

Annual Report 2009-10



Corporate Information

Board of Directors

Mr. Shantilal M Jain
Mrs. Bhavridevi Jain
Mr. Siddharth S Jain
Mr. Suresh S Jain
Mr. Smita Jain

Statutory Auditors

Vijay R Tater & Co.

Bankers

Bank of Maharashtra
HDFC Bank Limited
ICICI Bank Limited
State Bank of India
Syndicate Bank

Registrars and Share Transfer Agent

Purva Sharegistry (India) Pvt. Ltd.,
33, Printing House, 28-D, Police Court Lane,
B/h. Old Handloom House, Fort,
Mumbai-400001.

Registered Office

92/B, Mittal Tower, Opp. New Council Hall, Narimal Point, Mumbai 400 021
Tel: +91 -22 -22843144/ 22870278 Telefax: +91-22-22822227

DIRECTORS REPORT

The Members,

Your Directors have pleasure in presenting their Twenty Eighth Report together with the Audited Accounts of the company for the year 31st March 2010.

1. FINANCIAL RESULTS:-

The highlights of the financial results of your company are as follows:

Particulars	(Rs.'000)			
	31.03.2010		31.03.2009	
Gross Income		36596.44		34248.90
Operating Expenditure		40777.81		12020.67
Profit(loss) before Tax, Interest and Depreciation		(4181.37)		22228.23
Less: Interest	1957.48		563.52	
Depreciation	2405.86	4363.34	1754.08	2317.60
Profit(loss) before Tax		(8544.71)		19910.63
Less: Current Tax and deferred tax liability		252.83		2684.77
Profit(Loss) after tax		(8797.54)		17225.86
Add: Balance brought forward from previous year		22753.75		36699.14
Profit available for appropriation		13956.21		53925.00
Less: Proposed Dividend	2697.30		999.00	
Tax on distributed fund	458.41		169.78	
Less: Appropriation Transfer to General Reserve	3500.00		30000.00	
Less : Short Provision for Dividend & Tax thereon	409.07	7064.78	--	31168.78
Surplus/(Deficit) in profit & loss a/c Carried to Balance Sheet		6891.43		22756.22

2. DIRECTORS:

In accordance with the provision of the Company Act, 1956 Suresh S Jain retires by the rotation at the annual general meeting and is eligible for re-appointment.

3. PARTICULARS OF EMPLOYEES:

None of the employees of the company were in receipt of aggregating of remuneration by not less than Rs. 24,00,000/- per annum, if employed for the full year, not less than Rs. 2,00,000/- per month if employed for the part of year. Therefore provisions of section 217(2A) of the companies Act, 1956 are not applicable.

4. AUDITORS:

M/s. Vijay R. Tater & Co., Chartered Accountants, Mumbai, Auditor of the company retire at the conclusion of this Annual General Meeting and are eligible for re-appointment and have offered themselves for re-appointment, if re-appointed so.

5. SECTION 217(1) (e) OF THE COMPANIES ACT, 1956:

The company has no activity relating to conservation of energy or technological absorption. The company did not have foreign exchange earnings or expenditures.

6. AUDITORS REPORT:

The auditors in their report have referred to the notes forming part of the accounts. The said notes on accounts are self- explanatory.

7. LISTING OF SHARES:

The company's share are listed in Mumbai Stock Exchange, Dalal Street, Mumbai- 400 023 and listing fees for the year 2009-10 has been paid in time.

8. DIRECTORS RESPONSIBILITY STATEMENT:

In terms of Section 217(2AA) of the Companies Act, 1956 Directors have:

- a) followed in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure;
- b) selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of company at the end of the financial year and of the profit of your company for that period;
- c) taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provision of the companies act, 1956 for safeguarding the assets of your company and for detecting fraud and other irregularities and
- d) Prepared the annual accounts on a going concern basis.

By Order of the Board

FOR, MUNOTH CAPITAL MARKET LIMITED

PLACE: MUMBAI.

DATE: 06.09.2010

**[SHANTILAL M. JAIN]
CHAIRMAN**



Vijay R. Tater & Co.
Chartered Accountants

105, Chartered House, 293, Dr. Cawasji Hormasji Street, Near Marine Lines Church, Mumbai 400002.
Phone | Fax: 91-22-22019601 | 22061214 | 22068487 | Email: info@cavrt.com

AUDITOR'S REPORT

To,
The Members,
M/S. MUNOTH CAPITAL MARKET LTD.,
Mumbai - 400 021.

