

MATHEW EASOW RESEARCH SECURITIES LIMITED

ANNUAL REPORT 2009 - 2010

BOARD OF DIRECTORS

MR. BEDA NAND CHOUDHARY - Director
MR. RAM KUMAR DALMIA - Director
MR. JITENDRA PATNAIK - Director
MR. ATUL KAUSHIK - Director

AUDITORS

Bhandari B. C. & Co.
Chartered Accountants
Kolkata

BANKERS

ING Vysya Bank Ltd
HDFC Bank Ltd.

Regd. Office

"Rajkamal Building"
128, Rash Behari Avenue,
1st Floor, Office S-4
Kolkata 700 029
Tel No. (033) 2464 7022
e-mail: mers.ltd@gmail.com

Share Department

"Rajkamal Building"
128, Rash Behari Avenue,
1st Floor, Office S-4

NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the Members of the Company will be held at 432, Prince Anwar Shah Road, Kolkata 700 068 on Friday, the 10th September, 2010 at 9.30 A.M. to transact the following business:

AS ORDINARY BUSINESS:

1. To receive consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2010 and Profit and Loss Account for the year ended on that date, and the Reports of Directors and Auditors thereon.
2. To appoint M/s. Bhandari B. C. & Co. Chartered Accountants, Kolkata, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and fix their remuneration.

AS SPECIAL BUSINESS:

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

"RESOLVED THAT Mr. Beda Nand Choudhary who was appointed as an Additional Director of the Company by the Board of Directors with effect from 14th January, 2010 and hold office up to the date of Annual General Meeting of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT Mr. Ram Kumar Dalmia who was appointed as an Additional Director of the Company by the Board of Directors with effect from 14th January, 2010 and hold office up to the date of Annual General Meeting of the Company, be and is hereby appointed as a Director in the independent category of the Company, liable to retire by rotation."

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

"RESOLVED THAT Mr. Jitendra Patnaik who was appointed as an Additional Director of the Company by the Board of Directors with effect from 14th January, 2010 and hold office up to the date of Annual General Meeting of the Company, be and is hereby appointed as a Director in the independent category of the Company, liable to retire by rotation."

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

"RESOLVED THAT Mr. Atul Kaushik who was appointed as an Additional Director of the Company by the Board of

Directors with effect from 30th July, 2010 and hold office up to the date of Annual General Meeting of the Company, be and is hereby appointed as a Director in the independent category of the Company, liable to retire by rotation."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:-

"RESOLVED THAT in terms of section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (Including any statutory modification(s) or re-enactment thereof for the time being in force), Securities Exchange Board India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "SEBI (ICDR) Regulations, 2009") as in force, the regulations/guidelines, if any, issued by the Government of India, the Reserve Bank of India and any other applicable laws, rules and regulations (including any amendment thereto or re-enactment thereof for the time being in force) and the relevant provisions of the Memorandum and Articles of Association of the Company and Listing Agreement entered into by the Company with Stock Exchanges, where the shares of the Company are listed, and subject to such approvals, consents, permissions and sanctions as may be required from the Government of India, Reserve Bank of India, Securities and Exchange Board of India and any other relevant statutory, governmental authorities or departments, institutions or bodies ("Concerned Authorities) in this regard and further subject to such terms and conditions or modifications thereto as may be prescribed or imposed by any of the Concerned Authorities while granting such approvals, and permissions as may be necessary or which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which terms shall include any Committee constituted by the Board or any person(s) authorised by the Board to exercise the powers conferred on the Board by this Resolution), the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot from time to time in one or more tranches, up to 36,50,000 Share Warrants convertible into equity shares of face value of Rs. 10/- each of the Company, each warrant entitling the holder of the warrants to apply for and be allotted one equity share of Rs. 10/- each fully paid up at a price of Rs. 20/- (Rupees Twenty only) per share [Including premium of Rs. 10/- (Rupees ten only)] aggregating to Rs. 7,30,00,000/- (Rupees Seven Crore Thirty Lacs only), or at such higher prices in accordance with the SEBI (ICDR) Regulations, 2009, conversion of which should be made within a period of not exceeding 18 Months from the date of allotment of the warrants, in one or more tranches, in accordance with the SEBI (ICDR) Regulations, 2009 and on such terms and conditions and in such manner as the Board may think fit, to the following strategic investors/entities / persons as mentioned below :

