.: 004718S

for and on behalf of the Board

Sd/-
K. Ragnathan
Partner
Membership No.: 213723

Sd/-
Tejaswy Nandury
Whole time Director

Sd/-
V. R. Shankara
Director

Hyderabad
Dated : 29-05-2014

PHOTON CAPITAL ADVISORS LIMITED

I. Significant accounting policies

1 Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards issued by the Institute of Chartered Accountants of India.

2 Use of estimates

The preparation of financial statements, in conformity with GAAP, requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

3 Tangible fixed assets

Fixed assets are stated at their original cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any other attributable cost of bringing the asset to its working condition for its intended use. Capital work in progress includes advances paid to acquire fixed assets and cost of assets not ready for intended use before the balance sheet date.

4 Intangible assets

Portfolio Management Fees are amortized on straight line basis over their expected useful life in line with Accounting Standard 26 "Intangible Assets" issued by the Institute of Chartered Accountants of India.

5 Depreciation on tangible fixed assets

Depreciation on assets is provided on straight-line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 except for lease hold improvement which are depreciated over the period of lease.

Depreciation on fixed assets added / disposed off during the year is provided on pro-rata basis with reference to the month of addition / disposal. Individual assets costing less than Rs. 5,000 are depreciated in full in the year of purchase.

6 Leases

- (i) Assets acquired under lease where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalized at the inception of lease at lower of the fair value and present value of minimum lease payments.
- (ii) Assets acquired under lease where the significant portion of risks and rewards of ownership are retained by the lesser are classified as operating lease. Lease rentals are charged to profit and loss account on accrual basis.

7 Impairment of tangible and intangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

8 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

- (i) Long term investments are carried at cost. Diminution in the value of investments, other than temporary, is provided for

PHOTON CAPITAL ADVISORS LIMITED

- (ii) Current investments are carried at lower of cost and fair value
- (iii) Unlisted and not-actively traded investments are stated at their cost of acquisition less provision for diminution in the value.

9 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

a Income from services

Revenues from maintenance contracts are recognized pro-rata over the period of the contract as and when services are rendered. The company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

b Interest

Interest income is recognized on a time proportion basis taking in to account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

c Dividends

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

10 Foreign currency transactions

The transactions in foreign currency are accounted at the exchange rate prevailing on the date of transaction. Foreign currency monetary assets and monetary liabilities at the balance sheet date are translated at the rate of exchange prevailing on that date. The exchange difference arising from foreign currency transactions and premium on forward contracts are amortized as expenses or income over the life of the contract.

11 Retirement and other employee benefits

a Short-term employee benefits

Short-term employee benefits including salaries, social security contributions, short term compensated absences (such as paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related employee service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non monetary benefits (such as medical care) for current employees are estimated and measured on an undiscounted basis.

b Defined contribution plans

Company's contributions paid/payable during the year are recognized in the Profit and Loss Account.

c Defined benefit plans

The Company provides for gratuity in accordance with the Payment of Gratuity Act, 1972, a defined benefit retirement plan (the Plan) covering all employees. The plan, subject to the provisions of the above Act, provides a lump sum payment to eligible employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Gratuity liability is accrued and provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

12 Income taxes

a Income tax

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

b Deferred tax

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed

PHOTON CAPITAL ADVISORS LIMITED

depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

13 Segment reporting

Identification of segments

The Company's business is organized in two segments - Financial services and Investment services. Accordingly, these divisions comprise the primary basis of segment information. The Company caters to Indian markets and as such there are no reportable geographical segments. All the assets are also located in India.

The generally accepted accounting principles used in the preparation of the financial statements are applied to record revenue and expenditure in individual segments

Revenue and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while other costs, wherever allocable, is apportioned to the segments on an appropriate basis. Certain expenses are not specifically allocable to individual segments as the underlying services are used inter changeably. The Company believes that it is not practicable to provide segment disclosures relating to such expenses, and accordingly such expenses are separately disclosed as 'unallocated' and directly charged to total income.

14 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

15 Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

16 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

17 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

18 Derivative instruments

In accordance with the ICAI announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

19 Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs and tax expense.

for and on behalf of the Board

Hyderabad
Dated : 29-05-2014

Sd/-
Tejaswy Nandury
Whole time director

Sd/-
V. R. Shankara
Director

PHOTON CAPITAL ADVISORS LIMITED

II. Notes to accounts

Amount in rupees unless otherwise stated

Particulars	31-Mar-14	31-Mar-13
1 Share capital		
Authorised share capital		
40,00,000 Equity shares of Rs 10/- each	40,000,000	40,000,000
Total of authorised share capital	40,000,000	40,000,000
Issued, subscribed and paid-up capital		
15,13,694 equity shares of Rs.10/- for cash, fully paid	15,136,940	15,136,940
Total of issued, subscribed and fully paid up share capital	15,136,940	15,136,940

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

Equity shares	31-Mar-14		31-Mar-13	
	No of Shares	Value	No of Shares	Value
At the beginning of the period	1,513,694	15,136,940	1,513,694	15,136,940
Issued during the period	-	-	-	-
Outstanding at the end of the period	1,513,694	15,136,940	1,513,694	15,136,940

(b) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2014		As at March 31, 2013	
	%	Number of shares	%	Number of shares
Sobharani Nandury	30.88	467,416	30.88	467,416
Tejaswy Nandury	32.99	499,440	32.99	499,440

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

2 Reserves and surplus

Particulars	31-Mar-14	31-Mar-13
A. Capital reserve	255,545	255,545
B. Statutory reserve	32,244,767	32,244,767
C. General reserve		
Opening balance	75,464,418	75,464,418
Add: Transferred from statement of profit & loss account	-	-
Closing balance	75,464,418	75,464,418
D. Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	164,693	73,534,067
Profit / (loss) for the year	(13,044,607)	(73,369,374)
Net surplus / (deficit) in the statement of profit and loss	(12,879,914)	164,693
Total (A+B+C+D)	95,084,816	108,129,423

3 Provisions

Particulars	Long-term		Short-term	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
Provision for leave encashment	-	-	6,049	1,652
Provision for loss on commodities futures	-	-	-	144,000
Provision for gratuity	71,672	121,636	576	-
Total	71,672	121,636	6,625	145,652