- 1) We have audited the attached Balance Sheet of **M/S. MUNOTH CAPITAL MARKET LTD.** as at 31st March, 2010 and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditor's Report) Order, 2003 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956 and in terms of the information and explanations given to us and also on the basis of such checks, as we considered appropriate set out in the Annexure, a statement on the matters specified in paragraph 4 & 5 of the said order.
- 4) Further to our comments in Annexure referred to in paragraph 3 above we report that -
 - a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.



Munoth Capital Market Ltd.
Financial Year 2009-10
Auditor's Report

- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of the books.
- c) The Balance Sheet and Profit & Loss account dealt with by this report are in agreement with the books of accounts.
- d) In our opinion, the Balance sheet and Profit & Loss account have been prepared, in all material respects in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
- e) On the basis of the written representations received from the Directors as on 31st March, 2010, and taken on the record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of clause (g) of the sub-section (1) of section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanation given to us, the said accounts read with the Significant Accounting policies and other notes generally give the information required by the Companies Act, 1956, in the manner so required and also give a true and fair view: -
- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2010.
 - (ii) in the case of the Profit and Loss account, of the Loss for the year ended on that date, and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on the date.

Place: **Mumbai**
Date: 30.05.2010



VIJAY R. TATER & CO.
Chartered Accountants

(Suresh G. Kothari)
Partner.
M.NO.47625

Annexure to the Auditors' Report

(Referred to in paragraph 3 of our report of even date to the members of **Munoth Capital Market Ltd. For the year ended 31st March, 2010.**)

- (i) a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, during the year the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verification.
- c) No substantial part of fixed assets of the company has been disposed of during the year.
- (ii). According to information and explanations given to us, during the year, the company does not have any inventory. Therefore the question of physical verification, adequacy of procedures of physical verification and maintenance of proper records of inventories does not arise.
- (iii).
- a) According to the information and explanation given to us, during the year the company has neither granted nor taken any loans, secured or unsecured, to / from companies. Firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- b) in our opinion, the other terms and conditions of the above interest free loan granted are not prima facie prejudicial to the interest of the Company.
- c) The aforesaid interest free loans are repayable on demand. According to information and explanations given to us, loans granted to the Companies listed in the register maintained u/s 301 of the Act, were regular in repaying the principal amounts as stipulated.
- d) According to information and explanations given to us, in respect to such interest free loans given by the company, the same are repayable on demand and no stipulations have been made regarding repayment of principal amount.



Munoth Capital Market Ltd.
Annexure to Auditor's report
F.Y. 2009 - 10

- e) According to information and explanations given to us, the Company has not taken any unsecured loan from companies and or parties covered in the register maintained under section 301 of the Companies Act, 1956.
 - f) In our opinion, the other terms and conditions of the above referred interest free loan taken by the company, is not prima facie prejudicial to the interest of the Company.
 - g) According to information and explanations given to us, in respect to such interest free loans taken by the company, the same are repayable on demand and no stipulations have been made regarding repayment of principal amount.
- (iv) In our opinion and according to the information and explanations given to us, it appears that there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, fixed assets, shares & securities and other assets, and for the sale of shares & securities and services. We have not observed any major weaknesses in the internal control system during the course of the audit.
- (v) a) According to the information and explanations given to us, 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) In our opinion, and according to the information and explanations given to us, where transactions made with different parties, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5 lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.



Munoth Capital Market Ltd.
Annexure to Auditor's report
F.Y. 2009 - 10

- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from public during the year, within the meaning of Section 58A and 58AA and other relevant provisions of the Companies Act, 1956 and rules framed there under.
- (vii) The company does not have a formal internal audit system. However, effective internal controls are being exercised by the management, which is broadly commensurate with the size of the company and nature of its business.
- (viii) According to the information and explanations given to us, the maintenance of Cost records has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956.
- (ix) a) According to the records of the Company and information and explanations given to us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales-Tax, Wealth Tax, Custom Duty, Investor Education and Protection Fund, Excise Duty, Cess, service tax or any other statutory dues with the appropriate authorities and there were no arrears under the above heads which were due for more than six months from the date they became payable as at the close of the year
- b) According to the information and explanations given to us and records of the company examined by us, no disputed amount is payable for, Income tax, Sales-Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess.
- (x) The Company does not have any accumulated losses as at the end of the financial year but has incurred cash losses in the current financial year. However the company has not incurred cash losses in the immediately preceding year.
- (xi) Based on our examination of record and information and explanations given to us the company has not taken loan from the financial institution, banks or debenture holders during the year.



