

Annual Report 2011-12



Corporate Information

Board of Directors

Mr. Shantilal M Jain
Mr. Siddharth S Jain
Mr. Mukesh Patel

Statutory Auditor

Vijay R. Tater & Co.

Bankers

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

Registry and Share Transfer Agent

Purva Shareregistry (India) Pvt. Ltd
33, Printing House, 28 D, Police Court lane
B/H Old Handloom House, Fort
Mumbai 400001

Registered Office

92 B Mittal Towers, Opp. New Council Hall,
Nariman Point Mumbai. 400021
Tel: +91-22-22843144/ 22870278 Tel. Fax: +91-22-22822227

NOTICE TO THE MEMBERS

NOTICE is hereby given that the **ANNUAL GENERAL MEETING** of the Members of **MUNOTH CAPITAL MARKET LIMITED** will be held on 17th September, 2012 at 11:00 a.m. at the Registered Office of the Company to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Profit & Loss Statement for the year ended 31st March, 2012, the Balance Sheet as on that date, the Directors' Report and the Auditors' Report thereon.
2. To elect Director in place of Mr. Shantilal M. Jain, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT Mr. Mukesh Hakralal Patel, who was appointed as an additional director of the Company by the Board of directors and who holds office as per section 260 of the Companies Act 1956 up to the date of forthcoming Annual General Meeting and in respect of whom the Company has, pursuant to section 257 of the Companies Act, 1956, received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a director of the company, liable to retire by rotation".

Date : 29.08.2012

Place : Mumbai



BY ORDER OF THE BOARD OF DIRECTOR
FOR MUNOTH CAPITAL MARKET LTD.

Siddheshwar
DIRECTOR DIRECTOR

NOTES :

- a) A Member is entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself and a proxy need not be a Member. The instrument appointing a proxy shall be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for holding the meeting.
- b) The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of the business under Item No. 1 under Special Business above are annexed hereto and forms part of this Notice.
- c) The Register of Members and Share Transfer Books of the Company will remain closed from 10th September, 2012 to 17th September, 2012 (both days inclusive).

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956:
Item No. 4

Appointment of Director liable to retire by rotation

Mr. Mukesh H. Patel was appointed as an Additional Director of the Company with effect from January 18, 2012. As per the provisions of the Companies Act, 1956 (Act), the above Director, hold office only upto the date of the forthcoming Annual General Meeting of the Company. The Company has received Notice under Section 257 of the Act, proposing their appointment as a Director of the Company. Keeping in view the experience and expertise of Mr. Mukesh H. Patel, his appointment as Director of the Company is recommended by the Board.

Mr. Mukesh H. Patel, may be deemed to be concerned or interested, directly or indirectly, in resolution relating to his appointment.

Date : 28.05.2012.

Place : Mumbai.



**BY ORDER OF THE BOARD OF DIRECTOR
FOR MUNOTH CAPITAL MARKET LTD.**

Siddhant Jari
DIRECTOR

DIRECTOR

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT
THE ANNUAL GENERAL MEETING AS PER CLAUSE 49 OF LISTING
AGREEMENT:**

Particulars	Mr. Shantilal M. Jain	Mr. Mukesh H. Patel
Date of Birth	18/08/1943	03/12/1985
Date of Appointment	04/09/1986	18/01/2012
Qualification	B. Com.	B. A.
Expertise in specific functional area	Investment	None
Number of Shares held in the Company	1,27,800	0

FOR MUNOTH CAPITAL MARKET LTD.

Siddhant Patel

DIRECTOR



DIRECTORS' REPORT

To :
THE MEMBERS :

The Board of Directors has pleasure in presenting the Annual Report together with Audited Accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS:

The Financial Results for the year are as under :

(Rs. in Lacs)

Particulars	2011-12	2010-11
Turnover	148.90	422.55
Expenses	172.38	366.06
Profit / (Loss) Before Tax	(23.45)	56.49
Provision for Taxation		
■ Taxation Adjustment for P.Y.	(0.80)	-
■ Deferred Tax	4.80	1.55
Profit/(Loss) after Tax	(19.45)	58.04

DEPOSITS :

The Company has not accepted any deposits during the year, to which the provisions of Section - 58A and the Companies (Acceptance of Deposits) Rules, 1975 are applicable.

CONSERVATION OF ENERGY ETC.:

Company has no activities related to conservation of Energy or technological absorption. The Company didn't have any foreign Expenditure or Earnings during the year.

DIRECTORS:

Mr. Shantilal M. Jain retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment.

Mr. Suresh Jain and Ms. Smita Jain have resigned from their directorship during the year and Board took the note of the valuable services rendered by them during their tenure. Mr. Mukesh H. Patel , was appointed as an additional director as independent director of the Company during the Year. The Company has received proposal u/a. 257 for the appointment of Mr. Mukesh H. Patel and being eligible to be appointed as regular director, the Board recommends his appointment.

PARTICULARS OF EMPLOYEES:

There are no employees drawing the remuneration exceeding the ceiling prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

AUDITORS:

M/s. Vijay R. TATER & Co., Chartered Accountants, Mumbai retires at the ensuing Annual General Meeting and being eligible, the Board request to reappoint him as Auditors from the conclusion of this Annual General Meeting to the next Annual General Meeting.

AUDITORS' REPORT:

The observations made in the Auditors' Report, read with the relevant notes thereon are self-explanatory and therefore do not call for any further comments under Section 217 of the Companies Act, 1956.

CHANGE IN ACCOUNTING POLICY:

During the year, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule - VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosure made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

DIRECTOR'S RESPONSIBILITY STATEMENT :

Pursuant to Section 217(2AA) of the Companies Act, 1956, Directors confirm :

- i) That, in the preparation of the annual accounts, the applicable accounting standards had been followed,
- ii) That, 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 ended 31st March, 2012 and of the profit of the company for that year,
- iii) That, the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,
- iv) That, the directors have prepared the annual accounts on a going concern basis.

SECRETARIAL AUDIT COMPLIANCE CERTIFICATE :

As required under the provisions of Sec. 383A(1) of the Companies (Amendment) Act, 2008, the compliance certificate from Practicing Company Secretary is attached with this report and forms part of Director's Report.

Corporate Governance:

A separate Report on Corporate Governance along with the certificate on its compliance from M/s. Pankaj K. Shah Associates, Chartered Accountant is attached.

ACKNOWLEDGMENTS:

Your Directors wish to place on record their appreciation for whole hearted Co-operation received from Bankers, Financial Institutions and Employees of the Company.

Date : 29.05.2012

Place : Mumbai

ON BEHALF OF THE BOARD OF DIRECTORS
FOR MUNOTH CAPITAL MARKET LTD.



