

***Annual Report 2012-13***

***Munoth Capital Market Limited***

**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 26<sup>th</sup> September, 2013 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 31<sup>st</sup> March, 2013, the Balance Sheet as on that date, the Directors' Report and the Auditors' Report thereon.
2. To elect Director in place of Mr. Siddharth Shantilal 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.

Date : 30.05.2013

Place : Mumbai

**BY ORDER OF THE BOARD OF 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 members are requested to notifying change in their address to the Company quoting their folio number at the earliest to avoid inconvenience at a later stage.
- c) Members are requested to kindly bring their copy of the Annual Report with them at the Annual General Meeting, as no extra copy of Annual Report would be made available at the Annual General Meeting.
- d) Shareholders seeking any information with regards to accounts are requested to write to the Company at least 10 days before the date of Annual General Meeting so as to enable the management to keep the information ready.
- e) Members / Proxies should bring the Attendance Slip attached herewith duly filled in for attending the meeting.
- f) The Register of Members and Share Transfer Books of the Company will remain closed from 16/09/2013 to 26/09/2013 (both days inclusive).
- g) Members Companies / Organization are requested to send a copy of the Resolution of their Governing Body authorizing their representative to attend and vote at this Annual General Meeting.

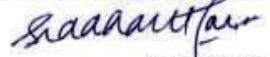
**ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING**

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT IN ANNUAL GENERAL MEETING.**

**(IN PURSUANCE OF CLAUSE 49(VI) A OF THE LISTING AGREEMENTS)**

Name of the Director	Siddharth Shantilal Jain
Age (Yrs.)	34
Qualification	M.B.A
Designation	Director
Chairman/Member of the Committee of the Board of Directors of the Company	Member - Shareholders/investors' Grievance Committee
No of Shares held in the company	1,35,000

FOR MUNOTH CAPITAL MARKET LIMITED



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, 2013.

### **FINANCIAL RESULTS:**

The Financial Results for the year are as under :

(Rs. in Lacs)

<b>Particulars</b>	<b>2012-13</b>	<b>2011-12</b>
Turnover	61.80	148.90
Expenses	71.34	172.35
Profit / (Loss) Before Tax	(9.54)	(23.45)
Provision for Taxation		
■ Taxation Adjustment for P.Y.	(0.11)	(0.80)
■ Deferred Tax	0.86	4.80
*Profit/(Loss) after Tax	(8.79)	(19.45)

### **DIVIDEND :**

In view of loss, the Directors do not recommend any Dividend for the year.

### **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. Siddharth Shantilal Jain retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment.

### **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.

**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, 2013** and of the loss 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, 2000, 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.

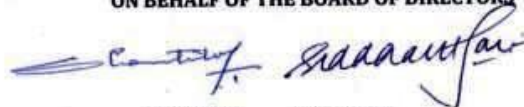
**ACKNOWLEDGMENTS:**

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

**ON BEHALF OF THE BOARD OF DIRECTORS**

Date : 30.05.2012

Place : Mumbai

  
**DIRECTOR      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.

1. 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 31.03.2013
		Held	Attended				
Shantilal Misrimal Jain	Promoter	6	6	Yes	3	--	9,03,222
Siddharth Shantilal Jain	Promoter	6	6	Yes	3	--	1,35,000
Mukesh Haraklal Patel	Independent	6	6	Yes	--	--	0

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:

There is no change in the Composition of Board of Directors since last Report.

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

20/04/2012, 29/05/2012, 30/06/2012, 10/09/2012, 31/10/2012, 30/01/2013.

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
2009-10	29.09.2010	11:00 a.m.	Registered Office	Nil
2010-11	30.09.2011	11:00 a.m.	Registered Office	Nil
2011-12	17.09.2012	11:00 a.m.	Registered Office	Nil

### Extra Ordinary General Meeting:

The Company held following EGM in last three years.

For the year 2012-13, on 20<sup>th</sup> October, 2012, for the purpose of passing of Special resolution for Alteration of Object Clause in Memorandum of Association through postal ballot.

For the year 2011-2012, on 17<sup>th</sup> 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 28<sup>th</sup> July, 2009 for the issue of Bonus shares out of General Reserve of the Company.

No 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 September – October - 2012. 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 :**

- i. There were no materially significant related party transactions that had potential conflict with the interests of the Company at large. Transactions in the ordinary course of business with the related parties are disclosed in the Notes on Accounts.
- ii. There have been no instances of non-compliance by the Company on any matters related to the capital markets nor have any penalty/strictures been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on such matters.
- iii. The Company has laid down procedures to inform the board members about the risk assessment and its mitigation, which is periodically reviewed to ensure that risk control, is exercised by the Management effectively.
- iv. As required under clause 49 (V) of the Listing Agreement, CEO Certification by Mr. Siddharth Shantilal Jain, Director was placed before the Board at its meeting held on 30th May, 2013.
- v. A Management Discussion and Analysis Report has been presented as part of the Directors' Report.
- vi. The Company has complied with all the mandatory requirements stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges.