Munoth Capital Market Ltd.
Annexure to Auditor's report
F.Y. 2009 - 10

- (xii) Based on our examination of record and information and explanations given to us the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Societies are not applicable to the company.
- (xiv) The company has maintained proper records of transactions and contracts in respect of investments in shares, debentures and other securities and those timely entries have been made therein. The shares, debentures and other securities have been held by the company in its own name except to the extent of the exemption granted under section 49 (4) of the Companies Act, 1956.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions.
- (xvi) In our opinion and according to the information and explanation given to us, the company has not availed of any term loans during the year and hence. The provision of clause (xvi) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- (xvii) In our opinion and according to the information and explanation given to us, and on an overall examination of the balance sheet and cash flow of the company, funds raised on short term basis have, prima facie, not been used for long term investment.
- (xviii) According to the information and explanations given to us, during the year, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.



Munoth Capital Market Ltd.
Annexure to Auditor's report
F.Y. 2009 - 10

- (xix) According to the information and explanations given to us, during the year the company has not issued any debentures and hence no securities are required to be created in respect thereof.
- (xx) The Company has not raised any money by way of public issues during the period covered under the audit report.
- (xxi) During the course of our examination of books of account, carried out in accordance with generally accepted auditing practices in India, and according to the explanations given to us, we have neither come across any incidence of any material fraud on or by the Company, noticed or reported during the year, nor have been informed of any such case by the management



For VIJAY R. TATER & CO.
Chartered Accountants

(Suresh G. Kothari)
Partner.
M.NO. 47625

Place: Mumbai

Date: 30.05.2010

MUNOTH CAPITAL MARKET LIMITED

BALANCE SHEET AS AT 31ST MARCH,2010

(Amount in Rs)

PARTICULARS	SCHE- DULE	AS AT	
		31ST MARCH 2010	31ST MARCH 2009
SOURCES OF FUNDS :			
A) SHAREHOLDER'S FUNDS:			
(a) Share Capital	1	44,955,000	9,990,000
(b) Reserves & Surplus	2	35,426,435	82,753,750
B) LOAN FUNDS:			
(a) Secured Loans	3	18,431,910	4,181,144
(b) Unsecured Loans		-	-
DEFERRED TAX LIABILITY		745,073	492,243
TOTAL		99,558,418	97,417,137
APPLICATION OF FUNDS			
A) FIXED ASSETS			
Gross Block	4	14,443,312	8,028,460
Less: Accumulated Depreciation		6,696,099	4,290,241
Net Block		7,747,213	3,738,219
B) INVESTMENTS	5	438,500	21,357,220
C) CURRENT ASSETS, LOANS & ADVANCES			
Sundry Debtors	6	7,812	7,928
Cash & Bank Balances	7	46,718,673	42,068,582
Loans & Advances	8	70,862,579	47,855,642
TOTAL :(A)		117,569,064	89,932,152
Less:CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	9	22,998,448	16,309,330
Provisions	10	3,217,910	1,301,124
TOTAL :(B)		26,216,358	17,610,454
NET CURRENT ASSETS (A-B)		91,372,705	72,321,699
TOTAL		99,558,418	97,417,137

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

16

As per our attached report of even date

For M/S. VIJAY R. TATER & CO.
Chartered Accountants.

(Suresh G. Kothari)
Partner
M.No. 47625



PLACE : MUMBAI

DATE : 30th May 2010

For and on behalf of the Board

Shantilal M. Jain
Director

Siddharth S Jain
Director

Suresh S. Jain
Director

MUNOTH CAPITAL MARKET LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

(Amount in Rs)

PARTICULARS	SCHE- DULE	AS AT 31.03.2010	AS AT 31.03.2009
A) INCOME			
i) Income from Operations	11	30,808,658	15,271,782
ii) Other Income	12	5,787,779	18,977,121
TOTAL (A)		36,596,437	34,248,902
B) EXPENDITURE			
Employees Remuneration	13	15,935,137	6,959,004
Administrative & Other Expenses	14	8,903,590	4,950,006
Loss on trading of Shares		15,889,944	-
Preliminary expenses written off		49,133	-
Interest & Financial charges	15	1,957,482	563,522
Prior Period Expenses/(Income)		-	114,163
TOTAL (B)		42,735,286	12,586,696
Profit Before Depreciation		(6,138,849)	21,662,207
Less: Depreciation		2,405,858	1,754,079
NET PROFIT BEFORE TAX FOR THE YEAR		(8,544,706)	19,908,128
Less : Provision for Tax			
- Current		-	2,343,146
- Fringe Benefit Tax		-	5,111
- Deferred Tax		252,829	276,003
- Short provision for earlier years		-	60,513
NET PROFIT AFTER TAX		(8,797,535)	17,223,355
Less: Short Provision for Dividend & Tax thereon		409,073	-
Less: Provision for Proposed Dividend		2,697,300	999,000
Less: Provision for tax on Proposed Dividend		458,406	169,780
Less: Transfer to General Reserve		3,600,000	30,000,000
Add: Balance brought forward		22,753,749	36,699,174
Balance carried to Balance Sheet		6,891,435	22,753,749
BASIC & DILUTED EARNINGS PER SHARE		(0.98)	17.24