4 Other current liabilities

Particulars	31-Mar-14	31-Mar-13
Trade payables - other than micro small and medium enterprises	349,390	722,790
Other liabilities		
-TDS payable	19,625	31,665
Total	19,625	31,665

There are no Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. This information has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

**II. Notes to accounts
5. Fixed assets**

Amount in rupees unless otherwise stated

Description	Gross block at cost				Accumulated depreciation			Net book value	
	1-Apr-13	Additions during the year	Deletions during the year	31-Mar-14	1-Apr-13	Charge for the year	Deletions during the year	31-Mar-14	31-Mar-13
Tangible Assets									
Furniture	1,049,278	-	-	1,049,278	354,685	66,419	-	421,104	694,592
Electrical fittings	987,704	-	-	987,704	261,706	46,916	-	308,622	725,998
Computer equipment	719,378	-	-	719,378	423,496	116,611	-	540,107	295,882
Office equipments	1,190,212	-	-	1,190,212	396,592	84,148	-	480,740	793,620
Total of tangible assets	3,946,572	-	-	3,946,572	1,436,479	314,094	-	1,750,573	2,510,092
Previous year	3,747,965	198,607	-	3,946,572	1,085,572	350,907	-	1,436,479	2,662,393

PHOTON CAPITAL ADVISORS LIMITED

6 Deferred tax asset/liability

Amount in rupees unless otherwise stated

Particulars	31-Mar-14	31-Mar-13
Deferred tax asset		
Impact of difference between depreciation / amortization charged for the financial reporting and tax depreciation	221,423	262,836
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	167,194	100,860
Carry forward of business loss	38,728,165	33,693,279
Deferred tax asset as at March 2014	39,116,782	-
Deferred tax asset as at March 2013	34,056,975	34,056,975
Deferred tax expenses / (income)	(5,059,807)	(34,056,975)

7 Loans and advances

Particulars	Non-current		Current	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
Unsecured, considered good				
Advances recoverable in cash or kind	-	-	6,448	5,975
Security deposits	-	-	60,625	81,050
Balances with government authorities				
- Advance income-tax (net of provision for taxation)	348,676	3,161,678	-	-
Total	348,676	3,161,678	67,073	87,025

8 Investments

Current				
Investment in equity instruments	-	-	10,587,009	3,500
Less: Provision for diminution	-	-	(458,870)	-
Book value of Investments in equity	-	-	10,128,139	3,500
Investment in mutual fund	-	-	52,780,424	76,987,351
Total of quoted investment (A)	-	-	62,908,563	76,990,851
Investments in unquoted equity instruments				
Investment in subsidiary	5,000,000	-	-	-
Others	-	-	781,000	781,800
Less: Provision for diminution	-	-	781,000	781,800
Total of unquoted investment (B)	5,000,000	-	-	-
Total (A+B)	5,000,000	-	62,908,563	76,990,851

Market value of quoted investments as on balance sheet date	31-Mar-14	31-Mar-13
Market value of equity investments	11,727,017	23,100
Net asset value of mutual funds	55,340,164	76,987,351

(i) Of above, investment in mutual fund of Rs. 47,05,716 is put as collateral security with brokers.

(ii) Current investments are valued at lower of cost or market value

9 Cash and bank balances

Particulars	Non-current		Current	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
A. Cash and cash equivalents				
Balances with banks:				
- On current accounts	-	-	760,477	855,227
Cash on hand	-	-	20,576	4,531
Total	-	-	781,053	859,758

PHOTON CAPITAL ADVISORS LIMITED

10 Other Assets

Amount in rupees unless otherwise stated

Particulars	Non-current		Current	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
Deposit for margin money	-	-	47,671	2,996,839
Interest accrued on fixed deposits	-	-	9,948	6,466
Prepaid expenses	-	-	171,270	473,428
Accrued dividend	-	-	22,033	167,587
Income tax refund receivable	-	-	-	2,977,407
Total	-	-	250,922	6,621,727

Particulars		2013-14	2012-13
11	Revenue from operations		
	Revenue from trading in:		
	- Currency futures	-	2,040,083
	- Commodities	16,923,058	-
	Revenue from operations (net)	16,923,058	2,040,083
12	Other income		
	Interest income on bank deposits	160,085	3,085,078
	Interest received on Income tax refund	486,407	-
	Dividend income	1,004,000	3,154,968
	Other non-operating income	-	1,648,414
	Total	1,650,492	7,888,460
13	Loss from investment activities		
	Loss from trading in (A):		
	- Equity index futures	18,137,952	66,841,582
	- Currency futures	7,023,086	-
	- Commodity futures	-	34,219,568
	Loss on sale of investment (B)	4,206,663	6,786,310
	Total (A+B)	29,367,701	107,847,460
14	Employee benefits expense		
	Salaries, wages and bonus	2,462,961	3,531,584
	Staff welfare expenses	65,610	80,333
	Total	2,528,571	3,611,917
15	Other expenses		
	Audit fees (refer note below)	293,071	291,188
	Power and fuel	91,066	92,209
	Rent	330,000	553,000
	Rates and taxes	87,178	86,310
	Pledge charges	71	276,989
	Insurance	2,009	8,818
	Consultancy charges	993,368	1,948,434
	Buildings	24,000	42,000
	Others	264,448	435,338
	Traveling and conveyance	715,921	95,884
	Communication costs	176,456	276,662
	Provision for diminution in value of investments	458,870	-
	Office maintenance	49,432	116,246
	Loss on commodities futures	-	144,000
	Subscriptions and membership	223,597	223,814
	Printing & stationary	165,285	213,615
	Bank charges	4,613	5,468
	Software charges	5,899	165,316
	Miscellaneous expenses	582,314	569,317
	Total	4,467,598	5,544,608