**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	26 <sup>th</sup> September, 2013
	- Time	11 A.M.
	- Venue	105,1st Floor, Chartered House, 293, Dr. Cawasji, Hormasji Street, Nr.Marine Line Church,Marine Lines, Mumbai - 400002.
b.	Book Closure Dates	16 <sup>th</sup> September, 2013 to 26 <sup>th</sup> September, 2013 (both days inclusive)
c.	Financial Calendar	Tentative Schedule
	a) Unaudited results for quarter ending 30-06-2013	July 2013
	b). Unaudited results for half year/ quarter ending 30-09-2013	October 2013
	c). Unaudited financial results for quarter ending 31-12-13	January 2014
	d). Audited resulted for the year quarter ending 31-03-2014	April 2014 / June 2014.
d.	No of Share Holder	159 Share holders as on 31-03-2013
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 2013-14.

#### **Market Price Data: (Please fill up the blank Data)**

Month wise Stock Market Price Data (BSE) relating to Equity Shares of the Company for the F.Y. ended March 31, 2013.

Month of the F.Y. 2012-13.	Market Price Data			
	Open	High	Low	Close
April – 2012	32.1	32.1	32.1	32.1
May – 2012	30.5	32	26.25	26.25
June – 2012	24.95	26.15	23.75	26.05
July – 2012	27.35	27.35	27.35	27.35
August – 2012	28.7	28.7	28.7	28.7
Sep-12	30.1	34.7	30.1	34.7
Oct-12	36.3	48.7	33.3	48.7
November – 2012	51.1	51.1	51.1	51.1
December – 2012				
January – 2013	53.65	68.5	53.65	68.5
February – 2013	70.9	74	70.35	70.35
Mar-13	66.85	66.85	66.85	66.85

#### Distribution of share holding as on March 31, 2013.

No. of Equity Shares held	No. of share-holders	% age of share-holders	No. of Shares held	% age of shareholding
From To				
Up - 5000	120	75.47	22546	0.25
5001 - 10000	--	--	--	--
10001 - 20000	--	--	--	--
20001 - 30000	1	0.63	24430	0.27
30001 - 50000	--	--	--	--
50001 - 100000	30	18.87	2419852	26.91
100001 - 1000000	6	3.77	2457072	27.33
10000001 above	2	1.26	4067100	45.24
Total	159	100	8991000	100

**Category of shareholders as on March 31, 2013:**

Category	No of Shares held	% age of shareholding
Promoter's	6524172	72.56
OCB	--	--
Companies	3403	0.04
Individuals/Others	2463425	27.4
NRI	--	--
Total	8991000	100

**Registrar and Share Transfer Agents:**

PURVA SHAREGISTRY (INDIA) PVT. LTD.  
Shiv Shakti Industrial Estates, Unit No. 9  
7-B, J. R. Boricha Marg,  
Sitaram Mill Compound, Mumbai – 400 011.

**Share Transfer System:**

The Company had appointed M/s. Purva Sharegistry (India) Pvt. Ltd. as the Registrar and Transfer Agent. Valid Share Transfers in physical form and complete in all respect were approved and registered within the stipulated period.

**Dematerialization of Shares & liquidity:**

The shares of the Company are permitted for demat on NSDL and CDSL.

Issued, Subscribed, and Paid up Capital	:	89,91,000
A. Electronic holding in NSDL	:	70,74,893
B. Electronic holding in CDSL	:	6,58,349
C. Physical holding	:	12,57,758

**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.

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**Plant Location:**

The Company is a Financial Services Company and it is not engaged in manufacturing operations. Its Registered Office is situated at 105,1st Floor, Chartered House, 293, Dr. Cawasji, Hormasji Street,Nr.Marine Line Church,Marine Lines, Mumbai - 400002..

**Address for Correspondence:**

*For Shares held in Physical & Demat form*  
PURVA SHAREGISTRY (INDIA) PVT. LTD.  
(Unit : Munoth Capital Market Limited)  
Shiv Shakti Industrial Estates, Unit No. 9  
7-B, J. R. Boricha Marg,  
Sitaram Mill Compound, Mumbai – 400 011.

**Any Query on Annual Report**

Munoth Capital Market Limited.  
105,1st Floor, Chartered House,  
293, Dr. Cawasji, Hormasji Street,  
Nr.Marine Line Church,  
Marine Lines, Mumbai - 400002..

For any other queries : e-mail : [munoth@gmail.com](mailto:munoth@gmail.com).

**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, 2013.

**For and on Behalf of the Board of Directors**



**Director**

**Place: Mumbai**  
**Date : 30.05.2013**



**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 2012-13 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 violent 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

**FOR MUNOTH CAPITAL MARKET LIMITED**



**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 31,2013** 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 31<sup>st</sup> March 2013, 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 : 30.05.2013

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

*Pankaj K. Shah*

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

Janak B. Patel  
Practicing Company Secretary  
BBA, LL.B., ACS

CIN : L99999MH1986PLC040833

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

**COMPLIANCE CERTIFICATE FOR THE YEAR 2012-13**

To,  
The Members,  
**MUNOTH CAPITAL MARKET LIMITED**  
105,1st Floor, Chartered House, 293, Dr. Cawasji,  
Hormasji Street, Nr.Marine Line Church, Marine Lines,  
Mumbai - 400002.

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, 2013**. 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 filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under or in case of late filing, with additional fees as prescribed from time to time.
3. The Company being a Public Limited Company, comments that a Private Limited Company has minimum prescribed paid-up capital, maximum number of members, invitation to public to subscribe for shares and acceptance of deposits from persons other than its members, directors or their relatives, are not required.
4. The Board of Directors duly met 6(six) times on 20/04/2012, 29/05/2012, 30/06/2012, 10/09/2012, 31/10/2012 and 30/01/2013 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 has closed its Register of Members from 10/09/2012 to 17/09/2012 during the year for the Compliance of Section 154 of the Act.