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

16

As per our attached report of even date

For M/S. VIJAY R. TATER & CO.
Chartered Accountants.

(Signature)
(Suresh G. Kothari)
Partner
M.No. 47625



For and on behalf of the Board

(Signature)
Shantilal M. Jain
Director

(Signature)
Siddharth S. Jain
Director

(Signature)
Suresh S. Jain
Director

PLACE : MUMBAI
DATE : 30th May 2010

MUNOTH CAPITAL MARKET LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010
 Prepared pursuant to Clause 32 of Listing Agreement

PARTICULARS	2010-11	2009-10
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before Tax & Extra ordinary items	(8,544,706)	19,908,128
ADJUSTMENTS		
Depreciation	2,405,858	1,754,079
Dividend income	-	(46,630)
(Profit) on sale of investment	2,405,858	(16,057,403)
Operating profit before working capital changes	(6,138,849)	5,558,174
Current Assets	(22,529,344)	(287,541)
Current Liabilities	6,689,118	(3,383,053)
(Increase)/ Decrease in net current assets	(21,979,074)	1,887,580
Less : Direct Tax paid	542,505	(3,491,518)
Fringe benefit tax	5,111	(28,128)
Net cash flow from operating activities A	(22,526,690)	(1,630,066)
B. CASH FLOW FROM INVESTING ACTIVITIES :-		
(Purchase) of investment	-	(27,904,725)
Sale of investment	20,918,720	49,180,992
(Purchase) of Fixed Assets	(6,414,852)	(1,132,033)
Dividend income	14,503,869	46,630
	-	20,190,864
C. CASH FLOW FROM FINANCING ACTIVITIES :-		
(Decrease)/Increase in Secured Loans	14,250,765	1,142,769
(Decrease)/Increase in Unsecured Loans	-	(265,601)
Dividend & tax thereon Paid	(1,577,853)	(1,168,780)
	12,672,912	(291,612)
Net increase in cash & cash equivalent (A+B+C)	4,650,090	18,269,186
Cash and cash equivalent as at 1st April	42,068,581	23,799,395
Cash & Cash equivalent as at 31st March	46,718,673	42,068,581

Notes: 1) The above Cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India.
 2) Figures in brackets indicate cash outgo.
 3) Previous period figures have been regrouped and recast wherever necessary to conform to the current period classification.

This is the Cash Flow Statement referred to in our attached report of even date

For **VJAY R. TATER & CO.**
 Chartered Accountants

(SURESH G. KOTHARI)
 PARTNER
 Membership No. 47625
 PLACE : MUMBAI.
 DATE : 30-05-2010.



For and on behalf of the Board

Shantilal M. Jain
 Director
 Sudharth S. Jain
 Director
 Suresh S. Jain
 Director

MUNOTH CAPITAL MARKET LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH, 2010

PARTICULARS	AS AT 31.03.2010 AMOUNT(Rs.)	AS AT 31.03.2009 AMOUNT(Rs.)
SCHEDULE - 1: SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
1,80,00,000 Equity shares of Rs. 10/- each (P.Y. 90,00,000 Equity shares of Rs 10/- each) (During the year, Company has Split every equity shares with face value of Rs. 10/- each in to 2 equity shares with face value of Rs, 5/- each.)	90,000,000	90,000,000
ISSUED, SUBSCRIBED & PAID UP		
89,91,000 Equity shares of Rs.5/- each fully paid up (P.Y. 9,99,000 Equity shares of Rs 10/- each) (i) During the year, Company has Issued 7 equity shares for every 2 equity shares held as bonus shares ii) During the year, Company has Split every equity shares (including bonus shares) with face value of Rs. 10/- each in to 2 equity shares with face value of Rs, 5/- each.)	44,955,000	9,990,000
	44,955,000	9,990,000
SCHEDULE - 2: RESERVES & SURPLUS		
GENERAL RESERVE		
Opening Balance		
Less: Transferred for Bonus Share Issued during the year	60,000,000	30,000,000
Add: Transferred from Profit & Loss Account	(34,965,000)	-
Balance Carried to Balance Sheet	28,535,000	30,000,000
PROFIT & LOSS ACCOUNT		
	6,891,435	22,753,749
	6,891,435	22,753,749
TOTAL	35,426,435	82,753,749
SCHEDULE - 3: SECURED LOANS		
Syndicate Bank Ltd (Secured against Fixed Deposits of Rs. 5,00,000)	17,482	44,642
Bank Of Maharashtra (Secured against Fixed Deposits of Rs. 2,00,00,000)	18,340,010	4,111,382
HDFC Bank Ltd. (Secured Against Pledge of Shares)	74,418	25,120
TOTAL	18,431,910	4,181,144