[Signature]
DIRECTOR

[Signature]
DIRECTOR

REPORT ON CORPORATE GOVERNANCE
(Pursuant to clause 49 of the Listing Agreement)

1. Company's Philosophy

The Company is committed to ethical values and self discipline through standards of good Corporate Governance involving a high level of transparency, integrity, accountability and responsibility in all areas of its operations for ensuring protection of the rights and interest of its stakeholders including employees and financiers and to the society in general. In order to achieve the objective, the company continuously endeavors to improve on these aspects on an ongoing basis.

2. Board of Directors

The Board of Director of the company comprises of Three Directors.

i. The Present Strength of Board of Directors of your company is as under.

Name of the Director	Category	No. of Board Meetings		Attendance at last AGM	No. of Outside Directorship held in Public Companies	No. of other Outside Board Committees members in Public Companies	No. of shares held as on 31.03.2012
		Held	Attended				
Shantilal Misrimal Jain	Promoter	6	6	Yes	3	--	1,27,800
Siddharth Shantilal Jain	Promoter	6	6	Yes	3	--	1,35,000
Mukesh Haraklal Patel (From 18.01.2012)	Independent	6	2	N.A.	--	--	0
Smita Shantilal Jain (upto 18.01.2012)	Promoter	6	4	Yes	--	--	--
Suresh Shantilal Jain (upto 18.01.2012)	Promoter	6	4	Yes	2	--	--

The day-to-day management of the company is conducted by the Director subject to the supervision and control of the Board of the Directors.

2. Changes in Composition of Board of Directors since last Report:

The company has appointed Mr. Mukesh H. Patel as an Independent Director of the Company and Mr. Suresh S. Jain and Ms. Smita S. Jain, resigned from their directorship on 18th January, 2012.



During the financial year under review, Six (6) Board meetings were held on following date.

10/05/2011, 30/05/2011, 28/07/2011, 27/10/2011, 18/01/2012, 27/01/2012.

The time gap between any two meetings was less than 3 months. The Board monitors the business operations.

3. Audit Committee:

The Company is in process of appointing another New Independent Director and only after such appointment, the company will constitute Audit Committee. As there is no Audit Committee constituted there is no Audit Committee meeting held during the year.

4. Remuneration of Directors

The Company has not set up any Remuneration committee as the company does not pay any remuneration and seating fees to Directors.

5. Shareholders / Investor's Grievance Committee

The Board of the company has constituted a Shareholders/investors' Grievance Committee, comprising of three Directors viz., Mr. Siddharth S. Jain & Mr. Mukesh H. Patel are the members and Mr. Shantilal M. Jain, is the chairman of the committee. The terms of reference of the Committee are to look into the redressal of investor's complaints relating to transfer of shares, non-receipt of share certificates, issue of duplicate share certificates, issue of dividend warrants, non-receipt of dividend warrants, notice/Annual Reports and other grievances.

6. General Body Meeting

The location and time of the last three Annual General Meeting are as under:

Financial Year	AGM Date	Time	Venue	No. of special resolution
2008-09	30.09.2009	11:00 a.m.	Registered Office	Nil
2009-10	29.09.2010	11:00 a.m.	Registered Office	Nil
2010-11	30.09.2011	11:00 a.m.	Registered Office	Nil

Extra Ordinary General Meeting:

The Company held two EGM in last three years.

For the year 2011-2012, on 17th June, 2011 for the purpose of passing resolution for Alteration of Object Clause in Memorandum of Association through postal ballot.

And for the year 2009 -2010, on 28th July, 2009 for the issue of Bonus shares out of General Reserve of the Company.

No any other EGM was held during last three years.



POSTAL BALLOT:

A Postal Ballot for obtaining approval of members under Section 17 of Companies Act, 1956, for the insertion of new clause to Main Object Clause of Memorandum of Association of Company was conducted in May - June- 2011. The Postal Ballot was conducted by Mr. Siddharth S. Jain.

7. Code of Conduct:

The Board of Directors has adopted the code of Business Conduct and Ethics for Directors and Senior Management. The said code has been communicated to the Directors and members of the Senior Management.

8. Disclosures :

a) Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large.

There are no materially significant related party transactions made by the Company with its promoters, Directors or Management, etc., that may have potential conflict with the interests of the Company at large.

There are transactions with related parties as per requirements of Accounting Standard (AS-18) – 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India as below:

		(Rs. In Lacs)
Name of the Party	Nature of Transaction	31.03.2012
Shantilal M. Jain	Loan Taken	54.80
	Advance for acquisition of business	110.00
Mukesh Patel	Advance for Expenses	1.00
Munoth Investment & Finance Co. Pvt. Ltd.	Loan Taken	87.00
Munoth Finance & Leasing Ltd.	Loan Taken	16.50

b) Disclosure of Accounting Treatment:

In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India. The significant accounting policies which are consistently applied are set out in the Notes to the Accounts.

c) 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 the last three years.



The Company has complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

9. Means of Communication

(i) Financial Results:

The Unaudited quarterly / half-yearly (Unaudited) results are announced within 45 days from the end of the quarter / half year as stipulated under the Listing Agreement with the Stock Exchanges.

The aforesaid financial results are taken on record by the Board of Directors and are communicated to the Stock Exchanges where the Company's securities are listed.

(ii) Management Discussion and Analysis Report (MD&A):

The Management Discussion and Analysis Report forms part of the Annual Report.

10. General Share Holder Information:

Financial Calendar for the Financial Year 2011-12

a.	Annual General Meeting	
	- Date	17 th September, 2012
	- Time	11 A.M.
	- Venue	Mittal Tower 92-B wing 9 th Floor, Nariman Point, Mumbai - 400 021.
b.	Book Closure Dates	10.09.2012 to 17.09.2012 (both days inclusive)
c.	Financial Calendar	Tentative Schedule
	a) Unaudited results for quarter ending 30-06-2012	July 2012
	b). Unaudited results for half year/ quarter ending 30-09-2012	October 2012
	c). Unaudited financial results for quarter ending 31-12-12	January 2013
	d). Audited resulted for the year quarter ending 31-03-2013	April 2013 / June 2013.
d.	Nos of Share Holder	145 Share holders as on 31-03-2012
e.	Listing of Equity Shares	Bombay Stock Exchange Ltd.
f.	Stock Code	511200



Listing Fees

The company has paid listing fees of BSE for the year 2011-12.

Market Price Data:

Month wise Stock Market Price Data (BSE) relating to Equity Shares of the Company for the F.Y. ended March 31, 2012.