Office :- 5/5, Shreeji Appartment, Opp. Azad Society, Ambawadi, Ahmedabad - 380015  
Cell No.:- 09726733755. E-mail :- jbpatel86@gmail.com





**Janak B. Patel**  
Practicing Company Secretary  
BBA, LL.B., ACS

6. The Annual General Meeting for the financial year ended on 31st March, 2012, was held on 17<sup>th</sup> September, 2012 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. An Extra Ordinary General Meeting was held on 20<sup>th</sup> October, 2012, during the financial year.
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. During the year under review :
  - (i) the Company has not made allotment of shares. Further, there was no transfer/transmission of securities.
  - (ii) the Company has not deposited any amount in a separate bank account as no Dividend was declared
  - (iii) the Company was not required to post warrants to any member of the Company as no Dividend was declared.
  - (iv) the Company has not transferred any amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund, as there were no such amounts outstanding.
  - (v) the Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of Directors, additional directors, alternate directors and director to fill casual vacancy during the financial year under the review.
15. The Company has not appointed any Managing Director/ Whole time Director/ Manager during the financial year.
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

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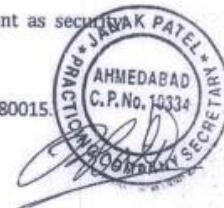


Janak B. Patel  
Practicing Company Secretary  
BBA, LL.B., ACS

Law Board, or such other authorities as may be prescribed under the provisions of the Act during the financial year. However, the Company has to take approval of Regional Director under section 17(2) for belated filing of form 23 for addition of Object Clause 3 after the clause 2 in Clause IIIA of Memorandum of Association.

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.
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.
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 resolution passed through 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

Office :- 5/5, Shreeji Appartment, Opp. Azad Society, Ambawadi, Ahmedabad - 380015.  
Cell No.:- 09726733755. E-mail :- jbpatel86@gmail.com



**Janak B. Patel**  
Practicing Company Secretary  
BBA, LL.B., ACS

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33. As confirmed by the Management, the Company has not constituted any Provident Fund therefore section 418 is not applicable.

Date :- 30/05/2013  
Place:- Ahmedabad

Janak Patel  
Practicing Company Secretary  
ACS 2422



Office :- 5/5, Shreeji Apartment, Opp. Azad Society, Ambawadi, Ahmedabad – 380015.  
Cell No.:- 09726733755. E-mail :- jbpatel86@gmail.com

**Janak B. Patel**  
Practicing Company Secretary  
BBA, LL.B., ACS

COMPANY NAME : MUNOTH CAPITAL MARKET LIMITED  
FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2013

**Annexure "A"**

STATUTORY REGISTERS maintained by the Company:

Sr. No.	Name of Register	Ref. Section of the Act
1	Register of Share Transfer	108
2	Register of Members	150
3	Minutes and Meetings of General Meeting and Board of Directors	193(1)
4	Register of Contracts, Companies and Firms in which Directors of Company are interested	297,299,301, 303(3)
5	Register of Directors	303
6	Register of Directors' Shareholding	307

**Annexure "B"**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31<sup>st</sup> March, 2013.

Sr. No.	Form No./ Return No.	Filed under Section	Date of Event	Description	Date of Filing	Challan / Receipt No. & Date
1	62	192A	10/9/2012	Passing of Resolution u/s. 17 through postal ballot pursuant to Section 192A	15/09/2012	B57662231
2	66	383A	29/05/2012	Compliance Certificate for the year ending 31st March 2012	16/10/2012	P90517087
3	20B	159(1)	17/09/2012	Annual Return for the Financial year ended 31st March, 2012	15/12/2012	Q04443438
4	23AC & 23ACA	220	17/09/2012	Annual Report for the Financial year ended on 31st March, 2012	12/01/2013	Q05817044
5	18	146	30/01/2013	Shifting of the Registered office of the Company.	19/03/2013	B70677810

Date :- 30/05/2013  
Place:- Ahmedabad

Janak Patel  
Practicing Company Secretary  
ACS 2422



Office :- 5/5, Shreeji Appartment, Opp. Azad Society, Ambawadi, Ahmedabad - 380015.  
Cell No.:- 09726733755. E-mail :- jbpatel86@gmail.com



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## **MANAGEMENT DISCUSSION AND ANALYSIS**

The operational performance and future outlook of the business has been reviewed by the management based on current resources and future development of the Company.

### **INDUSTRY STRUCTURE & DEVELOPMENT**

The year 2012-13 was a year of unfulfilled expectations for the Indian economy. The slowdown is not just confined to India but there has been a general slowdown in the global economy visible in many sectors primarily on account of Poor business sentiment, the decline in gross fixed capital formation, the dip in the launch of new project and lower exports. Many sectors including the finance and investment operations have been adversely affected by both domestic and external factors. The reasons behind persistent inflation are higher international prices of crude, precious metals, edible oil etc. Higher borrowing costs and the dip in investment impacted the capital goods sector the most.

The global economic slowdown had affected the export dependent sectors, depressed sentiments, high interest rates, moderation in credit growth and a deceleration in growth of investment also contributed to the reduction in growth. The unfavorable investment climate in the country coupled with significantly low inflow of foreign investment kept the stock market weak for the major part of the year. The Reserve Bank of India continued to follow a relatively tight monetary policy to control inflation. In an effort to maintain a balance between growth and inflation, RBI is seemingly more concerned about high inflation than slow rate of growth. The financial sector is eagerly waiting for the fall in inflation followed by the rate cut which is likely to help the sector regaining its lost ground.