Sr. No.	Name of the Proposed Allottees	No. of Warrants to be allotted	Whether Allottee is : QIB/MF/FI/ Trusts/Banks
Promoter & Promoter Group			
1.	Nil	Nil	No
Non Promoter Group			
1	Preeti Doshi	3,25,000	No
2	Samir Doshi	3,25,000	No
3	Himanshu Ajmera	3,30,000	No
4	Amita G Mehta	2,00,000	No
5	Ashwin S. Mehta	2,00,000	No
6	Rakesh Sanghvi	3,30,000	No
7	TNV Ayyar	3,30,000	No
8	Nirad D Mehta	3,30,000	No
9	Saharsh Parekh	2,00,000	No
10	Mihir Shah	3,30,000	No
11	Dipali V. Shah	2,00,000	No
12	Jitesh Gandhi	1,00,000	No
13	Rajendra Sethia	1,20,000	No
14	Sushila Sethia	1,00,000	No
15	Kanishka Sethia	1,20,000	No
16	Richa Sethia	60,000	No
17	Rupam Banerji	50,000	No

"RESOLVED FURTHER THAT the Warrants shall be issued by the Company on the following terms and conditions:

- I. A warrant by itself shall not give to a warrant holder thereof, any rights of the shareholder of the Company.
- II. In the event, the equity shares of the Company are either sub-divided or consolidated before the conversion of the warrants into equity shares of the Company, than the face value, the number of equity shares to be acquired on conversion of the Warrants, and the Warrant Issue Price shall automatically stand adjusted in the same proportion, as the present value of the equity shares of the Company bears, to the newly sub-divided/consolidated equity shares without affecting any right or obligation of the said Warrant holders; and
- III. In the event, the Company's equity capital is affected or changed due to any other corporate actions such as a merger, demerger, consolidation of business, bonus issue, rights issue or other reorganization of the Company etc. necessary adjustments with respect to the terms of the aforesaid Warrants shall be made by the Company and such other action, as may be deemed necessary or appropriate by the Board shall be taken to reflect such corporate actions, including but without limitation, suitable adjustment of the Warrant Issue Price, subject necessary approvals.

"RESOLVED FURTHER THAT the relevant date for the

purpose of determining the issue price under SEBI (ICDR) Regulations, 2009 for preferential issue shall be 11th August, 2010 i.e. thirty days prior to the date of this meeting."

"RESOLVED FURTHER THAT the Warrants allotted in terms of this resolution and the resultant equity shares arising on exercise rights attached to such warrants shall be subject to lock-in requirements as per the provisions of Chapter VII of the SEBI (ICDR) Regulations, 2009."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to take all actions and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to issue or allotment of the aforesaid Warrants and the resultant equity shares to the holders of warrants upon exercise of right to subscribe the shares and listing thereof with the stock exchanges as appropriate and to resolve and settle any questions, difficulties or doubt that may arise in regard to the proposed issue, offer and allotment any of the said warrants and utilization of the issue proceeds and to all acts, deeds and things in connection therewith and incidental there to as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

8. To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Provisions of Section 81 and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and the regulations/guidelines, if any, prescribed by the Securities and Exchange Board of India or any other relevant authority from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions as might be required and subject to such conditions as may be prescribed while granting such approvals, consents, permissions and sanctions, the consent of the company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee(s) constituted/ to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) to create, issue, offer and allot equity shares of Rs.10/- each on Rights basis, provided that the total amount raised through the issuance of equity shares does not exceed Rs. 25,00,00,000/- (Rupees Twenty Five Crores) including premium, if any, to eligible shareholders as on the record date through letter of offer at par or such premium as may be decided, in consultation with the Lead Managers and/or other Advisors or otherwise and on such terms and conditions as the Board may, in its absolute discretion deemed fit."

"RESOLVED FURTHER THAT the Board be and is

hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted or may be necessary in accordance with the terms of the offer, and such equity shares shall rank pari-passu with the existing Equity Shares of the Company in all respects."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to the offer, issue or allotment of equity shares, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the entering into arrangements for appointment of agencies for managing, underwriting, marketing, listing, trading of equity shares issued, and to issue the offer document(s) and sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power to settle all questions, difficulties or doubts that may arise in regard to such issue(s) or allotment(s) as it may, in its absolute discretion, deem fit."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorised to dispose of the unsubscribed portion of the new shares in such a manner as they think most beneficial to the Company."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee of Directors or anyone or more Directors of the Company."