Month of the F.Y. 2011-12.	Market Price Data			
	Open	High	Low	Close
April - 2011	57.5	57.5	57.5	57.5
May - 2011	60.3	66	60.3	66
June - 2011	-	-	-	-
July - 2011	69.3	72.65	69.3	72
August - 2011	-	-	-	-
Sep-11	-	-	-	-
Oct-11	-	-	-	-
November - 2011	72	72	72	72
December - 2011	69.5	69.5	69	69
January - 2012	66.6	66.6	39.6	39.6
February - 2012	39.65	39.65	30.9	32.5
Mar-12	32.9	32.5	30.7	30.7

Distribution of share holding as on March 31, 2012

No. of Equity Shares held	No. of share-holders	% age of share-holders	No. of Shares held	% age of shareholding
Up - 5000	105	72.41	24910	0.28
5001 - 10000	--	--	--	--
10001 - 20000	--	--	--	--
20001 - 30000	1	0.69	22066	0.25
30001 - 50000	--	--	--	--
50001 - 100000	30	20.69	2419852	26.90
100001 - 1000000	7	4.83	2457072	27.33
10000001 above	2	1.38	4067100	45.24
Total	145	100	8991000	100



Category of shareholders as on March 31, 2012:

Category	No of Shares held	% age of shareholding
Promoter's	6524172	72.56
OCB	--	--
Companies	24729	0.29
Individuals/Others	2442099	27.15
NRI	--	--
Total	8991000	100

Outstanding GDRs, ADRs, Warrants or any Convertible Instruments, conversion date and likely impact on equity: Not Applicable.

Insider Trading:

The Code of Internal procedure & conduct and code of Corporate Disclosure Practices as per the SEBI (Prohibition of Insider Trading) Regulations, 1992 initiated by the Board and are in force till date.

Code of Conduct:

The Company laid down its Code of Conduct for its Directors as well as Senior Management Personnel in terms of Clause 49.1(D) of Listing Agreements, which was approved by the Board.

Plant Location:

The Company is a Financial Services Company and its not engaged in manufacturing operations. Its Registered Office is situated at Mittal Tower 92-B Wing, 9th Floor, Nariman Point, Mumbai – 400 021.

Address for Correspondence:

Mittal Tower, 92 B-Wing, 9th Floor,
Nariman Point, Mumbai – 400 021.

DECLARATION

As provided under clause 49 of the Listing Agreement with the Stock Exchanges, all Board members and Senior Management Personnel have affirmed compliance with MUNOTH CAPITAL MARKET LIMITED code of Business conduct and Ethics for the year ended March 31, 2012.

For and on Behalf of the Board of Directors
FOR MUNOTH CAPITAL MARKET LTD.


DIRECTOR
Director

Place: Mumbai
Date: 29.05.2012



CEO CERTIFICATE

(As per Clause 49(v) of the Listing Agreement)

To,
The Board of Directors,
Munoth Capital Market Limited
Mumbai

I hereby certify that:

- a. I have reviewed the financial statement and the cash flow statements for the year 2011-12 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violant of the Company's Code of Conduct.
- c. I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee that there have been no deficiencies in the design or operation of internal controls, prevailing in the Company.
- d. I hereby certify that:
 - i. There have been no significant changes in internal control during the year.
 - ii. There have been no significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the Financial Statement and
 - iii. No instances of fraud were observed in the Company by the management or an employee having a significant role in the Company's internal control systems.

Place : Mumbai

Date : 29.05.2012



**FOR MUNOTH CAPITAL MARKET LIMITED
FOR MUNOTH CAPITAL MARKET LTD.**

Atthaus
DIRECTOR DIRECTOR

D. M. SHAH & CO.

COMPANY SECRETARIES

37/443, Raghukul Appt.,
Sola Road, Naranpura,
Ahmedabad - 380 063.

DISHA M. SHAH
B.Com, A.C.S.

Mobile No. (+91) 8000 170 949.

COMPLIANCE CERTIFICATE

C. I. N.:L09999MHI986PLC040833.

Authorised Capital :Rs. 90,000,000/-.

To,
The Members,
MUNOTH CAPITAL MARKET LIMITED.
Mittal Tower - 92, B wing, 9th Floor,
Nariman Point,
Mumbai - 400 021.

I have examined the registers, records, books and papers of the M/s. **MUNOTH CAPITAL MARKET LIMITED** 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, 2012. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and representatives.

I 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 duly online filed the e-forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Mumbai, within the time prescribed under the Act, and rules made there under. However, no form or return was required to file with Regional Director, Central Government, Company Law Board or other authorities.
3. The Company being a Public Limited Company having paid-up capital of Rs. 44,955,000/- during the year under the review.
4. The Board of Directors duly met Six times respectively on 10th May, 2011, 30th May, 2011, 28th July, 2011, 27th October, 2011, 18th January, 2012, 27th January, 2012, in respect of which proper notice were given and the proceedings were properly recorded and signed in the Minute Book maintained for the purpose.
5. The Company was required to close its Register of Members and Debenture holders from 29th September, 2011 to 30th September, 2011 during the year for the Compliance of Section 184 of the Act.



D. M. SHAH & CO.

COMPANY SECRETARIES

37/443, Raghukul Appt.,
Sola Road, Naranpura,
Ahmedabad - 380 063.

Mobile No. (+91) 8000 170 949.

DISHA M. SHAH
B.Com, A.C.S.

6. The Annual General Meeting for the financial year ended on 31st March, 2011, was held on 30th September, 2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minute Book maintained for the purpose.
7. The Extra Ordinary General Meeting was held on 17th June, 2011 during the financial year under the review.
8. The Company has not advanced any Loan to its directors or persons or firms or companies referred to under section 295 of the Act during the financial year under review.
9. The Company has complied with the provisions of Section 297 of the Act in respect of contract specified in that section during the year under the review.
10. The Company has made all necessary entries in the register maintained under section 301 of the Act during the year under the review.
11. There was no instance falling within the purview of Section 314 of the Act, during the year under the review.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has/was:
 - (a) no allotment/ transfer/transmission of securities during the financial year.
 - (b) declared dividend during the financial year.
 - (c) Posted warrants to the members of the company as dividend was declared during the financial year.
 - (d) no amount lying in the books of accounts in respect of unpaid dividend, application money due for refund, matured deposits, matured debentures, and the interest accrued thereon.
 - (e) duly complied with the requirements of section 217 of the Act.



D. M. SHAH & CO.

COMPANY SECRETARIES

37/443, Raghukul Appt.,
Sola Road, Naranpura,
Ahmedabad - 380 063.

DISHA M. SHAH
B.Com, A.C.S.