### **OPPORTUNITY & THREATS, RISKS & CONCERNS AND BUSINESS OUTLOOK**

**Opportunities and Business Outlook:** The Company is mainly doing broking business and considering global situation and local conditions, the volume of business is shrinking day by day.

**Threats, Risks & Concern:** The movements in the stock market greatly influences the financial health of the Company as the Company has to make provision, according to the applicable Accounting. Competition from direct insurers and the need to maintain technical knowledge are brokers' main concerns.

The extraneous factors like the Reserve Bank of India's fiscal measures, especially on the interest rates, etc. influence the Company's performance and invariably generate risk on the Company's Operations.

### **INTERNAL CONTROL SYSTEM AND ADEQUACY**

The Company has a sound Internal Control System which is in tune of its volume and line of operations. The Company has clearly laid down policies, guidelines and procedures that form part of the internal control system which provide for automatic checks and balances. All operating parameters are monitored and controlled. Regular internal audit and checks ensure the effectiveness and efficiency of these systems to ensure that all assets are protected against loss and that the financial and operational information is complete and accurate.

### **CEO CERTIFICATION**

Mr. Siddharth Shantilal Jain, Director, have given certificate to the board as contemplated in sub-clause (V) of clause 49 of the Listing Agreement.



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**CAUTIONARY STATEMENT**

Statements in the Management Discussion & Analysis describing the Company's objectives, projections, estimates, expectations, predictions etc. may be "Forward Statement" within the meaning of applicable laws and regulations. Actual results, performance or achievements may vary with those expressed or implied, depending upon the economic conditions, Government policies and other incidental/ unforeseeable factors.



*Vijay R. Tater & Co.*  
Chartered Accountants

105, Chartered House, 293, Dr. Cawasji Hormasji Street, Near Marine Lines Church, Mumbai 400002.  
Phone : 91-22-22019601 | 22061214 | Fax : 91-22-22068487 | Email: sureshkothari67@rediffmail.com

**Auditor's Report**

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

- 1) We have audited the accompanying financial statements of **M/s. Munoth Capital Market Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.
- 2) Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- 3) Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- 4) An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
- 5) We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



- 6) In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
  - b) in the case of the Profit and Loss Account, loss for the year ended on that date; and
  - c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
- 7) As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 8) As required by section 227(3) of the Act, we report that:
- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.



For VIJAY R TATER & CO.  
Chartered Accountants  
FRN 111425W

Suresh G Kothari  
(Partner)  
Membership No : 47625

Place: Mumbai  
Date: 30/05/2013



The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Munoth Capital Market Limited. on the accounts of the company for the year ended 31<sup>st</sup> March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, the inventories of shares & securities have 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 and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has granted interest free unsecured loan to a wholly owned subsidiary covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was Rs. 311.05 Lac and the year end balance of such loan was Rs.311.05 Lac.  
(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.
- (e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories, fixed assets, shares & securities and other assets, and for the sale of shares & securities and services and payment for expenses. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.



9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2013 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company has no accumulated losses as at 31<sup>st</sup> March 2013 However the company has incurred cash loss in the financial year on that date and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. 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.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.



16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor we have been informed of such case by the management.





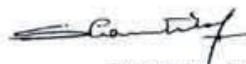
For VIJAY R TATER & CO.  
Chartered Accountants  
FRN: 111426W.

*Suresh G Kothari*  
Suresh G Kothari  
(Partner)  
Membership No. : 47625

Place: Mumbai  
Date: 30/05/2013




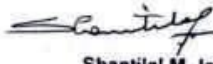

**MUNOTH CAPITAL MARKET LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2013**

Particulars	Note No.	As at 31.03.2013	As at 31.03.2012
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	44,955,000	44,955,000
(b) Reserves and Surplus	3	34,215,882	35,094,814
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	4	13,170,528	18,420,875
(b) Deferred Tax Liabilities (Net)	5	24,129	109,984
<b>(3) Current Liabilities</b>			
(a) Short Term Borrowings	6	168,575	8,878,575
(b) Trade Payables	7	76,798	58,316
(c) Other current liabilities	8	4,352,868	2,875,316
(d) Short term provision	9	-	1,730,568
<b>Total Equity &amp; Liabilities</b>		<b>96,963,779</b>	<b>112,123,448</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible assets	10	516,900	843,507
(b) Non-current investments	11	899,990	-
(c) Long term loans and advances	12	58,520,262	27,414,762
<b>(2) Current Assets</b>			
(a) Trade receivables	13	60,902	583,562
(b) Cash and cash equivalents	14	22,353,426	65,090,142
(c) Short-term loans and advances	15	14,612,298	18,191,475
<b>Total Assets</b>		<b>96,963,779</b>	<b>112,123,448</b>
Significant Accounting Policies 1			
Other Notes on accounts from Nos 21 to 28 are an integral part of the Financial Statements This is the Balance Sheet referred to in our Report of even date.			
For Vijay R. Tater & 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: 30/05/2013		 Siddharth S Jain	
		 Shantilal M Jain	