MUNOTH CAPITAL MARKET LIMITED

SCHEDULE - 4: FIXED ASSETS

PARTICULARS	RATE	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK		
		AS AT 01/04/2009	ADDITIONS/ (DEDUCTION)	DEDUCTION	TOTAL AS AT 31/03/2010	UP TO 01/04/2009	FOR THE YEAR	UP TO 31/3/2010	AS AT 31/3/2010	AS AT 31/3/2009
Air conditioner	13.91%	424250.00	556468.50	0.00	980718.50	247093.41	43993.67	291087.08	689631.42	177158.59
Colour television	13.91%	11700.00	0.00	0.00	11700.00	9526.23	302.37	9828.60	1871.40	2173.77
Computer	40.00%	2351684.00	2216612.00	0.00	4568296.00	1115440.20	927141.83	2042582.03	2525713.97	1236243.80
EPABX Tele System	13.91%	9824.00	0.00	0.00	9824.00	6322.00	487.15	6809.15	3014.85	3502.00
Electrical Equipments	13.91%	0.00	514999.00	0.00	514999.00	0.00	17803.13	17803.13	497195.87	0.00
Furniture & Fixture	18.10%	449868.00	1275147.00	0.00	1725015.00	197866.82	134934.93	332801.75	1392213.25	252001.18
Motor car	25.89%	336375.00	0.00	0.00	336375.00	314895.70	5560.99	320456.69	15918.31	21479.30
Mobile phone	18.10%	10300.00	0.00	0.00	10300.00	7332.76	537.07	7869.83	2430.17	2987.24
Office Equipments	18.10%	267162.00	101464.00	0.00	368626.00	111421.37	34213.11	145634.48	222891.52	155740.63
Use Software	40.00%	3969057.00	1750161.00	0.00	5719218.00	2089014.77	1238118.59	3327133.36	2392084.64	1880042.23
Vsat & Screening	40.00%	198240.00	0.00	0.00	198240.00	191328.00	2764.80	194092.80	4147.20	6912.00
CURRENT YEAR		8028460.00	6414851.50	0.00	14443311.50	4290241.26	2405857.65	6696098.91	7747212.59	3738218.74
PREVIOUS YEAR		3116094.00	3780333.00	0.00	6896427.00	1180255.00	1355907.34	2536162.34	4360284.66	1935839.00



MUNOTH CAPITAL MARKET LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH, 2010