Mobile No. (+91) 8000 170 949.

14. The Board of Directors of the Company is duly constituted. Mr. Mukesh H. Patel was appointed as an Additional Director of the Company. There was no appointment of any alternate director and director to fill casual vacancy during the financial year under the review.
15. The Company has not appointed Managing Directors/ Whole-Time - Director/ Manager during the year under the review.
16. The Company has not appointed any sole-selling agents during the year.
17. The Company was not required to obtain approvals of the Central Government, Company Law Board, Regional Director, or such other authorities as may be prescribed under the provisions of the Act.
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, debentures or securities during the financial year.
20. The Company has not bought back any shares during the financial year ending 31st March, 2012.
21. There being no preference shares or debentures hence question of redemption does not arise.
22. There was no transactions necessitated the Company to keep in abeyance rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including unsecured loans falling under the provisions of section 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975.
24. The amounts borrowed by the Company during the financial year under the review are within the borrowing limits of the Company.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate during the year under the review.



D. M. SHAH & CO.

COMPANY SECRETARIES

37/443, Raghukul Appt.,
Sola Road, Naranpura,
Ahmedabad - 380 063.

DISHA M. SHAH
B.Com, A.C.S.

Mobile No. (+91) 8000 170 949.

26. The Company has not altered the provisions of the Memorandum with respect to situation of the Registered office from one state to another during the year under the scrutiny.
27. The Company has altered the provisions of the Memorandum by inserting new clause in the Main Object Clause by Postal Ballot with respect to the Objects of the Company during the year under the scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under the scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under the scrutiny.
30. The Company has not altered its Articles of Association during the year under scrutiny.
31. As confirmed by the Management, there were no prosecution initiated against or show cause notice received by the Company, during the financial year, for the offence under the Act.
32. As confirmed by the Management, the Company has not received any amount as security from its employees during the financial year
33. As confirmed by the Management, the Company has not constituted any Provident Fund therefore Section 418 is not applicable.

Place: Ahmedabad

Date: 29.05.2012.



For, D. M. SHAH & CO.
Company Secretaries

Dmshah

(Disha M. Shah)
Proprietor
C. P. No.: 10552.

D. M. SHAH & CO.

COMPANY SECRETARIES

37/443, Raghukul Appt,
Sola Road, Naranpura,
Ahmedabad - 380 063.DISHA M. SHAH
B.Com, A.C.S.

Mobile No. (+91) 8000 170 946.

Annexure - A:

Statutory & other Registers maintained by the Company:

1. Register of Members	u/s. 150(1)
2. Minutes of the General Meetings	u/s 193(1)
3. Minutes of the Board Meetings	u/s 193(1)
4. Register of Contracts	u/s 301(1)
5. Register of Directors, Managing Directors etc.	u/s 303(1)
6. Register of Director's Shareholding	u/s 307(1)
7. Register of Charges	u/s 146
8. Register of Share Transfer	

Annexure - B:e-Forms and Returns filed by the Company with the various authorities during the financial year ended 31st March, 2012.

S.R. No.	Form No.	Filed u/s.	Details of Forms	Period of Filing as per Law	Date of Actual Filing	Remarks
1	e-Form 23B	224(1A)	Information by Auditor to Registrar	Within 30 Days of Intimation letter	21/10/2011	Filled vide SRN. S06449086
2	Compliance Certificate e-Form 66	383A	To be attached with the Board Report	Within 30 Days of AGM Date	22/10/2011	Filled vide SRN P74693912
3	Schedule - VI e-Form - 23AC & ACA - XBRL	220	Balance Sheet and Profit & Loss Account as on 31.03.2011	Within 30 Days of AGM Date	26/11/2011	Filled vide SRN P80756083
4	Schedule - V e-Form 20B	159	Annual Return made upto 30.09.2011	Within 60 Days of AGM Date	28/11/2011	Filled vide SRN P81104846
B	e-Form - 62	192A read with 17	For the submission of the documents with the Registrar	Within One Week of Board Meeting.		



D. M. SHAH & CO.

COMPANY SECRETARIES

37/443, Raghukul Appt.,
Sola Road, Naranpura,
Ahmedabad - 380 063.

DISHA M. SHAH
B.Com, A.C.S.

Mobile No. (+91) 8000 170 948.

6	e-Form - 23	192	Registration of Resolution for the Alteration in Object Clause	Within 30 Days of Resolution passed.		
---	-------------	-----	--	--------------------------------------	--	--

Place: Ahmedabad

Date: 29.05.2012.

For, D. M. SHAH & CO.
Company Secretaries



Dmshah

(Disha M. Shah)
Proprietor
C. P. No.: 10552.

PANKAJ K. SHAH ASSOCIATES
CHARTERED ACCOUNTANTS

PANKAJ SHAH
B.Com, F.C.A., A.C.S.

701-A, Nirman, Opp. Havmore
Restaurant, Navrangpura,
Ahmedabad - 380 009.
Phone : 26562980, 30024115

**AUDITORS REPORT ON COMPLIANCE OF CONDITION OF
CORPORATE GOVERNANCE**

To
The Share Holders of Munoth Capital Market Limited.

We have examined the compliance of conditions of corporate governance by Munoth Capital Market Limited, for the year ended on **March 31, 2012** as stipulated in clause 49 of the Listing Agreement entered in to with the Stock Exchanges, with the relevant record and documents maintained by the Company as furnished to us.

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

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance except composition of Audit Committee as stipulated in the abovementioned Listing Agreements.

We state that in respect of investor grievances received during the year ended 31st March 2012, no investor grievances are pending against the Company for a period exceeding one month as per the records maintained by the Company and presented to the investors/Shareholders Grievance Committee.

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

Place : Ahmedabad

Date : 29.05.2012



FOR PANKAJ K. SHAH ASSOCIATES.,
Firm Registration No. 107352W
CHARTERED ACCOUNTANTS

Pankaj K. Shah

(PANKAJ. K. SHAH)
PROPRIETOR
M.No.034603



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, 2012 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.
 - 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 and cash flow dealt with by this report are in agreement with the books of accounts.
- d) In our opinion, the Balance-sheet and Profit & Loss account and cash flow 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, 2012, and taken on the record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 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 2012.
 - (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: 29.05.2012

For VIJAY R. TATER & CO.
Chartered Accountants



(Signature)

(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, 2012.**)

- (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) During the year the company has disposed of substantial part of its fixed assets. Based on the information and explanation given by the management and on the basis of audit procedures performed by us we are of the opinion that the sale has not affected the going concern status of the company.
- (ii) a) The inventories of shares & securities has been kept in dematerialized form and the same has been physically verified by the management at reasonable intervals during the year.
- b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- c) The company has maintained proper records of inventories and no discrepancies were noticed on such physical verification as compared to book records.
- (iii) a) According to information and explanations given to us, during the year, the company has granted interest free unsecured loan to a company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs 16.00 Lacs and the year end balance was Rs NIL.
- b) As informed by the management, the company has granted interest free unsecured loans to a company in the ordinary course of the business. We are not in a position to comment whether the terms and conditions of the loans and advances are prejudicial to the interest of the company as there are no covenants with regard to the repayment of the loan.
- c) According to information and explanations given to us, in respect of such interest free loan given by the company, the same are repayable on demand and no stipulations have been made regarding repayment of principal amount.