## MUNOTH CAPITAL MARKET LIMITED

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013

Sr. No	Particulars	Note No.	For the year ended 31.03.2013	For the year ended 31.03.2012
			RUPEES	RUPEES
I	Revenue from operations	16	3,338,300	9,682,425
II	Other Income	17	2,841,452	5,208,044
III	<b>III. Total Revenue (I +II)</b>		<b>6,179,752</b>	<b>14,890,469</b>
IV	<u>Expenses:</u>			
	Employee Benefit Expense	18	2,593,992	5,011,998
	Financial Costs	19	1,726,688	2,030,802
	Depreciation & Amortization	10	326,607	1,100,204
	Other Administrative Expenses	20	2,486,575	9,092,265
	<b>Total Expenses (IV)</b>		<b>7,133,862</b>	<b>17,235,268</b>
V	Profit before tax (III-IV)		<b>(954,110)</b>	<b>(2,344,799)</b>
VI	<u>Tax expense:</u>			
	(1) Taxation Adjustments of Previous Year		10,677	80,639
	(2) Deferred tax for the year		(85,855)	(480,332)
	Profit/(Loss) for the period		<b>(878,932)</b>	<b>(1,945,106)</b>
	Earning per equity share:			
	(1) Basic	26	<b>(0.10)</b>	<b>(0.22)</b>
	(2) Diluted	26	<b>(0.10)</b>	<b>(0.22)</b>
<p>Significant Accounting Policies <span style="float: right;">1</span></p> <p>Other Notes on accounts from Nos 21 to 28 are an integral part of the Financial Statements</p> <p>This is the Profit &amp; Loss Statement referred to in our Report of even date.</p> <p>For Vijay R. Tater &amp; Co.</p> <p>Chartered Accountants <span style="float: right;">For and on behalf of the Board</span></p> <p>Firm Reg. No.: 111426W</p> <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="width: 45%;"> <p>CA Suresh G. Kothari Partner (M.No.4/625) Place :Mumbai Date: 30/05/2013</p> </div> <div style="width: 45%; text-align: center;">  Siddharth S Jain                      Shantilal M Jain                 </div> </div> 				

**MUNOTH CAPITAL MARKET LIMITED**  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2013

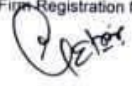
	YEAR ENDED ON 31.03.2013		YEAR ENDED ON 31.03.2012	
	RUPEES	RUPEES	RUPEES	RUPEES
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net profit before tax		(954,110)		(2,344,799)
Adjustments for :				
Depreciation	326,607		1,100,204	
Interest received	(2,838,403)		(4,979,615)	
(Profit) / loss on sale of fixed assets	-	(2,511,796)		(3,879,411)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>(3,465,907)</b>		<b>(6,224,211)</b>
Increase/(Decrease) in Short-term Borrowings	(8,710,000)		5,265,855	
Increase/(Decrease) in Trade Payables	18,482		(497,744)	
Increase/(Decrease) in Short-term Provisions	(831,468)		(812,516)	
Increase/(Decrease) in Other Current Liabilities	1,477,552		(5,839,721)	
(Increase)/Decrease in trade receivables	522,660		(531,604)	
(Increase)/Decrease in short-term Loans and Advances	3,154,677		(10,331,906)	
<b>CASH GENERATED FROM OPERATIONS</b>		<b>(4,368,098)</b>		<b>(12,747,636)</b>
Direct Taxes Paid	413,819	(7,834,004)		(18,971,846)
<b>NET CASH (USED IN)/FROM OPERATING ACTIVITIES</b>		<b>(7,420,185)</b>	(607,976)	<b>(19,579,822)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of fixed assets			(1,754,796)	
Proceeds from sale of fixed assets			6,000,000	
Proceeds from sale of non-current investments	(899,990)		38,500	
Proceeds from sale of current investments				
Interest received	7,102,692		7,721,324	
Movement in Long term Loans & advances	(31,105,500)		582,885	
<b>NET CASH (USED IN)/FROM INVESTING ACTIVITIES</b>		<b>(24,902,798)</b>		<b>12,587,913</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Repayment of Long Term Borrowings	(5,250,347)		(1,738,594)	
Dividend paid	(899,100)		(2,697,300)	
<b>NET CASH (USED IN)/ FROM FINANCING ACTIVITIES</b>		<b>(6,149,447)</b>		<b>(4,435,894)</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(38,472,430)</b>		<b>(11,427,803)</b>
<b>CASH AND CASH EQUIVALENTS (OPENING BALANCE)</b>		<b>59,139,940</b>		<b>70,567,743</b>
<b>CASH AND CASH EQUIVALENTS (CLOSING BALANCE)</b>		<b>20,667,511</b>		<b>59,139,940</b>

Notes:

- 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.
- The balance with the bank for unpaid dividend is not available for use by the company and the money remaining unpaid will be deposited in Investors Protection and Education Fund after the expiry of seven years from the date of declaration of dividend.
- Figures in brackets indicates out go.
- Previous year figures have been regrouped and recast wherever necessary.