PARTICULARS	AS AT 31.03.2010 AMOUNT(Rs.)	AS AT 31.03.2009 AMOUNT(Rs.)
SCHEDULE - 5: INVESTMENTS (At Cost)		
<u>Long Term</u>		
NON-TRADE INVESTMENTS		
A) QUOTED INVESTMENTS		
210 Pf Shares (P.Y. 210) of TATA IRON & STEEL LTD	38,500	38,500
	38,500	38,500
B) UNQUOTED INVESTMENTS		
38,600 Eq Shares (P.Y. 38600) ANIMA INVESTMENTS LTD(F.V. Rs. 10/-)	-	218,720
70,000 Eq Shares (P.Y. 70000) MUNOTH FINANCE & LEASING LTD(F.V. Rs. 10/-)	-	700,000
20,000 Eq Shares (P.Y. 0 Eq Shares) RATNAMANI MARKETING P LTD	-	20,000,000
Sub-Total-->B	-	20,918,720
Non- Trade Investments (A+B)	38,500	20,957,220
C) MUTUAL FUND INVESTMENTS		
Franklin India Smaller Company	400,000	400,000
Sub-Total-->C	400,000	400,000
TOTAL (A+B+C)	438,500	21,357,220
SCHEDULE - 6: SUNDRY DEBTORS		
<u>(Unsecured, considered good)</u>		
For a period exceeding six months		
Others	7,812	-
TOTAL	7,812	7,928
SCHEDULE - 7: CASH AND BANK BALANCE		
Cash on Hand		
Bank Balances with Scheduled Banks	54,883	81,088
- in Fixed Deposit Accounts	41,025,000	41,025,000
- in Current Accounts	5,638,789	962,494
TOTAL	46,718,673	42,068,582
SCHEDULE - 8: LOANS & ADVANCES		
<u>(Unsecured, considered good)</u>		
(Recoverable in cash or kind for the value to be received)		
Advance Income Tax		
Trade Deposits	959,573	482,097
Other Loans & Advances	33,786,773	31,723,086
	36,136,233	15,650,460
TOTAL	70,862,579	47,855,642
SCHEDULE - 9: CURRENT LIABILITIES		
Sundry Creditors		
Other Liabilities	4,800,230	2,205,075
Deposits & Advances received from clients	4,824,575	2,302,512
	13,373,643	11,801,743
TOTAL	22,998,448	16,309,330
SCHEDULE - 10: PROVISIONS		
FBT Payable		
Provision for Proposed Dividend	-	5,111
Provision for Professional Tax	2,697,300	999,000
Provision of Tax on Distributed Profit	2,500	2,500
Provision for Income Tax	458,406	169,780
	59,704	124,733
TOTAL	3,217,910	1,301,124



MUNOTH CAPITAL MARKET LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH, 2010

PARTICULARS	AS AT	AS AT
	31.03.2010	31.03.2009
	AMOUNT(Rs).	AMOUNT(Rs).
SCHEDULE - 11: INCOME		
i) Income from Operations		
Brokerage		
D.P. Income	25,135,970	12,530,087
Delivery Charges Income	1,112,391	192,378
Late payment charges Income	2,992	286,237
Auction Charges Income	3,912,492	1,544,838
Trading Income	360,021	255,848
Pledge Charges Collection	-	266,204
Registration Fees	3,640	3,730
TOTAL	281,152	192,460
	30,808,658	15,271,782
SCHEDULE - 12:		
ii) Other Income		
Miscellaneous Income		
Interest on Fixed Deposits (Gross; TDS Rs. 4,76,097/- P.Y.Rs 5,76,116 /-)	1,148,269	35,775
Dividend Income	4,639,490	2,837,314
Profit on sale of Investments - Short Term	-	46,630
- Long Term	-	(61,343)
TOTAL	-	16,118,746
	5,787,779	18,977,121
SCHEDULE - 13: EMPLOYEES' REMUNERATION		
Salaries		
Incentive Expenses	9,386,018	4,897,338
TOTAL	6,549,119	2,061,666
	15,935,137	6,959,004



MUNOTH CAPITAL MARKET LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH, 2010

PARTICULARS	AS AT	AS AT
	31.03.2010	31.03.2009
	AMOUNT(Rs).	AMOUNT(Rs).
SCHEDULE - 14: ADMINISTRATIVE & OTHER EXPENSE		
Advertisement Expenses		
Auditors Remuneration	64,641	109,598
Bad Debts	56,470	55,150
Business Promotion & Marketing Expenses	282,269	1,259,769
Computer Periph and Software Maintenance Expenses	91,547	-
Contribution to Trade Gurantee Fund	229,833	147,798
Conveyance Expenses	4,899	659
Courier & Postage Charges	4,480	-
Demat charges	94,734	49,102
Donation	473,181	360,817
Electricity charges	35,000	-
Insurance Expenses	483,884	236,766
Internet Charges	110,994	63,497
Listing Fees	85,985	104,268
Leased Line Charges	10,000	20,003
Miscellaneous Expenses	870,153	179,069
NSE Charges	428,209	89,838
NSDL Charges	45,741	43,960
BSE Charges	8,200	4,495
CDSL Charges	22,312	26,142
Nse Annual subscription charges	328,299	289,177
ITORS Processing Fees	100,000	100,000
ODIN AMC Charges	100,000	-
Office expenses	1,182,374	176,820
Printing & Stationery	369,045	133,303
Legal & Professional Fees	483,474	155,580
Professional Tax	340,195	294,514
Registration charges	-	2,500
Rent & Compensation charges	24,750	7,500
Repairs and Maintenance	1,127,334	376,150
Other Charges	200,839	28,508
Share Registrar & Transfer Charges	133,976	113,237
Membership & Subscription	19,000	12,371
Telephone charges	111,748	11,000
Software Development Charges	451,901	236,168
Travelling expenses	138,000	55,755
V-sat Support Charges	180,302	41,236
	209,800	165,156
TOTAL	8,903,590	4,950,006
SCHEDULE - 15:		
INTEREST & FINANCIAL EXPENSES		
Bank charges and commission		
Interest	172	48,640
TOTAL	1,957,310	514,882
	1,957,482	563,522



MUNOTH CAPITAL MARKET LIMITED

NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH 2010.