PHOTON CAPITAL ADVISORS LIMITED

Amount in rupees unless otherwise stated

Particulars		2013-14	2012-13
Payment to auditor			
As auditor:			
Audit fee*		202,248	202,248
Tax audit fee*		22,472	22,472
In other capacity:			
Other services (certification fees)*		56,180	56,180
Reimbursement of expenses		12,171	10,288
* Includes service tax			
Total		293,071	291,188
16 Depreciation and amortisation expenses			
Depreciation of tangible assets		314,094	350,907
Total		314,094	350,907
17 Earnings per share			
The following reflects the profit and equity share data used in the basic and diluted EPS computations :			
Total operations for the year			
Profit / (loss) after tax		(13,044,607)	(73,369,374)
Net profit / (loss) for calculation of basic and diluted EPS		(13,044,607)	(73,369,374)
Weighted average number of equity shares in calculating basic EPS		1,513,694	1,513,694
Earnings per share - basic and diluted		(8.62)	(48.47)
18 Gratuity			
The following tables summaries the components of net benefit expense recognised in the profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans			
Reconciliation of opening and closing balances of the present value of defined benefit obligation			
Obligations at the beginning of the period		165,212	53,892
Current service cost		6,784	10,782
Interest cost		13,217	4,311
Actuarial (gain) / loss		(29,653)	196,750
Benefits paid		(75,392)	(100,523)
Obligations at the period end		80,168	165,212
Reconciliation of opening and closing balances of the Plan assets			
Plan assets at period beginning, at fair value		43,577	109,360
Expected return on plan assets		4,686	4,124
Actuarial gain / (loss)		-	-
Contribution from employer		35,049	30,616
Benefits paid		(75,392)	(100,523)
Plan assets at year end, at fair value		7,920	43,577
Reconciliation between defined benefit obligation and plan assets			
Fair Value of plan assets at the end of the period		7,920	43,577
Present value of defined benefit obligations at the end of the period		(80,168)	(165,212)
Asset/(Liability) recognised in the balance sheet		(72,248)	(121,635)
Gratuity cost for the year			
Current service cost		6,784	10,782
Interest cost		13,217	4,311
Expected return on plan assets		(4,686)	(4,124)
Actuarial (gain) / losses		(29,653)	196,750
Net gratuity cost		(14,338)	207,719
Assumptions:			
Discount rate		8%	8%
Salary escalation		4%	4%

PHOTON CAPITAL ADVISORS LIMITED

Amount in rupees unless otherwise stated

Particulars	Amount Outstanding	Market Value	
4. Break-up of Investments :			
<i>Current investments :</i>			
1. <i>Quoted :</i>			
(i) Shares : (a) Equity	10,128,139	11,727,017	
(b) Preference	Nil	Not applicable	
(ii) Debentures and Bonds	Nil	Not applicable	
(iii) Units of mutual funds	52,780,424	55,340,164	
(iv) Government Securities	Nil	Not applicable	
(v) Others Nil	Not applicable		
2. <i>Unquoted :</i>			
(i) Shares : (a) Equity	Nil	Not applicable	
(b) Preference	Nil	Not applicable	
(ii) Debentures and Bonds	Nil	Not applicable	
(iii) Units of mutual funds	Nil	Not applicable	
(iv) Government Securities	Nil	Not applicable	
(v) Others Nil	Not applicable		
<i>Long term investments :</i>			
1. <i>Quoted :</i>			
(i) Shares : (a) Equity	Nil	Not applicable	
(b) Preference	Nil	Not applicable	
(ii) Debentures and bonds	Nil	Not applicable	
(iii) Units of mutual funds	Nil	Not applicable	
(iv) Government securities	Nil	Not applicable	
(v) Others	Nil	Not applicable	
2. <i>Unquoted :</i>			
(i) Shares : (a) Equity	5,000,000	Not applicable	
(b) Preference	Nil	Not applicable	
(ii) Debentures and bonds	Nil	Not applicable	
(iii) Units of mutual funds	Nil	Not applicable	
(iv) Government securities	Nil	Not applicable	
(v) Others	Nil	Not applicable	
5. Borrower group-wise classification of assets financed as in (2) and (3) above :			
Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties - As per Accounting standard 18 issued by ICAI			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	Nil	Nil
Total	Nil	Nil	Nil
6. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :			
Category	Market value / Break up or fair value or NAV	Book value (Net of Provisions)	
1. Related Parties - As per Accounting standard 18 issued by ICAI			
(a) Subsidiaries	Nil	Nil	
(b) Companies in the same group	Nil	Nil	
(c) Other related parties	Nil	Nil	
2. Other than related parties	67,067,181	62,908,563	
Total	Nil	Nil	

PHOTON CAPITAL ADVISORS LIMITED

Amount in rupees unless otherwise stated

Particulars	Amount
7. Other information	
(i) Gross Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
(ii) Net Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
(iii) Assets acquired in satisfaction of debt	Nil

- 22 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.
The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
- 23 Value of imports on C.I.F. basis Rs. Nil (Previous year Rs. Nil)
- 24 Earnings in foreign currency Rs. Nil (Previous year Rs. Nil)
- 24 Expenditure incurred in foreign currency Rs. 2,33,780/- (Previous year Rs. Nil)
- 26 Dividend remitted in foreign currency Rs. Nil (Previous year Rs. Nil)
- 27 There are no loans and advances in the nature of loans to associates outstanding, accordingly disclosure under clause 32 of the listing agreement is not applicable.
- 28 All numbers mentioned in the financial statements are denominated in Indian Rupees (Rs.) unless otherwise mentioned as such.
- 29 Previous year figures have been regrouped / reclassified, wherever necessary, to conform to current year presentation.

for and on behalf of the Board

Hyderabad
Dated : 29-05-2014

Sd/-
Tejaswy Nandury
Whole time Director

Sd/-
V. R. Shankara
Director

PHOTON CAPITAL ADVISORS LIMITED

DETAILS OF INVESTMENTS PURCHASED, REINVESTED AND SOLD DURING THE YEAR:

Government and Trust Securities: Nil

Quoted-equity shares

	Purchased		Sales	
	Quantity	Amount	Quantity	Amount
Indian Bank	4,270	451,726	4,270	454,919
Steel Authority of India	34,966	2,256,057	34,966	2,300,908
Tata Steel Limited	8,893	3,154,495	6,661	2,266,168
Persistent Systems	1,494	1,126,448	1,494	1,198,872
Federal Bank Limited	40,510	3,385,525	40,510	3,128,528
Sintex Industries Ltd	49,000	1,578,337	37,914	1,241,916
Justdial Limited	5,362	5,895,774	5,362	5,921,626
VOLTAMP TRANSFORMERS LTD	3,000	1,485,839	3,000	1,311,691
HIMADRI CHEMICALS AND INDUSTRIES	56,263	1,333,731	56,263	1,202,680
BAJAJ FINANCE LIMITED	5,000	7,904,704	5,000	7,335,912
Liquid Benchmark ETS	82,014	82,024,323	154,284	154,261,669
ADANI ENTERPRISES	12,000	2,258,011	12,000	2,348,254
APOLLO HOSPITALS	16,930	18,246,584	16,930	16,377,472
BAJAJ FIN SER LTD	3,000	2,129,395	3,000	2,092,575
GLENMARK PHARMACEUTICALS LTD	26,500	15,388,056	26,500	15,178,309
BANK OF BARODA	3,392	2,301,749	3,392	2,039,517
Reliance Communications	130,600	15,015,568	130,600	14,534,238
ICICI BANK LTD	1,000	1,130,750	1,000	1,044,127
ZEE ENTERTAINMENT ENTERPRISES	59,750	15,030,441	59,750	14,548,483
LARSEN & TOUBRO LTD	2,079	2,026,847	1,212	1,160,466
Karnataka Bank Limited	32,090	3,380,670	32,090	3,236,305
LIC Housing Finance	5,000	1,129,733	5,000	1,064,656
Jai Prakash Associates	50,102	2,401,250	41,994	1,862,364
Dhanalakshmi Bank Ltd	24,725	1,126,885	24,725	1,083,083
VST Tillers Tractor	705	471,267		
LUPIN LIMITED	19,000	14,784,361	19,000	14,601,765
Aban Offshore Ltd	10,248	3,382,465	4,324	1,050,225
Action Const Equipment	59,000	902,511		
Bank of India Ltd	17,071	3,888,977	17,071	3,755,847
Bharat Forge Ltd	3,950	1,126,817	3,950	1,158,965
Escorts India Ltd	34,810	4,056,033	21,400	2,219,078
HCL TECHNOLOGIES LTD	1,026	1,127,049	1,026	1,091,172
InfoTech Enterprises	1,185	450,367		
Jindal Steel & Power	4,370	1,128,035	4,370	1,067,651
Nucleus Software & Exports Ltd	1,371	225,100	1	196
Punj Lloyd Ltd	82,800	2,388,971	82,800	2,323,003
PUNJAB NATIONAL BANK LTD	3,946	2,287,475	3,946	2,064,120
STATE BANK OF INDIA	4,850	11,492,054	4,850	11,502,254
Suzlon Energy Ltd	353,100	3,671,285	235,000	2,175,225
Tata Consultancy Services	530	1,129,518	530	1,103,731
TECH MAHINDRA LTD	262	451,450		
		245,126,632		301,307,967

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF
PHOTON CAPITAL ADVISORS LIMITED

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Photon Capital Advisors Limited ('the Company') and its subsidiary (collectively referred as 'the Group'), which comprise the consolidated balance sheet as at March 31, 2014, consolidated statement of profit and loss and the Consolidated cash flow statement for the year ended and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

The Company's management is responsible for preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flow of the group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

As stated in Other Matters paragraph below, our opinion, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries, jointly controlled entities and associates not audited by us, is based solely on the reports of such other auditors.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the separate audit reports on the financial statements/financial information of the subsidiary referred to below in the Other Matters paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- (ii) in the case of the Consolidated Profit and Loss Account, of the loss of the Group for the year ended on that date; and
- (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters

We did not audit the financial statements of subsidiary, whose financial statements reflect total assets of Rs 81.20 Lakhs as at March 31, 2014, total revenue of Rs 2.67 Lakhs and cash flows amounting to Rs 111.64 Lakhs for the year ended on that date as considered in the Consolidated Financial Statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in respect of these subsidiaries is based solely on the report of other auditors.

Our opinion is not qualified in respect of these matters.

for **K. Vijayaraghavan & Associates**
Chartered Accountants
Firm Registration No: 004718S

Sd/-
K. Ragnathan
Partner
Membership No.213723

Date : Hyderabad
Place : May 29, 2014

PHOTON CAPITAL ADVISORS LIMITED

Consolidated Balance Sheet as at

Amount in rupees unless otherwise stated

Particulars	Note No	31 March 2014
Equity and liabilities		
Shareholders' funds		
Share capital	II (1)	15,136,940
Reserves and surplus	II (2)	97,514,327
		112,651,267
Minority Interest		7,578,100
Non-current liabilities		
Long-term Borrowings	II (3)	930,343
Long-term provisions	II (4)	71,672
		8,580,115
Current liabilities		
Trade payables	II (6)	349,390
Other current liabilities	II (6)	482,757
Short-term provisions	II (3)	6,625
		838,772
TOTAL		122,070,154
Assets		
Non-current assets		
Tangible assets	II (5)	2,220,126
Deferred tax assets (net)	II (7)	39,122,244
Long-term loans and advances	II (8)	460,439
		41,802,810
Current assets		
Current investments	II (9)	68,004,104
Cash and bank balances	II (10)	11,945,245
Short-term loans and advances	II (8)	67,074
Other current assets	II (11)	250,922
		80,267,345
TOTAL		122,070,154
Summary of significant accounting policies and notes to accounts	I	

In terms of our report of even date attached

for **K. Vijayaraghavan & Associates**

Chartered Accountants

Firm Registration No. : 004718S

for and on behalf of the Board

Sd/-

K. Ragnathan

Partner

Membership No.: 213723

Sd/-

Tejaswy Nandury

Whole Time Director

Sd/-

V. R. Shankara

Director

Hyderabad

Dated : 29-05-2014

PHOTON CAPITAL ADVISORS LIMITED

Statement of Consolidated Profit and Loss for the year ended

Amount in rupees unless otherwise stated

Particulars	Note No	31 March 2014
Income		
Revenue from operations	II (12)	16,923,058
Other income	II (13)	1,912,155
Total revenue (I)		18,835,213
Expenses		
Loss from investment activities	II (14)	29,367,701
Employee benefits expenses	II (15)	2,528,571
Other expenses	II (16)	4,686,855
Total (II)		36,583,127
Earnings before interest, tax, depreciation and amortisation -EBITDA (I)-(II)		(17,747,914)
Depreciation and amortisation expense	II (17)	320,168
Profit/(loss) before tax and prior period		(18,068,082)
Tax expenses:		
Current tax		11,109
Deferred tax		(5,054,894)
Total tax expense		(5,043,785)
Profit/(loss) for the year before prior period		(13,024,297)
Prior Period Expense		(73,466)
Net Profit/(loss) for the year		(13,097,763)
Earnings per equity share - basic & diluted	II (18)	(8.65)
Summary of significant accounting policies and notes to accounts	I	