The resolution seeks to obtain the members approval in respect of raising of funds through Right Issue of equity shares pursuant to the provisions of section 81 of the Companies Act, 1956.

By order of the Board
Beda Nand Choudhary
Director

Place: Kolkata
Date: 11th August, 2010

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself. Proxy need not be a member of the Company. The instrument appointing the proxy, duly completed shall be deposited at the Company's Registered Office not less than forty eight hours before the commencement of the meeting.
2. The register of Members and share transfer books of the Company shall remain closed from 2nd September, 2010 to 10th September, 2010 (both days inclusive)
3. Members are requested to notify immediately any change of address:
 - (i) to their Depository Participant (DPs) in respect of the electronic shares accounts, and
 - (ii) to the Registrar and Share Transfer Agent/Share Department of the Company in respect of physical share accounts. In case the mailing address mentioned on the Attendance Slip is without the PIN

CODE, Members are requested to kindly inform the PIN CODE immediately.

4. Shareholders are requested to bring their copies of Annual Reports at the meeting.
5. Brief profile of directors seeking re-appointment / appointment at the Annual General Meeting is annexed to this notice.
6. Members who are holding shares in the demat form are requested to bring their Depository ID Number and Client ID Number to facilitate easier identification for attendance at the A.G.M.
7. Shareholders desiring any information as regards the Accounts are requested to write to the Company at least ten days before the date of AGM so as to enable the Management to keep the information ready.
8. A copy of Balance Sheet, Profit and Loss Account, Auditors' Report and every other document required by law to be annexed or attached to the Balance Sheet shall be available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of A.G.M.

Brief Profile of Directors seeking re-appointment / appointment at the Annual General Meeting under **Clause 49 VIA** of the Listing Agreement

Mr. Beda Nand Choudhary	
Date of Birth	17.02.1970
Expertise in Specific functional Areas	He has varied experience inter alia in the field of Accounting and financing for the last 17 years.
Qualification	B. Com (Hons.)
Directorship held on other public Companies	R K Manufacturing Co Ltd. Express Plasticchem Ltd Galaxy Stocks & Securities Ltd
Committee Membership	1
Shareholding in the Company	Nil

Mr. Ram Kumar Dalmia	
Date of Birth	05.10.1957
Expertise in Specific functional Areas	He has varied experience inter alia in the field of Accounting and financing for the last 22 years.
Qualification	B. Com (Hons.)
Directorship held on other public Companies	Express Plasticchem Ltd
Committee Membership	Nil
Shareholding in the Company	Nil

Mr. Jitendra Patnaik	
Date of Birth	15.05.1969
Expertise in Specific functional Areas	He has varied experience Inter alia in the field of Secretarial and legal for the last 15 years.
Qualification	L.L.B., FCS
Directorship held on Other public Companies	Doyang Wood Products Ltd.
Committee Membership	1
Shareholding in the Company	Nil

Mr. Atul Kaushik	
Date of Birth	07.03.1957
Expertise in Specific functional Areas	He has varied experience inter alia in the field of Finance & Accounts for the last 10 years.
Qualification	B. Com (Hons.)
Directorship held on other public Companies	Manphool Exports Limited
Committee Membership	Nil
Shareholding in the Company	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

ITEM No. 3

The Board of Directors of the Company appointed Mr. Beda Nand Choudhary, as an additional Director of the Company with effect from 14th January, 2010. In terms of the provisions of Section 260 of the Companies Act, 1956, he will hold the office as additional Director till the date of ensuing Annual General Meeting.

The Company has received a notice in terms of Section 257 of the act, from a member signifying his intention to propose Mr. Beda Nand Choudhary as a director liable to retire by rotation, along with requisite fee. The Board considers it desirable that the Company should avail the services of Mr. Beda Nand Choudhary.

Your Directors recommend the resolution as an ordinary resolution for your approval.

ITEM No. 4

The Board of Directors of the Company appointed Mr. Ram Kumar Dalmia, as an additional Director in the independent category of the Company with effect from 14th January, 2010. In terms of the provisions of Section 260 of the Companies Act, 1956, he will hold the office as additional Director till the date of ensuing Annual General Meeting.