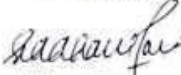
As per our report of even date attached

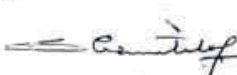
For Vijay R. Tater & Co.  
Chartered Accountants  
Firm Registration No.111426W

  
CA Suresh G. Kothari  
Partner  
(M.No 47625)  
Mumbai  
Date: 30/05/2013



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, 2013

Sr. No.	Particulars	RUPEES	
		Current Year	Previous Year
<b>Note : 2 Share Capital</b>			
1	<b>AUTHORIZED CAPITAL</b> 18000000 (1,80,00,000) Equity Shares of Rs. 5/- each	90,000,000	90,000,000
		90,000,000	90,000,000
2	<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b> <i>To the Subscribers of the Memorandum</i> 8991000(89,91,000) Equity Shares of Rs. 5/- each fully paid up	44,955,000	44,955,000
	<b>Total in ₹</b>	<b>44,955,000</b>	<b>44,955,000</b>

2.1 a) Reconciliation of number of the Equity Shares

Particulars	31.03.2013		31.03.2012	
	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	31.03.2013		31.03.2012	
	Number	% of holding	Number	% of
<b>Equity Shares of Rs.5 each fully paid</b>				
Munoth Investment and Finance Company Private Limited	2,526,750	28.10	2,526,750	28.10
Anima Investments Limited	1,540,350	17.13	1,540,350	17.13
Shantlal Misrimal Jain	775,422	8.62	775,422	8.62
Silver Croft Investment Pvt Ltd	634,500	7.06	634,500	7.06

**Note : 3 Reserve & Surplus**

1	<b>General Reserve</b>		
	Opening Balance	33,035,000	32,035,000
	Add: Transferred from Profit & Loss Account	-	1,000,000
	Closing Balance	33,035,000	33,035,000
2	<b>Surplus (Profit &amp; Loss Account)</b>		
	Balance brought forward from previous year	2,059,814	6,049,877
	Add: Profit for the period	(878932)	(1945106)
	Less: Appropriations:		
	Proposed Final Dividend (Amount per share Nil P.Y Re 0.10)	-	899,100
	Tax on Distributed Fund	-	145,857
	Transferred to General Reserve	-	1,000,000
	Balance carried forward to next year	1,180,882	2,059,814
	<b>Total in ₹</b>	<b>34,215,882</b>	<b>35,094,814</b>





## MUNOTH CAPITAL MARKET LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Sr. No	Particulars	RUPEES	
		Current Year	Previous Year
<b>Note : 4 Long Term Borrowings</b>			
	<b>Secured</b>		
1	<b>Term Loans</b>		
	Syndicate Bank Ltd (Secured against Fixed Deposit of Rs 5.00 Lacs)	21,652	21,812
	Bank of Maharashtra (Secured against Fixed Deposit of Rs 2.00 Cr)	-	18,393,747
	Hdfc Bank Ltd (Secured against Fixed Deposite of Rs 1.20 Cr)	10,716,093	-
	Hdfc Bank Ltd (Secured against Pledge of Shares)	2,432,783	5,316
	<b>Total in ₹</b>	<b>13,170,528</b>	<b>18,420,875</b>

**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	109,984	590,316
Add: (Deferred Tax Assets) / Deferred Tax Liability for timing difference on Depreciation [refer note (a) below]	(85855)	(480,332)
<b>Net (deferred Tax Assets) / Deferred Tax Liability</b>	<b>24,129</b>	<b>109,984</b>

(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**

	<b>Unsecured</b>		
1	Loans & Advances from related parties [Refer note (a) below]	-	8,700,000
2	Deposits	168,575	178,575
	<b>Total in ₹</b>	<b>168,575</b>	<b>8,878,575</b>

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

**Note : 7 Trades Payable**

1	Sundry Creditors for Expenses [Refer note (a) below]	76,798	58,316
	<b>Total in ₹</b>	<b>76,798</b>	<b>58,316</b>

(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	3,929,115	2,493,583
2	Statutory Dues	198,376	250,096
3	Others Expenses provisions	225,376	131,637
	<b>Total in ₹</b>	<b>4,352,868</b>	<b>2,875,316</b>

**Note : 9 Short Term Provisions**

1	Provision for Proposed Dividend		899,100
2	Provision for tax on distributed profit		145,857
3	Provision for Taxation		685,611
	<b>Total in ₹</b>		<b>1,730,568</b>





**MUNOTH CAPITAL MARKET LIMITED**  
Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note : 10 Fixed Asset

Sr No	Particulars	Rate	Gross Block			Depreciaton			Net Block		
			Value at the beginning of the year 01.04.12	Addition during the year	Deduction during the year	Value at the end of the year 31.03.2013	Value at the beginning of the year 01.04.12	Addition during the year	Deduction during the year	WDV as on 31.03.2013	WDV as on 31.03.2012
1	<b>Tangible Assets</b>										
1	Furniture & Fixture	18.10%	58,800			58,800	9,503	8,923	18,426	40,374	49,297
2	Net Software	40.00%	992,762			992,762	198,552	317,684	516,236	476,526	794,210
	Total		1,051,562			1,051,562	208,055	326,607	634,862	516,900	843,507
			15,489,021	1,764,796	16,192,255	1,051,562	9,300,106	1,100,204	208,055	843,507	6,188,915



## MUNOTH CAPITAL MARKET LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Sr. No	Particulars	RUPEES	RUPEES
		Current Year	Previous Year
<b>Note : 11 Non - Current Investment</b>			
1	Investment in Equity Instrument <u>Unquoted</u> 89,999 Shares (P.Y Nil ) of Munoth Retail Private Ltd (F.V Rs 10. each)	899,990	-
	<b>Total in ₹</b>	<b>899,990</b>	<b>-</b>

**Note : 12 Long Term Loans and Advances**

1)	<u>Loans &amp; Advances</u> a) <u>Unsecured, Considered Good -</u> To Related Parties (refer note (a) below)	31,105,500	-
2)	<u>Deposit</u> a) <u>Secured, Considered Good :</u> Trade deposit	27,414,762	27,414,762
	<b>Total in ₹</b>	<b>58,520,262</b>	<b>27,414,762</b>

a) Loan and Advances include receivable from Munoth Retail Private Ltd. Rs. 3,11,05,500 (P.Y. Rs. NIL ) in which Directors of the company are common.