In terms of our report of even date attached

for **K. Vijayaraghavan & Associates**
Chartered Accountants
Firm Registration No.: 004718S

for and on behalf of the Board

Sd/-
K. Ragnathan
Partner
Membership No.: 213723

Sd/-
Tejaswy Nandury
Whole Time Director

Sd/-
V. R. Shankara
Director

Hyderabad
Dated : 29-05-2014

PHOTON CAPITAL ADVISORS LIMITED

Statement of Consolidated cash flow for the year ended

Amount in rupees unless otherwise stated

Particulars	31 March 2014
(I) Cash flows from operating activities	
Profit / (loss) before taxation	(18,141,548)
Adjustments for:	-
Depreciation and amortisation	320,168
Interest on fixed deposits	(378,773)
Interest on tax refund	(486,407)
Diminution in value of investments	458,870
Adjustment of rent from deposit	24,750
Provision for gratuity	(49,387)
(Profit) / loss on sale of investments	4,206,663
Dividends	(1,004,000)
Operating profit before working capital changes	(15,049,664)
(Increase)/decrease in current assets	3,392,078
(Increase)/decrease in long term loans and advances	7,734
Increase/(decrease) in current liabilities and provisions	(588,536)
Cash generated from operations	(12,238,389)
Net Income tax refund received (including interest)	6,281,412
Net cash provided from operating activities	(5,956,977)
(II) Cash flow from investing activities	
Purchase of investment	(360,289,351)
Proceeds from sale of investments	365,798,874
Interest received on fixed deposits	359,586
Dividends received	23,855
Net cash used in investing activities	5,892,964
Cash flow from financing activities	
Proceeds from issuance of equity share capital in subsidiary	5,000,000
(III) Cash flow from financing activities	5,000,000
Net Increase in cash and cash equivalents	4,935,987
Cash and cash equivalent at the beginning of the period	7,009,258
Cash and cash equivalent at the end of the period (refer note II (10))	11,945,245

Notes

- The above cash flow statement has been prepared under Indirect method as per Accounting Standard 3 "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.
- Figures in bracket indicate cash outgo, except for adjustments for operating activities.

In terms of our report of even date attached

for **K. Vijayaraghavan & Associates**
Chartered Accountants
Firm Registration No.: 004718S

for and on behalf of the Board

Sd/-
K. Ragunathan
Partner
Membership No.: 213723

Sd/-
Tejaswy Nandury
Whole Time Director

Sd/-
V. R. Shankara
Director

Hyderabad
Dated : 29-05-2014

PHOTON CAPITAL ADVISORS LIMITED

I. Significant accounting policies

1 Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards issued by the Institute of Chartered Accountants of India.

2 Principles of consolidation

The consolidated financial statements have been prepared on the following basis:

- a The financial statements of the Company and its subsidiary company have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and unrealised profits or losses on intra-group transactions as per Accounting Standard (AS) 21 - "Consolidated Financial Statements" notified by the Companies (Accounting Standards) Rules, 2006 as amended from time to time.
- b The financial statements of the subsidiary used in the consolidation are drawn up to the same reporting date as that of the Company, i.e. March 31, 2014.
- c The excess of cost to the Company, of its investment in the subsidiary over the Company's share of equity is recognised in the financial statements as Goodwill and tested for impairment annually.
- d The excess of the Company's share of equity of the subsidiary on the acquisition date, over its cost of investment is treated as Capital Reserve.
- e Minority interest in the net assets of the consolidated subsidiary is identified and presented in consolidated balance sheet separately from current liabilities and equity of the company
- f Minority Interest in the net assets of consolidated subsidiary consists of:
 - i) The amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
 - ii) The minorities' share of movements in the equity since the date the parent subsidiary relationship came into existence.
- g Minority interest in the net profit for the year of consolidated subsidiaries is identified and adjusted against the profit after tax of the group
- h The consolidated financial statements are prepared to the extent possible using uniform accounting policies for like transactions and other events in similar circumstances and are presented to extent possible, in the same manner as the Company's separate financial statements.

3 Use of estimates

The preparation of financial statements, in conformity with GAAP, requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

4 Tangible fixed assets

Fixed assets are stated at their original cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any other attributable cost of bringing the asset to its working condition for its intended use. Capital work in progress includes advances paid to acquire fixed assets and cost of assets not ready for intended use before the balance sheet date.

5 Intangible assets

Portfolio Management Fees are amortized on straight line basis over their expected useful life in line with Accounting Standard 26 "Intangible Assets" issued by the Institute of Chartered Accountants of India.

6 Depreciation on tangible fixed assets

Depreciation on assets is provided on straight-line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 except for lease hold improvement which are depreciated over the period of lease.

Depreciation on fixed assets added / disposed off during the year is provided on pro-rata basis with reference to the month of addition / disposal. Individual assets costing less than Rs. 5,000 are depreciated in full in the year of purchase.

7 Leases

- (i) Assets acquired under lease where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalized at the inception of lease at lower of the fair value and present value of minimum lease payments.

- (ii) Assets acquired under lease where the significant portion of risks and rewards of ownership are retained by the lesser are classified as operating lease. Lease rentals are charged to profit and loss account on accrual basis.

8 Impairment of tangible and intangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

9 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

- (i) Long term investments are carried at cost. Diminution in the value of investments, other than temporary, is provided for
- (ii) Current investments are carried at lower of cost and fair value
- (iii) Unlisted and not-actively traded investments are stated at their cost of acquisition less provision for diminution in the value.

10 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

a Income from services

Revenues from maintenance contracts are recognized pro-rata over the period of the contract as and when services are rendered. The company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

b Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

c Dividends

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

11 Foreign currency transactions

The transactions in foreign currency are accounted at the exchange rate prevailing on the date of transaction. Foreign currency monetary assets and monetary liabilities at the balance sheet date are translated at the rate of exchange prevailing on that date. The exchange difference arising from foreign currency transactions and premium on forward contracts are amortized as expenses or income over the life of the contract.