A. SIGNIFICANT ACCOUNTING POLICIES:

1. ACCOUNTING CONVENTION:

The Financial Statements have been prepared under the historical cost convention, on accrual basis to comply in all material respects with all applicable accounting principles in India, the applicable Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

2. USE OF ESTIMATES:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any differences of actual results to such estimates are recognized in the period in which the results are known / materialized.

3. FIXED ASSETS:

Fixed assets are stated at cost of acquisition less accumulated depreciation.

4. DEPRECIATION / AMORTISATION:

Depreciation on Fixed Assets is provided on "Written Down Value" method at the rates prescribed under schedule XIV to the Companies (Amendment) Act, 1988, on a prorata basis taking into consideration the completed month of additions/ disposals.

5. INVESTMENTS:

Long term Investments are stated at cost less provision for permanent diminution in value of such investments.

Current Investments are stated at lower of cost and fair market value, determined by category of Investments.

6. RETIREMENT BENEFIT:

The leave encashment scheme of the company is not in the nature of retirement benefit and hence no provision is necessary for the same.

7. REVENUE RECOGNITION:

- a) Brokerage income is recognised as per contracted rates at the execution of transactions on behalf of the customers on the trade date and is inclusive of service tax.
- b) Income from arbitrage in securities comprises profit/loss on sale of securities held as stock-in-trade.



- c) All incomes and expenditure are accounted for on accrual basis unless otherwise stated.
- d) Interest income is recognized on accrual basis, while dividend on shares and securities is recognized when the right to receive the dividend is established.

8. BORROWING COST:

Interest and other costs incurred in connection with borrowing of the funds are charged to revenue on accrual basis except those borrowing cost which are directly attributable to the acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use. Such costs are capitalised with the fixed assets.

9. EARNINGS PER SHARE (EPS):

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax (after providing the post tax effect of any extra ordinary items). The number of shares used in computing Basic EPS is the weighted average number of equity shares outstanding during the year.

10. INCOME TAX:

- a) **Current Tax:** A Provision for Current Income Tax / Minimum Alternate Tax and is made on the Taxable Income using the applicable tax rates and tax laws respectively.
- b) **Deferred Tax:** Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognised unless there is a virtual certainty with respect to the reversal of the same in future.

11. IMPAIRMENT OF ASSETS:

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less costs to sell vis-à-vis value in use. For the purpose of impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

12. PROVISIONS AND CONTINGENCIES:

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation can not be made.



B. NOTES ON ACCOUNTS:

1. CONTINGENT LIABILITIES NOT PROVIDED FOR :- (Rs.in Lacs)

	31.03.2010	31.03.2009
a) Estimated amount of contracts remaining to be executed on capital account	Nil	Nil
b) Claims against company not acknowledge as debts	Nil	Nil

2. Foreign Exchange earnings and out-go is Rs. Nil (P.Y. Nil)

3. SEGMENT REPORTING:

Segment Reporting as defined in Accounting Standard 17 is not applicable as the company is primarily engaged in Broking services in capital market.

4. Disclosure requirements as per Accounting Standard 18 (AS-18) "Related Party Disclosure" issued by the Institute of Chartered Accountants of India

I. List of Related Parties:

a) **Key management Personnel**

- (i) Shantilal M Jain
- (ii) Siddharth S Jain

b) **Associate Companies**

- (i) Anima Investment Ltd.
- (ii) Munoth Finance & Leasing Ltd.
- (iii) Munoth Investment & Finance Co. Pvt. Ltd.
- (iv) Devang Estate & Finance Co. Pvt. Ltd.
- (v) Symphony Investment Pvt. Ltd.
- (vi) Silvercraft Investment Pvt. Ltd.