**Note : 13 Trade Receivables**

1	<u>Outstanding for a period exceeding six months from the date they are due for payment</u> a) <u>Unsecured, Considered Good</u>		
2	<u>Others</u> a) <u>Unsecured, Considered Good</u>	60,902	583,562
	<b>Total in ₹</b>	<b>60,902</b>	<b>583,562</b>

**Note : 14 Cash & Bank Balances**

<b>A</b>	<b>Cash &amp; Cash equivalents</b>		
1	Cash-on-Hand	87,798	13,535
2	<u>Balances with Banks</u> In current account	122139	15,601,403
<b>B</b>	<b>Other Bank Balances</b>		
	<u>Longterm deposit :</u>		
	Accrued interest on FD's	1,685,915	5,950,205
	maturity Less than 3 months	-	30,000,000
	maturity more than 3 months but less 12 months	13,000,000	2,500,000
	maturity more than 12 months	7,457,574	11,025,000
	<b>Total</b>	<b>22,353,426</b>	<b>65,090,142</b>

**Note :15 Short Terms Loans and Advances**

1	<u>Others</u> Advance Recoverable in cash or in kind or for value to be considered good Tax Payment -Advance Tax, Self Asst. Tax, TDS & MAT Other Advances [Refer notes below]	2,547,880 12,064,418	2,972,380 15,219,095
	<b>Total in ₹</b>	<b>14,612,298</b>	<b>18,191,475</b>

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

(b) Other Advances includes Rs 6.79 Lacs (P.Y. 6.75 Lacs) towards advance for expenses to directors namely Siddharth S Jain & Mukesh Patel.

(c) Other Advances includes Rs 18.00 Lacs (P.Y. Nil) to Anima Investments Private Limited in which the directors of the company are common.



## MUNOTH CAPITAL MARKET LIMITED

NOTES ANNEXED TO AND FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH, 2013

Sr. No	Particulars	RUPEES	RUPEES
		For the year Ended 31.03.2013	For the year Ended 31.03.2012
<b>Note : 16 Revenue from Operations</b>			
<b><u>FEE BASED FINANCIAL SERVICES</u></b>			
1	Brokerage	2,003,064	4,526,232
2	D.P. Income	842,335	687,269
3	Late payment charges Income	484,176	1,553,181
4	Auction Charges Income	7,315	66,915
5	Rebate on transaction charges	1,409	931,475
6	Profit on Trading of Shares	-	1,917,353
<b>Total in ₹</b>		<b>3,338,300</b>	<b>9,682,425</b>

**Note : 17 Other Income**

1	<b><u>Interest Received on</u></b>		
	a) Fixed Deposits	2,295,888	4,979,615
	b) Other Interest	542,515	-
2	<b><u>Other Non Operating Income</u></b> (net of expenses directly attributable to such income) Miscellaneous Income	3049	228,428
<b>Total in ₹</b>		<b>2,841,452</b>	<b>5,208,044</b>

**Note : 18 Employment Benefit Expenses**

1	Salaries & Allowances	2,507,818	2,782,820
2	Incentives	86,174	2,229,177
<b>Total in ₹</b>		<b>2,593,992</b>	<b>5,011,998</b>

**Note : 19 Finance Cost**

1	Interest Paid	1,723,518	2,021,707
2	Bank Charges	3,170	9,095
<b>Total in ₹</b>		<b>1,726,688</b>	<b>2,030,802</b>



## MUNOTH CAPITAL MARKET LIMITED

NOTES ANNEXED TO AND FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH, 2013

Sr. No	Particulars	RUPEES	RUPEES
		For the year Ended 31.03.2013	For the year Ended 31.03.2012
<b>Note : 20 Other Administrative Expenses</b>			
1	Advertisement Expenses	(30,093)	9,918
2	Auditors Remuneration :		
	a) Statutory Audit Fees	(50,000)	50,000
	b) Tax Audit Fees	(25,000)	25,000
3	Bad Debts	-	407,510
4	Business Promotion & Marketing Expenses	(12,278)	3,000
5	Computer Periphial and Software Maintenance Expenses	(177,376)	340,457
6	Contribution to Trade Gurantee Fund	-	2,532
7	Courier & Postage Charges	(63,392)	96,014
8	Demat charges	(25,591)	93,076
9	Donation	(60,250)	134,000
10	Electricity charges	(13,854)	132,478
11	Insurance Expenses	(470)	101,644
12	Internet Charges	(50,740)	95,999
13	Listing Fees	(19,873)	36,889
14	Leased Line Charges	(185,589)	417,398
15	Miscellaneous Expenses	(235,552)	186,206
17	NSDL Charges	(6,000)	6,000
18	BSE Charges	(19,480)	20,347
19	CDSL Charges	(157,602)	178,663
21	Processing Charges	(1,000)	18,142
23	Office expenses	(487,131)	402,434
24	Printing & Stationery	(29,337)	39,705
25	Legal & Professional Fees	(257,417)	276,681
26	SEBI Turnover fees	-	4,828,456
27	Rent & Compensation charges	-	702,528
28	Repairs and Maintenance	(7,531)	-
29	Other Charges	(184,813)	177,773
30	Share Registrar & Transfer Charges	(20,000)	16,000
31	Membership & Subscription	(105,200)	19,303
32	Telephone charges	(101,634)	167,678
33	Website Development Charges	(20,400)	-
34	Travelling expenses	(110,973)	58,432
36	V-sat Support Charges	48,000	48,000
	<b>Total in ₹</b>	<b>2,486,575</b>	<b>9,092,265</b>





## MUNOTH CAPITAL MARKET LIMITED

Note-1 Forming part of the accounts for the year ended 31st march, 2013

### 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 recognized 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 capitalized 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 of 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)	
		31.03.2013	31.03.2012
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	NIL
23	<b>SEGMENT REPORTING:</b> 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
- (iii) Munoth Retail Private Ltd.