12 Retirement and other employee benefits

a Short-term employee benefits

Short-term employee benefits including salaries, social security contributions, short term compensated absences (such as paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related employee service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non monetary benefits (such as medical care) for current employees are estimated and measured on an undiscounted basis.

b Defined contribution plans

Company's contributions paid/payable during the year are recognized in the Profit and Loss Account.

c Defined benefit plans

The Company provides for gratuity in accordance with the Payment of Gratuity Act, 1972, a defined benefit retirement plan (the Plan) covering all employees. The plan, subject to the provisions of the above Act, provides a lump sum payment to eligible employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Gratuity liability is accrued and provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

13 Income taxes**a Income tax**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rate and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

b Deferred tax

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

14 Segment reporting**Identification of segments**

The Company's business is organized in two segments - Financial services and Investment services. Accordingly, these divisions comprise the primary basis of segment information. The Company caters to Indian markets and as such there are no reportable geographical segments. All the assets are also located in India.

The generally accepted accounting principles used in the preparation of the financial statements are applied to record revenue and expenditure in individual segments

Revenue and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while other costs, wherever allocable, is apportioned to the segments on an appropriate basis. Certain expenses are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company believes that it is not practicable to provide segment disclosures relating to such expenses, and accordingly such expenses are separately disclosed as 'unallocated' and directly charged to total income.

15 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

16 Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

17 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent

PHOTON CAPITAL ADVISORS LIMITED

liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

18 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

19 Derivative instruments

In accordance with the ICAI announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

20 Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs and tax expense.

for and on behalf of the Board

Hyderabad
Dated : 29-05-2014

Sd/-
Tejaswy Nandury
Whole time director

Sd/-
V. R. Shankara
Director

PHOTON CAPITAL ADVISORS LIMITED

II Consolidated Notes to accounts

Amount in rupees unless otherwise stated

Particulars		31-Mar-14
1 Share capital		
Authorised share capital		
40,00,000 Equity shares of Rs 10/- each		40,000,000
Total of authorised share capital		40,000,000
Issued, subscribed and paid-up capital		
15,13,694 equity shares of Rs.10/- for cash, fully paid		15,136,940
Total of issued, subscribed and fully paid up share capital		15,136,940

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

Equity shares	31-Mar-14	
	No of Shares	Value
At the beginning of the period	1,513,694	15,136,940
Issued during the period	-	-
Outstanding at the end of the period	1,513,694	15,136,940

(b) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2014	
	No of Shares	%
Sobharani Nandury	30.88	467,416
Tejaswy Nandury	32.99	499,440

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Particulars		31-Mar-14
2 Reserves and surplus		
A. Capital reserve (refer note (i))		2,738,212
B. Statutory reserve		32,244,767
C. General reserve		
Opening balance		75,464,418
Add: Transferred from statement of profit & loss		-
Closing balance		75,464,418
D. Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements		164,693
Profit / (loss) for the year		(13,097,763)
Reserves and Surplus attributable to Photon Capital Advisors Limited		
Net surplus / (deficit) in the statement of profit and loss		(12,933,070)
Total (A+B+C+D)		97,514,327

(i) Includes Capital Reserve on account of consolidation of subsidiary amounting to Rs 2,482,667/-, the working for which are as follows:

Particulars	Amount (Rs)
Net Assets of Soven Management Associates Private Limited	15,060,767
Minority Interest - 50.50%	7,578,100
Photon investment in Soven Management Associates Private Limited - 49.50%	5,000,000
Capital Reserve	2,482,667

Particulars		31-Mar-14
3 Long term borrowings		
Long term borrowings from related parties		
Directors		930,343
Total		930,343

PHOTON CAPITAL ADVISORS LIMITED

Amount in rupees unless otherwise stated

4 Provisions

Particulars	31-Mar-14	
	Long-term	Short-term
Provision for Leave Encashment	-	6,049
Provision for gratuity	71,672	576
Total	71,672	6,625

II. Consolidated Notes to accounts

5. Fixed assets

Amount in rupees unless otherwise stated

Description	Gross block at cost		Accumulated depreciation		Net book value	
	1-Apr-13	31-Mar-14	1-Apr-13	31-Mar-14	31-Mar-14	31-Mar-13
Tangible Assets						
Furniture	1,317,583	1,317,583	595,561	666,945	650,638	722,022
Electrical fittings	987,704	987,704	261,706	308,622	679,082	725,998
Computer equipment	828,378	828,378	529,724	647,444	180,934	298,654
Office equipments	1,190,212	1,190,212	396,592	480,740	709,472	793,620
Total of tangible assets	4,323,877	4,323,877	1,783,583	2,103,751	2,220,126	2,540,294

PHOTON CAPITAL ADVISORS LIMITED

6 Other current liabilities

Amount in rupees unless otherwise stated

Particulars	31-Mar-14
(i) Trade payables - other than micro small and medium enterprises	349,390
(ii) Other liabilities	
TDS payable	19,625
Others	463,132
Total	482,757

There are no Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. This information has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

7 Deferred tax asset (net)

Particulars	31-Mar-14
Deferred tax asset	
Impact of difference between depreciation / amortization charged for the financial reporting and tax depreciation	226,884
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	167,194
Carry forward of business loss	38,728,166
Deferred tax asset as at March 2014	39,122,244
Deferred tax asset as at March 2013	34,067,350
Deferred tax (expense) / income	5,054,894

8 Loans and advances

Particulars	31-Mar-14	
	Non-current	Current
Unsecured, considered good		
Advances recoverable in cash or kind	-	6,449
Security deposits	-	60,625
Other Advances	35,272	-
Balances with government authorities		
- Advance income-tax (net of provision for taxation)	425,167	-
Total	460,439	67,074
9 Investments		
Investment in quoted equity instruments	-	10,587,009
Less: Provision for diminution	-	(458,870)
Book value of investments in equity	-	10,128,139
Investment in mutual fund	-	52,780,424
Total of quoted investment (A)	-	62,908,563
Investment in unquoted equity instruments	-	5,095,541
Total of unquoted investment (B)	-	5,095,541
Total (A+B)	-	68,004,104

Market Values of Quoted Investments as on Balance sheet date **31-Mar-14**

Market Value of Equity Investments 11,727,017

Net Asset Value of Mutual Funds 55,340,164

- Of above, investment in mutual fund of Rs. 47,05,716 as on 31st March, 2014 is put as collateral security with brokers.
- Current investments are valued at lower of cost or market value.