- d) There is no overdue amount in respect of loan given to a company under register maintained under section 301 of the Companies Act, 1956, as the same is repayable on demand.
- e) According to information and explanations given to us, the Company has taken unsecured loan from a company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year end balance was Rs 87.00 Lacs.
- 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.
- (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 has a formal internal audit system.
- (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. The company has incurred cash losses during the financial year covered by our audit however there were no cash losses in immediately preceding financial year.
- (xi) Based on our examination of record and information and explanations given to us the company has not defaulted in repayment of dues to any financial institution, banks. The Company has not raised any amount through debentures.
- (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.
- (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.

Place: Mumbai

Date: 29/05/2012








For VIJAY R. TATER & CO.
Chartered Accountants

(Suresh G. Kothari)

Partner
M.NO. 47625

MUNOTH CAPITAL MARKET LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No.	As at 31.03.2012	As at 31.03.2011
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	44,955,000	44,955,000
(b) Reserves and Surplus	3	35,094,814	38,084,877
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	18,415,558	20,159,469
(b) Deferred Tax Liabilities (Net)	5	109,984	590,316
(3) Current Liabilities			
(a) Short Term Borrowings	6	8,878,575	3,612,720
(b) Trade Payables	7	58,316	556,060
(c) Other current liabilities	8	2,880,632	8,715,037
(d) Short term provision	9	1,730,568	4,341,284
Total Equity & Liabilities		112,123,448	121,014,763
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible assets	10	843,507	6,188,915
(b) Non-current investments	11	-	38,500
(c) Long term loans and advances	12	27,414,762	27,997,647
(2) Current Assets			
(a) Trade receivables	13	583,562	51,958
(b) Cash and cash equivalents	14	65,090,142	29,259,658
(c) Short-term loans and advances	15	18,191,475	7,478,085
Total Assets		112,123,448	121,014,763
Significant Accounting Policies			
Other Notes on accounts from Nos 21 to 29 are an integral part of the Financial Statements			
This is the Balance Sheet referred to in our Report of even date.			
For Vijay R. Tatar & Co. Chartered Accountants Firm Reg. No.: 111426W		For and on behalf of the Board	
 CA Suresh G. Kothari Partner (M.No.47625) Place : Mumbai Date: 29.05.2012		 Siddharth S Jain	
		 Shantilal M Jain	
			

MUNOTH CAPITAL MARKET LIMITED
PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2012

Sr. No.	Particulars	Note No.	For the year ended	For the year ended
			31.03.2012	31.03.2011
			RUPEES	RUPEES
I	Revenue from operations	16	9,662,425	37,212,871
II	Other Income	17	5,208,044	5,042,273
III	III. Total Revenue (I +II)		14,890,469	42,255,146
IV	Expenses:			
	Employee Benefit Expense	18	5,011,998	18,233,228
	Financial Costs	19	2,030,802	2,721,143
	Depreciation & Amortization	10	1,100,204	2,604,006
	Other Administrative Expenses	20	9,092,265	13,047,797
	Total Expenses (IV)		17,235,268	36,606,173
V	Profit before tax (VII - VIII)		(2,344,799)	5,648,972
VI	Tax expense:			
	(1) Taxation Adjustments of Previous Year		80,635	-
	(2) Deferred tax for the year		(480,332)	(154,758)
XV	Profit/(Loss) for the period (X) + XIV)		(1,945,106.42)	5,803,730
XVI	Earning per equity share:			
	(1) Basic	26	(0.22)	0.65
	(2) Diluted	26	(0.22)	0.65

Significant Accounting Policies

Other Notes on accounts from Nos 21 to 28

are an integral part of the Financial Statements

This is the Profit & Loss Statement referred to in our Report of same date.

For Vijay R. Tatar & Co.

Chartered Accountants

Firm Reg. No.: 111426W



CA Suresh G. Kothari

Partner

(M.No.47625)

Place :Mumbai

Date: 29.05.2012

For and on behalf of the Board

Siddharth S Jain

Shantimal M Jain



MUNOTH CAPITAL MARKET LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2012

	YEAR ENDED ON 31.03.2012		YEAR ENDED ON 31.03.2011	
	RUPEES	RUPEES	RUPEES	RUPEES
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax		(2,344,789)		3,648,872
Adjustments for:				
Depreciation	1,100,204		2,014,006	
Interest received	(4,578,655)		(4,285,815)	
(Profit) / loss on sale of fixed assets		(3,079,431)		(1,685,900)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(6,234,211)		3,967,067
Increase/(Decrease) in Short-term Borrowings	5,250,835		(44,886)	
Increase/(Decrease) in Trade Payables	(497,744)		550,608	
Increase/(Decrease) in Short-term Provisions	(812,538)		1,123,374	
Increase/(Decrease) in Other Current Liabilities	(5,834,405)		(10,236,443)	
(Increase)/Decrease in trade receivables	(521,004)		164,240	
(Increase)/Decrease in Short-term Loans and Advances	(10,331,906)		31,240,043	
CASH GENERATED FROM OPERATIONS		(12,742,320)		22,218,647
Direct Taxes Paid		(8,566,531)		26,176,706
NET CASH (USED IN)/FROM OPERATING ACTIVITIES	(807,874)	(28,574,507)		24,545,383
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(1,754,790)		(1,915,700)	
Proceeds from sale of fixed assets	6,000,000			
Proceeds from sale of non-current investments	88,500			
Proceeds from sale of current investments			400,000	
Interest received	2,723,324		2,357,941	
Movement in long term loans & advances	562,085		179,387	
NET CASH (USED IN)/FROM INVESTING ACTIVITIES		12,987,913		721,829
C. CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of long term borrowings	(1,743,811)			
Proceeds from long-term borrowings			3,727,558.00	
Dividend paid	(2,887,300)		(3,545,288)	
NET CASH (USED IN)/ FROM FINANCING ACTIVITIES		(4,641,311)		(1,417,730)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		(11,427,805)		23,809,893
CASH AND CASH EQUIVALENTS (OPENING BALANCE)		70,567,743		86,738,670
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)		59,139,938		70,567,743

Notes:

- (1) The above Cash Flow statement has been prepared under indirect Method set out in AS-3 issued by the Institute of Chartered Accountants of India.
- (2) The balance with the bank for interest disburse is not available for use by the company and the money remaining unpaid will be deposited in Investor Protection and Education Fund after the expiry of seven years from the date of declaration of dividend.
- (3) Figures in brackets indicates out go.
- (4) Previous year figures have been reproduced and revised wherever necessary.