II. Particulars of transactions during the year with Related Parties :

(Rs.in Laacs)

Name of the Party	Nature of transaction	31.03.2010	31.03.2009
Shantilal M. Jain	Loan Taken	Nil	11.50
	Loan Given	Nil	9.50
Anima Investments Ltd.	Loan Taken	Nil	5.14
Munoth Finance & Leasing Ltd.	Loan Given	Nil	0.07
Munoth Investment & Finance Co. Pvt. Ltd	Loan Given	Nil	208.00
Devang Estate & Finance Co. Pvt. Ltd.	Loan Taken	Nil	0.85
Symphony Investment Pvt Ltd	Share Application Given	Nil	30.00
Silvercraft Investment Pvt Ltd	Share Application Given	Nil	73.32
Siddharth S Jain	Sale of Securities	9.19	Nil
	Advance for Expenses	1.04	Nil



III. Particulars of Outstanding Balance at the end of the year with Related Parties

(Rs.in Lacs)

Name of the Party	31.03.2010	31.03.2009
Symphony Investment Pvt. Ltd. – (Debit)	Nil	30.00
Silvercraft Investment Pvt. Ltd. – (Debit)	Nil	73.32
Siddharth S Jain	10.23	Nil

5. THE COMPONENTS OF DEFERRED TAX BALANCES ARE AS FOLLOWS:

Particulars	31.3.2010	31.3.2009
Deferred Tax Liability (Opening Balance)	4,92,243	2,16,240
Add: Deferred Tax Liability for timing difference on depreciation	2,52,829	2,76,003
Net deferred Tax Liability (Closing Balance)	7,45,073	4,92,243

6. In the absence of confirmation from parties and pending reconciliation the debit and credit balances with regard to recoverable and payable have been taken as reflected in the books. In the opinion of the Directors, Loans and Advances and Current Assets, if realized in the ordinary course of business, have the value at which they are stated in the Balance Sheet.

7. EARNING PER SHARE:

Earning per share EPS Calculation (basic and diluted)

	Unit	31.3.2010	31.3.2009
a) Net Profit / (loss) attributable to equity shareholders.	Rs.	(87,97,535)	1,72,23,355
b) Weighted average number of equity shares	No.	89,91,000	9,99,000
c) Nominal Value Per share	Rs.	5	10
d) Earning per share	Rs.	(0.98)	17.24

8. AUDITORS' REMUNERATION

Particulars	31.3.2010	31.3.2009
As Auditor		
Audit Fees	38,605	38,605
Tax Audit Fees	16,545	16,545
In other capacities		
Other services	NIL	NIL
Out of pocket expense	NIL	NIL
Total	55,150	55,150



9. The current tax liability is adjustable against carried forward MAT credit for earlier years u/s 115JB of the Income Tax Act, 1961, hence no provision for current tax liability is made in the books of accounts.
10. Previous year figures have been regrouped / rearranged wherever necessary.

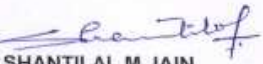
As per our attached report of even date
For **M/S. VIJAY R. TATER & CO.**
Chartered Accountants



(Suresh G. Kothari)
PARTNER
M.No.47625


PLACE: **MUMBAI.**
DATE: 30.05.2010



For and on behalf of the Board


SHANTILAL M.JAIN
Director


SURESH S.JAIN
Director


SIDDHARTH S. JAIN
Director

MUNOTH CAPITAL MARKET LIMITED

BALANCE SHEET ABSTRACT OF COMPANY'S GENERAL BUSINESS PROFILE.

ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956.

I Registration Details	
Registration No.	29599
State Code No.	11
Balance Sheet Date	31.03.2010
II Capital Raised During the Year	
Public Issue (Issue through prospectus)	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement	NIL
III Position of Mobilisation and Deployment of Funds	
Total Liabilities	Rs. In '000 99,558
Total Assets	99,558
Sources of Fund	
Paid-up Capital	44,955
Reserves & Surplus	35,426
Secured Loans	4,181
Unsecured Loans	-
Deferred Tax Liability	745
Application of Funds	
Net Fixed Assets	7,747
Investments	439
Net Current Assets	91,373
Misc. Expenditure	-
Accumulated Losses	NIL
IV Performance of Company	
Turnover/ Receipt	36,596
Total Expenditure	45,141
Profit / (Loss) Before Tax	(8,545)
Profit/ (Loss) After Tax	(8,798)
Earning per share in Rs.	(0.98)
Dividend Rate %	6%
V Generic Name of Principal Product of Company	
(As per Monetary Terms)	N.A
Item Code No.	N.A
Product Description	N.A

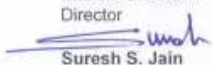
For and on behalf of the Board


Shantilal M. Jain

Director


Siddharth S Jain

Director


Suresh S. Jain

Director

PLACE : MUMBAI
DATE : 30th May 2010