PHOTON CAPITAL ADVISORS LIMITED

Amount in rupees unless otherwise stated

10 Cash and bank balances	Particulars	31-Mar-14	
		Non-current	Current
Cash and cash equivalents			
Balances with banks:			
	– On current accounts	-	11,921,809
	Cash on hand	-	23,436
	Total	-	11,945,245
11 Other Assets			
	Deposit for margin money	-	47,671
	Interest accrued on fixed deposits	-	9,948
	Prepaid expenses	-	171,270
	Accrued dividend	-	22,033
	Total	-	250,922
12 Revenue from operations			
Particulars		2013-14	
Revenue from operations			
- Commodities		16,923,058	
Revenue from operations (net)		16,923,058	
13 Other income			
Interest income on bank deposits		378,773	
Interest received on Income tax refund		486,407	
Dividend income		1,004,000	
Other non-operating income		42,975	
Total		1,912,155	
14 Loss from investment activities			
Loss from:			
- Equity index futures		18,137,952	
- Loss on sale of investment		4,206,663	
- Currency futures		7,023,086	
Total		29,367,701	
15 Employee benefits expense			
Salaries, wages and bonus		2,462,961	
Staff welfare expenses		65,610	
Total		2,528,571	
16 Other expenses			
Power and fuel		91,066	
Rent		330,000	
Rates and taxes		255,778	
Pledge charges		71	
Insurance		2,009	
Consultancy charges		1,037,340	
Repairs and maintenance			
Buildings		24,000	
Others		264,448	
Advertising and sales promotion		326,649	
Traveling and conveyance		715,921	
Communication costs		176,456	
Provision for diminution in value of investments		458,870	
Office maintenance		49,432	

PHOTON CAPITAL ADVISORS LIMITED

Amount in rupees unless otherwise stated

Particulars	2013-14
Subscriptions and membership	223,597
Printing & stationary	165,285
Bank charges	6,298
Software charges	5,899
Miscellaneous expenses	255,665
Total	4,388,784
Payment to auditor	
As auditor:	
Audit fee*	207,248
Tax audit fee*	22,472
In other capacity:	
Other services (certification fees)*	56,180
Reimbursement of expenses	12,171
Total	298,071
* Includes service tax	
17 Depreciation and amortisation expenses	
Depreciation of tangible assets	320,168
Total	320,168
18 Earnings per Share	
The following reflects the profit and equity share data used in the basic and diluted EPS computations:	
Total operations for the year	
Profit / (loss) after tax	(13,097,763)
Net profit / (loss) for calculation of basic and diluted EPS	(13,097,763)
Weighted average number of equity shares in calculating basic EPS	1,513,694
Earnings per share - basic and diluted	(8.65)
19 Gratuity	
The following tables summaries the components of net benefit expense recognised in the profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans.	
Reconciliation of opening and closing balances of the present value of defined benefit obligation	
Obligations at the beginning of the period	165,212
Current service cost	6,784
Interest cost	13,217
Actuarial (gain) / loss	(29,653)
Benefits paid	(75,392)
Obligations at the period end	80,168
Reconciliation of opening and closing balances of the Plan assets	
Plan assets at period beginning, at fair value	43,577
Expected return on plan assets	4,686
Actuarial gain / (loss)	-
Contribution from employer	35,049
Benefits paid	(75,392)
Plan assets at year end, at fair value	7,920
Reconciliation between defined benefit obligation and plan assets	
Fair Value of plan assets at the end of the period	7,920
Present value of defined benefit obligations at the end of the period	(80,168)
Asset/(Liability) recognised in the balance sheet	(72,248)

PHOTON CAPITAL ADVISORS LIMITED

Amount in rupees unless otherwise stated

Particulars	2013-14
Gratuity cost for the year	
Current service cost	6,784
Interest cost	13,217
Expected return on plan assets	(4,686)
Actuarial (gain) / losses	(29,653)
Net gratuity cost	(14,338)
Assumptions:	
Discount rate	8%
Salary escalation	4%

20 Related party disclosures

(i) Names of related parties and related party relationship

(a) Key management personnel

Tejaswy Nandury
Sobha Rani Nandury
Vennela Nandury

(b) Enterprises over which key management personnel exercise significant influence

Hifco Consumer Credit Private Limited
Calypto Growth Investment
Nicobar Capital
Nandury Finance and Investment Private Limited
Sobha Advertising services
SAS Premium

(ii) Transactions during the year

Particulars	2013-14
Advertisement Expenditure - Sobha Advertising Services	56,248

(iii) balances outstanding at the year end

Particulars	2013-14
Loan from Mrs. Sobha Rani Nandury	930,343

21 Segment information

The Company does not have any reportable segments as per AS-17 and hence, disclosures are not required to be presented.

PHOTON CAPITAL ADVISORS LIMITED

Amount in rupees unless otherwise stated

22 Balance sheet of a non-deposit taking non-banking financial company

(as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

Particulars	Amount Outstanding
1. Liabilities side :	
Loans and advances availed by non-banking financial company inclusive of interest accrued thereon but not paid :	
(a) Debentures : Secured	Nil
: Unsecured	Nil
(other than falling within the meaning of public deposits)	
(b) Deferred Credits	Nil
(c) Term Loans	Nil
(d) Inter-corporate loans and borrowings	Nil
(e) Commercial Paper	Nil
2. Assets side :	
2.1 Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	
(a) Secured	Nil
(b) Unsecured	Nil
2.2 Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities	
(i) Lease assets including lease rentals under sundry debtors :	
(a) Financial lease	Nil
(b) Operating lease	Nil
(ii) Stock on hire including hire charges under sundry debtors:	
(a) Assets on hire	Nil
(b) Repossessed Assets	Nil
(iii) Other loans counting towards AFC activities	
(a) Loans where assets have been reposed	Nil
(b) Loans other than (a) above	Nil
3. Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	
(i) Lease assets including lease rentals under sundry debtor:	
(a) Finance lease	Nil
(b) Operating lease	Nil
(ii) Stock on hire including hire charges under sundry debtors:	
(a) Assets on hire	Nil
(b) Repossessed Assets	Nil
(iii) Other loans counting towards AFC activities	
(a) Loans where assets have been repossessed	Nil
(b) Loans other than (a) above	Nil