As per our report of even date attached

For Vijay R. Sater & Co.

Chartered Accountants

Firm Registration No. 1118425W



CA Suresh G. Kothari

Partner

(M.No. 47625)

Mumbai

Date: 29.05.2012



For and on behalf of the Board

Siddharth S. Jain

Shantilal M. Jain



MUNOTH CAPITAL MARKET LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012

Sr. No	Particulars	RUPEES	
		Current Year	Previous Year
Note : 2 Share Capital			
1	AUTHORIZED CAPITAL 10000000 (1,00,00,000) Equity Shares of Rs. 5/- each.	90,000,000	90,000,000
		90,000,000	90,000,000
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL To the Subscribers of the Memorandum 3501597 (80.91,000) Equity Shares of Rs. 5/- each fully paid up.	44,955,000	44,955,000
	Total In	44,955,000	44,955,000

2.1 a.) Reconciliation of number of the Equity Shares

Particulars	31.03.2012		31.03.2011	
	Number	Rs	Number	Rs
Shares outstanding at the beginning of the year	8,991,000	44,955,000	8,991,000	44,955,000
Shares issued during the year				
Shares bought back during the year				
Shares outstanding at the end of the year	8,991,000	44,955,000	8,991,000	44,955,000

(b) Rights, preferences and restrictions attached to shares

Equity Shares: The company has one class of equity shares having a par value of Rs.5 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

2.2 Details of shareholders holding more than 5% share in the company

Name of Share Holders	31.03.2012		31.03.2011	
	Number	% of holding	Number	% of holding
Equity Shares of Rs.5 each fully paid				
Munoth Investment and Finance Company Private Limited	2,526,750	28.10	2,526,750	28.10
Amma Investments Limited	1,540,350	17.13	1,540,350	17.13
Shakti Misra Jain	775,422	8.62	775,422	8.62
Gilber Croft Investment Pvt Ltd	634,500	7.06	634,500	7.06



MUNOTH CAPITAL MARKET LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012

Sr. No	Particulars	RUPEES	
		Current Year	Previous Year
Note : 3 Reserve & Surplus			
1	General Reserve		
	Opening Balance	32,035,000	28,535,000
	Add: Transferred from Profit & Loss Account	1,000,000	3,500,000
	Closing Balance	33,035,000	32,035,000
2	Surplus (Profit & Loss Account)		
	Balance brought forward from previous year	6,049,877	6,891,435
	Add: Profit for the period	(1,945,106)	5,803,730
	Less : Appropriations :		
	Proposed Final Dividend (Amount per share '0.10 P.Y. Re 0.30)	899,100	2,697,300
	Tax on Distributed Fund	145,857	447,988
	Transferred to General Reserve	1,000,000	3,500,000
	Balance carried forward to next year	2,059,814	6,049,877
	Total in	35,094,814	38,084,877

Note : 4 Long Term Borrowings

1	Secured		
	Term Loans		
	Synthetic Bank Ltd (Secured against Fixed Deposit of Rs 5.00 Lacs)	21,812	14,835
	Bank of Maharashtra (Secured against Fixed Deposit of Rs 2.00 Cr)	18,393,747	17,831,255
	Hdfc Bank Ltd (Secured against Pledge of Shares)	-	2,313,379
	Total in	18,415,558	20,159,469

Note : 5 Deferred Tax Liability (net)

Break up of Deferred Tax Asset and Deferred Tax Liability arising out of timing differences	Current Year	Previous Year
Deferred Tax Liability - (Opening)	590,316	745,073
Add: Deferred Tax Assets / (Deferred Tax liability) for timing difference on Depreciation (refer note (a) below)	(480,332)	(154,757)
Net deferred Tax Assets / (Deferred Tax liability)	109,984	590,316

(A) 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.

Note : 6 Short Term Borrowings

1	Unsecured		
	Loans & Advances from related parties (Refer note (a) below)	5,700,000	
2	Deposits	178,575	3,612,720
	Total in	5,878,575	3,612,720

(a) Short term unsecured borrowings from Munoth Investment and Finance Company Private Limited Rs 87.00 Lacs (P.Y. Nil)



MUNOTH CAPITAL MARKET LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012

Sr. No.	Particulars	RUPEES	
		Current Year	Previous Year

Note : 7 Trades Payable

1.	Sundry Creditors for Expenses (Refer note (a) below)	58,316	556,060
Total in		58,316	556,060

(a) The disclosure under Section 22 of Micro, Small and Medium Enterprises Development Act, 2006 is not applicable to our company as we are neither a trading nor a manufacturing company and accordingly do not have any such suppliers.

Note : 8 Other Current Liabilities

1.	Advance from Customer - Margin Account	2,493,583	6,018,595
2.	Employee Benefits Payable	-	579,427
3.	Statutory Dues	250,096	1,257,849
4.	Others Expenses provision	136,953	909,167
Total in		2,880,632	8,715,037

Note : 9 Short Term Provisions

1.	Provision for Proposed Dividend	899,100	2,697,300
2.	Provision for tax on distributed profit	145,857	458,372
3.	Provision for Taxation	685,611	1,185,612
Total in		1,730,568	4,341,284