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

(Rs.in Lacs)

Name of the Party	Nature of transaction	31.03.2013	31.03.2012
Shantilal M. Jain	Loan Taken	NIL	54.80
	Loan Repayment	54.80	NIL
	Advance for acquisition of business	NIL	110.00
Mukesh Patel	Advance for Expenses	NIL	1.00
Munoth Investment & Finance Co. Pvt. Ltd.	Loan Taken	2.31	87.00
	Loan Repayment	89.31	Nil
Munoth Finance & Leasing Ltd	Loan Given	NIL	16.50
Munoth Retail Private Ltd	Loan Given	315.00	Nil





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

( Rs.in Laacs )

Name of the Party	31.03.2013	31.03.2012
Shantilal M. Jain	NIL	110.00
Siddharth S Jain	5.04	5.04
Mukesh Patel	1.75	1.75
Munoth Finance & Leasing Ltd	NIL	87.00
Munoth Retail Private Ltd	315.00	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, short term or long term Loans and Advances, Current or Non 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	31.3.2013	31.3.2012
a) Net Profit / (loss) attributable to equity shareholders.	Rs.	(8,78,932)	(19,45,106)
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.	(0.10)	(0.22)

27 **AUDITORS' REMUNERATION**

Particulars As Auditor	31.3.2013	31.3.2012
Audit Fees	56,180	56,180
Tax Audit Fees	28,090	28,090
<b>Total</b>	<b>84,270</b>	<b>84,270</b>

28 Previous year figures have been regrouped / rearranged wherever necessary.

For Vijay R. Tater & Co.  
Chartered Accountants



A. Suresh G. Kothari  
Partner  
(M.No.47625)  
Place: Mumbai  
Date: 30/05/2013

For and on behalf of the Board

Siddharth S. Jain  
(Director)

Shantilal M Jain  
(Director)

**MUNOTH CAPITAL MARKET LIMITED**

Registered Office: 105,1st Floor, Chartered House, 293, Dr. Cawasji, Hormasji Street,Nr.Marine Line Church,Marine Lines, Mumbai – 400 002.

**ATTENDANCE SLIP**

Name of the attending Member/Proxy : \_\_\_\_\_  
Member's Folio No. / Client ID : \_\_\_\_\_  
No. of Shares held : \_\_\_\_\_

I/We hereby record my/our presence at the Annual General Meeting held on Thursday, 26<sup>th</sup> September, 2013 at ,1st Floor, Chartered House, 293, Dr. Cawasji, Hormasji Street, Nr.Marine Line Church, Marine Lines, Mumbai – 400 002 at 11:00 A.M.

Signature of the Attending Member/Proxy

- Notes :
1. Shareholder / Proxy holder wishing to attend the meeting must bring the attendance slip to the Meeting and hand it over at the entrance duly signed.
  2. Share holder / Proxy holder desiring to attend the meeting should bring his/her copy of Annual Report for reference at the meeting.

-----Tear Here-----

**MUNOTH CAPITAL MARKET LIMITED**

Registered Office: 105,1st Floor, Chartered House, 293, Dr. Cawasji, Hormasji Street,Nr.Marine Line Church,Marine Lines, Mumbai – 400 002.

**PROXY FORM**

I/ We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_  
\_\_\_\_\_ being a member/members of the Company, hereby appoint \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_ in failing him/her \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_ as my / our proxy to attend and vote for me/us on my/our

Behalf at the Annual General Meeting of the Company held on Thursday, 26<sup>th</sup> September, 2013 at 11:a.m. or any

adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

Affix  
Signature  
Revenue

Reference Folio No.: \_\_\_\_\_

This form is to be used in favor of / against\* the resolution. Unless otherwise introduced, the proxy will act as he thinks fit.

\*Strike out whichever is not desired.

# Munoth Capital Market Ltd.

105, 1<sup>st</sup> Floor, Chartered House, 293, Dr. Cawasji Hormasji Street,

Nr. Marine Lines, Mumbai – 2

## Form A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	Munoth Capital Market Ltd.
2.	Annual Financial statements for the year ended	31 <sup>st</sup> March 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A
5.	To be signed by- <ul style="list-style-type: none"><li>• CEO/Managing Director</li><li>• CFO</li> <li>• Auditor of the company</li>  <li>• Audit Committee Chairman</li></ul>	<p><b>FOR MUNOTH CAPITAL MARKET LTD.</b></p> <p><i>Siddharth Jain</i> - DIRECTOR</p> <p><b>VIJAY R. TATER &amp; CO.</b> (CHARTERED ACCOUNTANTS)</p> <p><i>Suresh G. Kothari</i> (SURESH G. KOTHARI) PARTNER M. No. 47625</p>