PHOTON CAPITAL ADVISORS LIMITED

Amount in rupees unless otherwise stated

Particulars	Amount Outstanding	Market Value
4. Break-up of Investments :		
<i>Current investments :</i>		
1. <i>Quoted :</i>		
(i) Shares : (a) Equity	10,128,139	11,727,017
(b) Preference	Nil	Not applicable
(ii) Debentures and Bonds	Nil	Not applicable
(iii) Units of mutual funds	52,780,424	55,340,164
(iv) Government Securities	Nil	Not applicable
(v) Others	Nil	Not applicable
2. <i>Unquoted :</i>		
(i) Shares : (a) Equity	5,095,541	Not applicable
(b) Preference	Nil	Not applicable
(ii) Debentures and Bonds	Nil	Not applicable
(iii) Units of mutual funds	Nil	Not applicable
(iv) Government Securities	Nil	Not applicable
(v) Others	Nil	Not applicable
<i>Long term investments :</i>		
1. <i>Quoted :</i>		
(i) Shares : (a) Equity	Nil	Not applicable
(b) Preference	Nil	Not applicable
(ii) Debentures and bonds	Nil	Not applicable
(iii) Units of mutual funds	Nil	Not applicable
(iv) Government securities	Nil	Not applicable
(v) Others	Nil	Not applicable
2. <i>Unquoted :</i>		
(i) Shares : (a) Equity	Nil	Not applicable
(b) Preference	Nil	Not applicable
(ii) Debentures and bonds	Nil	Not applicable
(iii) Units of mutual funds	Nil	Not applicable
(iv) Government securities	Nil	Not applicable
(v) Others	Nil	Not applicable

5. Borrower group-wise classification of assets financed as in (2) and (3) above :

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties - As per Accounting Standard issued by ICAI			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	Nil	Nil
Total	Nil	Nil	Nil

6. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	Market value / Break up or fair value or NAV	Book value (Net of Provisions)
1. Related Parties - As per Accounting Standard issued by ICAI		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	67,067,181	68,004,104
Total	Nil	Nil

PHOTON CAPITAL ADVISORS LIMITED

Amount in rupees unless otherwise stated

7. Other information

	Particulars	Amount
(i)	Gross Non-Performing Assets	
(a)	Related parties	Nil
(b)	Other than related parties	Nil
(ii)	Net Non-Performing Assets	
(a)	Related parties	Nil
(b)	Other than related parties	Nil
(iii)	Assets acquired in satisfaction of debt	Nil

23 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

24 Value of imports on C.I.F. basis Rs. Nil (Previous year Rs. Nil)

25 Earnings in foreign currency Rs. Nil (Previous year Rs. Nil)

26 Expenditure incurred in foreign currency Rs. 2,33,780/- (Previous year Rs. Nil)

27 Dividend remitted in foreign currency Rs. Nil (Previous year Rs. Nil)

28 There are no loans and advances in the nature of loans to associates outstanding, accordingly disclosure under clause 32 of the listing agreement is not applicable.

29 All numbers mentioned in the financial statements are denominated in Indian Rupees (Rs.) unless otherwise mentioned as such.

30 Previous year figures have been regrouped / reclassified, wherever necessary, to conform to current year presentation.

for and on behalf of the Board

Hyderabad
Dated : 29-05-2014

Sd/-
Tejaswy Nandury
Whole Time Director

Sd/-
V. R. Shankara
Director

PHOTON CAPITAL ADVISORS LIMITED

(CIN: L65910TG1983PLC004368)

Regd. Office: Plot No.90-A, Road No.9, Jubilee Hills, Hyderabad –500 033, Telangana
Tel/Fax No: 040-40062950, Website:http://www.pcalindia.com/Email Id :sreedhar@photoncapitalgroup.com

PROXY FORM

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

Name of the Company :	
Registered Office :	
Name of the Member(s) :	
Registered Address :	
E-mail Id :	
Folio No./ Client ID :	
DP ID :	

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

1.of.....having e-mail id.....or failing him
2.of.....having e-mail id.....or failing him
3.of.....having e-mail id.....

and whose signature(s) are appended below as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company, to be held on Monday, the 29th September, 2014 at 10:00 a.m at Plot. No.90-A, Road No.9, Jubilee Hills, Hyderabad – 500 033, Telangana, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote	
		For	Against
Ordinary Business			
1.	Consider and adopt Audited Financial Statements, Reports of the Board of Directors' and Auditors' thereon.		
2.	Appointment of Auditors and fixing their remuneration.		
Special Business			
3.	Appointment of Mrs. Sobha Rani Nandury as Director		
4.	Appointment of Mrs. Suchitra Nandury as Director		
5.	Appointment of Mr. J. Narasimha Rao as an independent Director		
6.	Appointment of Mr. V. R. Shankara as an independent Director		

Signed this day of 2014.

Signature of Shareholder _____

Signature of Proxy holder(s) _____

Affix Re.
0.15/-
Revenue
Stamp

Notes:

1. The proxy duly completed should be deposited at the Registered Office of the Company not less than 48 (Forty Eight) hours before time fixed for holding the meeting.

ATTENDANCE SLIP

I hereby record my presence at the 29th Annual General Meeting of the Company being held on Monday, 29th September, 2014 at 10:00 a.m. at Plot No. 90-A, Road No.9,Jubilee Hills, Hyderabad – 500 033, Telangana.

Name of the Shareholder :

Name of the Proxy :

Signature of Member / Proxy :

Regd. folio/*Client ID :

*Applicable for members holding shares in electronic form.

Note: To be signed and handed over at the entrance of the Registered office of the Company.

Printed Matter

BOOK-POST

If undelivered, please return to:

Photon Capital Advisors Limited

Plot No. 90-A, Road No. 9,

Jubilee Hills, Hyderabad - 500 033.

Phone No. 040 - 4006 2950/+91 99513 39995

Email ID: sreedhar@photoncapitalgroup.com