MUNOTH CAPITAL MARKET LIMITED

Notes Forming Integral Part of the Balance Sheet as of 31st March, 2012

Note : 10 Fixed Asset

Sr. No	Particulars	Rate	Gross Block					Depreciation			Net Block	
			Value at the beginning of the year 01.04.11	Addition during the year	Deduction during the year	Value at the end of the year 31.03.12	Value at the beginning of the year 01.04.11	Addition during the year	Depreciation during the year	Value at the end of the year 31.03.12	WDV as on 31.03.12	WDV as on 31.03.2011
1	Air conditioner	13.91%	380,719	-	380,719	-	387,015	41,293	428,308	-	593,704	
2	Colour television	13.91%	11,700	-	11,700	-	10,088	112	10,200	-	1,611	
3	Computer	40.00%	4,924,094	-	4,924,094	-	3,151,874	857,284	3,508,998	-	1,786,422	
4	EPABX T-able System	12.91%	9,824	-	9,824	-	7,229	180	7,409	-	2,595	
5	Electrical Equipments	13.91%	524,999	-	524,999	-	88,953	29,810	116,773	-	428,086	
6	Furniture & Fixture	18.10%	2,397,630	58,800	2,397,830	58,800	648,881	158,022	799,200	9,503	48,297	
7	Motor car	25.85%	336,375	-	336,375	-	324,378	1,527	326,105	-	31,797	
8	Mobile phone	18.10%	15,300	-	10,800	-	8,310	180	8,490	-	1,990	
9	Office Equipments	18.10%	467,302	-	467,720	-	194,849	34,695	219,543	-	272,872	
10	New Software	40.00%	5,119,218	2,895,036	10,022,412	992,782	4,183,907	485,008	4,571,018	198,552	794,210	
11	Veget & Screening	40.00%	188,249	-	188,249	-	185,792	498	190,290	-	2,468	
	Total		13,489,021	1,754,786	18,197,215	1,091,562	9,302,106	1,150,204	10,197,355	208,055	813,307	
			14,443,812	1,085,708	-	15,489,011	6,091,989	2,804,008	-	9,300,105	6,188,915	



MUNOTH CAPITAL MARKET LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012

Sr. No	Particulars	RUPEES	RUPEES
		Current Year	Previous Year
Note : 11 Non Current Investment			
1	Investment in Equity Instrument <u>Unquoted</u>		
	210 Preference Shares (F.Y.210) of Tata Iron & Steel Limited	-	38,500
	Total in		38,500

Note : 12 Long Term Loans and Advances

0	Deposits a) Secured, Considered Good, Tea deposit	27,414,762	27,997,647
	Total in	27,414,762	27,997,647

Note : 13 Trade Receivables

1	Outstanding for a period exceeding six months from the date they are due for payment a) Unsecured, Considered Good		50,000
2	Others a) Unsecured, Considered Good	583,582	1,958
	Total in	583,582	51,958

Note : 14 Cash & Bank Balances

A	Cash & Cash equivalents		
1	Cash on Hand	11,535	8,734
2	Balances with Banks In current account	15,609,401	27,091,011
B	Other Bank Balances		
	Long term deposit :		
	Accrued interest on FD's	5,950,205	8,091,311
	maturity less than 3 months	30,000,000	
	maturity more than 3 months but less 12 months	2,590,000	33,590,000
	maturity more than 12 months	11,025,000	10,025,000
	Total	65,090,142	79,259,058
		59,130,938	70,567,745

Note :15 Short Terms Loans and Advances

1	Others		
	Advance Recoverable in cash or in kind or for value to be considered good		
	Tax Payment -Advance Tax, Self Asst. Tax, TDS & MAT	2,572,390	2,590,899
	Other Advances (Refer notes below)	15,219,095	4,887,189
	Total in	18,191,475	7,478,088

(a) Other Advances includes Rs. 110 Lacs (P.Y. Nil) towards part payment to a director Mr Shankar M Jain against acquisition of his retail business namely Deshpande Collections.

(b) Other Advances includes Rs. 6.79 Lacs (P.Y. 5.79 Lacs) towards advance for expenses to directors namely Siddharth Jain & Mukesh Patel.



MUNOTH CAPITAL MARKET LIMITED

NOTES ANNEXED TO AND FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED

Sr. No	Particulars	RUPEES	RUPEES
		For the year Ended 31.03.2012	For the year Ended 31.03.2011
Note : 16 Revenue from Operations			
<u>FEE BASED FINANCIAL SERVICES</u>			
1	Brokerage	4,526,232	19,563,427
2	D.P. Income	687,269	1,041,306
3	Delivery Charges Income	-	1,680
4	Late payment charges Income	1,553,181	3,571,066
5	Auction Charges Income	66,915	354,709
6	Short Reporting Charges	-	127,865
7	Pledge Charges Collection	-	255
8	Registration Fees	-	76,060
9	Rebate on transaction charges	931,875	-
10	Profit on Trading of Shares	1,917,353	12,476,509
Total In		9,682,425	37,212,872

Note : 17 Other Income

1	Interest Received on or Fixed Deposits	4,979,615	4,280,915
2	Other Non Operating Income (net of expenses directly attributable to such income) Miscellaneous Income	228,428	752,158
Total In		5,208,044	5,042,273

Note : 18 Employment Benefit Expenses

1	Salaries & Allowances	2,782,870	16,157,635
2	Incentives	2,229,177	2,075,591
Total In		5,011,998	18,233,228

Note : 19 Finance Cost

1	Interest Paid	2,021,707	2,707,048
2	Bank Charges	9,095	14,085
Total In		2,030,802	2,721,143



MUNOTH CAPITAL MARKET LIMITED

NOTES ANNEXED TO AND FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED

Sr. No	Particulars	RUPEES	RUPEES
		For the year Ended 31.03.2012	For the year Ended 31.03.2011

Note : 20 Other Administrative Expenses

1	Advertisement Expenses	9,918	490,291
2	Auditors Remuneration :		
	a) Statutory Audit Fees	50,000	55,150
	b) Tax Audit Fees	25,000	27,575
3	Bad Debts	407,510	2,109,526
4	Business Promotion & Marketing Expenses	1,000	36,771
5	Computer Peripheral and Software Maintenance Expenses	340,457	855,947
6	Contribution to Trade Guarantee Fund	2,532	5,045
7	Courier & Postage Charges	96,014	93,830
8	Debit charges	93,076	155,591
9	Donation	134,000	29,500
10	Electricity charges	132,478	494,857
11	Insurance Expenses	101,644	75,408
12	Internet Charges	95,999	136,196
13	Listing Fees	36,889	10,000
14	Leased Line Charges	417,388	84,472
15	Miscellaneous Expenses	186,205	232,994
16	NSE Charges	-	13,521
17	NSDL Charges	6,000	39,708
18	BSE Charges	20,347	206,982
19	CDSL Charges	178,663	325,817
20	Nse Annual subscription charges	-	100,000
21	Processing Charges	18,142	-
22	DDM AMC Charges	-	1,197,207
23	Office expenses	402,434	792,428
24	Printing & Stationery	39,705	175,657
25	Legal & Professional Fees	276,681	252,545
26	SEBI Turnover fees	4,828,456	-
27	Rent & Compensation charges	702,528	3,134,135
28	Repairs and Maintenance	-	1,358
29	Other Charges	173,771	614,129
30	Share Registrar & Transfer Charges	16,000	22,279
31	Membership & Subscription	19,803	88,574
32	Telephone charges	167,678	257,781
33	Software Development Charges	-	28,500
34	Traveling expenses	58,432	122,943
35	NSE Exchange Due Charges	-	100,000
36	Vsat Support Charges	48,000	471,000
	Total in	9,092,265	13,047,797



Note-1 Forming part of the accounts for the year ended 31st march, 2012

1.1 Basis of Accounting :

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.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

1.2 Use of Estimates:

The preparation of the financial statements are in conformity with the generally accepted accounting principles that 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.

1.3 Fixed Assets :

The fixed assets are stated at acquisition cost less accumulated depreciation.

1.4 Depreciation :

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 pro-rata basis taking into consideration the completed month of additions/ disposals.

1.5 Investments :

- a) 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.
- b) Investments are classified as Quoted & Unquoted Investments.
- c) Long term investments are stated at cost less provision for permanent diminution in value of such investments.
- d) Current investments are stated at lower of cost and fair market value, determined by category of investments.

1.6 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.

1.7 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.

1.8 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.

1.9 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.

1.10 INCOME TAX:

- a) **Current Tax:** A Provision for Current Income Tax / Minimum Alternate Tax 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.

1.11 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.

1.12 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.



NOTES ON ACCOUNTS:

21	CONTINGENT LIABILITIES NOT PROVIDED FOR :-	(Rs.in Lacs)	
		<u>31.03.2012</u>	<u>31.03.2011</u>
a)	Estimated amount of contracts remaining to be executed on capital account	NIL	NIL
b)	Claims against company not acknowledge as debts	NIL	NIL
22	Foreign Exchange earnings and out-go is	Rs. NIL	(P.Y. NIL)

23 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.

24 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 with whom transaction has been taken place during the year:-**

- a) **Key management Personnel**
- (i) Shantilal M Jain
(ii) Siddharth S Jain
(iii) Mukesh Patel
- b) **Associate companies where director or relatives of director are director**
- (i) Munoth Investment & Finance & Co.Pvt. Ltd.
(ii) Munoth Finance & Leasing Ltd.

II. Particulars of transactions during the year with Related Parties :**(Rs.in Lacs)**

Name of the Party	Nature of transaction	31.03.2012	31.03.2011
Shantilal M. Jain	Loan Taken	54.80	30.00
	Advance for acquisition of business	110.00	NIL
Siddharth S Jain	Advance for Expenses	NIL	23.99
Mukesh Patel	Advance for Expenses	1.00	0.75
Munoth Investment & Finance Co. Pvt. Ltd.	Loan Taken	87.00	NIL
Munoth Finance & Leasing Ltd	Loan Given	16.50	NIL

III. Particulars of Outstanding Balance at the end of the year with Related Parties :**(Rs.in Lacs)**

Name of the Party	31.03.2012	31.03.2011
Shantilal M. Jain	110.00	NIL



Siddharth S Jain	5.04	5.04
Mukesh Patel	1.75	0.75
Munoth Finance & Leasing Ltd	87.00	NIL

- 25 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.

26 EARNING PER SHARE:

Earning per share EPS Calculation (basic and diluted)

	Unit	31.3.2012	31.3.2011
a) Net Profit / (Loss) attributable to equity shareholders	Rs.	(19,45,106)	58,03,731
b) Weighted average number of equity shares	No.	89,91,000	89,91,000
c) Nominal Value Per share	Rs.	5	5
d) Earning per share	Rs.	(0.22)	0.65

27 AUDITORS' REMUNERATION

Particulars As Auditor	31.3.2012	31.3.2011
Audit Fees	56,180	55,150
Tax Audit Fees	28,090	27,575
Total	84,270	82,725

- 28 Till the year ended 31 March 2011, the company was using pre-revised Schedule VI to the Companies Act, 1956, for preparation and presentation of its financial statements. During the year ended 31 March, 2012 the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the company, the company has reclassified previous year figures to conform to this year's classification. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it significantly impacts presentation and disclosures made in the financial statements, particularly presentation of balance sheet.

- 29 Previous year figures have been regrouped / rearranged wherever necessary.

For Vijay R. Tater & Co.
Chartered Accountants

CA. Suresh G. Kothari
Partner
(M.No.47625)
Place: Mumbai
Date: 29.05.2012



For and on behalf of the Board

Siddharth S. Jain

Siddharth S. Jain
(Director)

Shantilal M. Jain

Shantilal M Jain
(Director)



MUNOTH CAPITAL MARKET LIMITED

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No. State Code
 Balance Sheet Date:
Day Month Year

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue Right Issue
 Bonus Issue Private Placement (ESOP)

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Sources of Funds	Total Liabilities	Total Assets
	<input type="text" value="112,123"/>	<input type="text" value="112,123"/>
	Paid-Up Capital	Reserves and Surplus
	<input type="text" value="44,355"/>	<input type="text" value="35,095"/>
	Share A/cnt Money	Secured Loans
	<input type="text" value="Nil"/>	<input type="text" value="Nil"/>
	Unsecured Loans	Deferred Tax Liability
	<input type="text" value="Nil"/>	<input type="text" value="Nil"/>
Application of Funds	Net Fixed Assets (excluding WIP)	Investments
	<input type="text" value="544"/>	<input type="text" value=""/>
	Net Current Assets	Cap. Expenditure
	<input type="text" value="31,865"/>	<input type="text" value="Nil"/>
	Accumulated Losses	Deferred Tax Assets
	<input type="text" value="Nil"/>	<input type="text" value="(10,945)"/>

IV. Performance of the Company (Amount in Rs. Thousands)

Turnover	Total Expenditure
<input type="text" value="14,800"/>	<input type="text" value="17,235"/>
Profit/Loss before Tax	Profit/Loss after Tax
<input type="text" value="(7,345)"/>	<input type="text" value="(1,945)"/>
Earnings per share in Rs	Dividend rate %
<input type="text" value="0.22"/>	<input type="text" value="2%"/>

V. Generic names of three Principal products / services of the company (as per monetary terms)

Products Description	ISIN Code No.
<input type="text" value="Financial Restructuring, Syndication of Debt & Equity Related Services / Advisory"/>	<input type="text" value="Not Applicable"/>
<input type="text" value=""/>	<input type="text" value=""/>

Signature to Schedules 21 to 22
 As per the report of given date obtained
 For Vijay R. Tater & Co.
 Chartered Accountants
 Firm Registration No. 111420W

Suresh G. Kothari
 Partner
 (M.No. 47624)
 Mumbai
 Date: 29.05.2012



For and on behalf of the Board


 Siddharth S. Jain Shantbal M. Jain