The Company has received a notice in terms of Section 257 of

the act, from a member signifying his intention to propose Mr. Ram Kumar Dalmia as a director liable to retire by rotation, along with requisite fee. The Board considers it desirable that the Company should avail the services of Mr. Ram Kumar Dalmia.

Your Directors recommend the resolution as an ordinary resolution for your approval.

ITEM No. 5

The Board of Directors of the Company appointed Mr. Jitendra Patnaik, as an additional Director in the independent category of the Company with effect from 14th January, 2010. In terms of the provisions of Section 260 of the Companies Act, 1956, he will hold the office as additional Director till the date of ensuing Annual General Meeting.

The Company has received a notice in terms of Section 257 of the act, from a member signifying his intention to propose Mr. Jitendra Patnaik as a director liable to retire by rotation, along with requisite fee. The Board considers it desirable that the Company should avail the services of Mr. Jitendra Patnaik.

Your Directors recommend the resolution as an ordinary resolution for your approval.

ITEM No. 6

The Board of Directors of the Company appointed Mr. Atul Kaushik, as an additional Director in the independent category of the Company with effect from 30th July, 2010. In terms of the provisions of Section 260 of the Companies Act, 1956, he will hold the office as additional Director till the date of ensuing Annual General Meeting.

The Company has received a notice in terms of Section 257 of the act, from a member signifying his intention to propose Mr. Atul Kaushik as a director liable to retire by rotation, along with requisite fee. The Board considers it desirable that the Company should avail the services of Mr. Atul Kaushik.

Your Directors recommend the resolution as an ordinary resolution for your approval.

ITEM No. 7

(i) Object of the Issue

The Company intends to raise long term resources to meet its expansion plans and/or to augment long term working capital requirements. For this purpose the Board of the Company has indentified strategic investors being the proposed allottees to issue upto 36,50,000 (Thirty Six Lacs Fifty Thousand) Warrants convertible into 36,50,000 (Thirty Six Lacs Fifty Thousand) equity shares of Rs. 10/- each of the Company at a price of Rs. 20/- (Rupees Twenty only) per share [Including premium of Rs. 10/- (Rupees Ten only)] per shares on preferential basis or such higher price calculated in accordance with Chapter VII of the SEBI (ICDR) Regulations, 2009 including any statutory modification(s) or re-enactment thereof for the time being in force.

(ii) Intention of the Promoters, Directors or Key Management personnel to subscribe to the offer:

There is no intention of the Promoters, Directors or Key Management personnel to subscribe to the offer.

(iii) Shareholding Pattern before and after the issue

Class of Shareholders	Pre Preferential Issue		Post Preferential Issue (assuming full conversion of Warrants into equity shares)	
	No. of Shares	% of total shares	No. of Shares	% of total shares
Promoter Group & Promoter				
a. Indian Promoter	2080343	69.34	2080343	31.28
b. Foreign Promoter	0	0	0	0
Total of Promoter Group	2080343	69.34	2080343	31.28
Public Shareholdings Institutional	0	0	0	0
Non Institutional	0	0	0	0
Bodies Corporate	47033	1.57	47033	0.71
Individual	859820	28.66	4509820	67.82
Any Other (clearing members, etc)	0	0	0	0
NRI	12804	0.43	12804	0.19
Total Public Shareholdings	919657	30.66	4569657	68.72
Total	3000000	100	6650000	100

(iv) Proposed time within which the allotment shall be completed

The Board Proposes to allot the Shares Warrants within a period of 15 days from the date of passing of the resolution by the shareholders in this Meeting, provided that when the allotment on preferential basis is pending on account of pendency of any approval or permission for such allotment by any regulatory authority or the Central Government, the period of 15 days shall be counted from the date of such approval or permission.

(v) The identity of the proposed allottees and the percentage of post preferential issue capital that may be held by them.

Sr. No.	Name of the Proposed Allottees	Equity Shares Held as on 11/08/10	No. Of Proposed Warrants to be issued and allotted	No. of equity shares to be issued pursuant to conversion of Warrants*	% of Post Issue equity capital
1	Preeti Doshi	Nil	3,25,000	3,25,000	4.89
2	Samir Doshi	Nil	3,25,000	3,25,000	4.89
3	Himanshu Ajmera	Nil	3,30,000	3,30,000	4.96
4	Amita G Mehta	Nil	2,00,000	2,00,000	3.01
5	Ashwin S. Mehta	Nil	2,00,000	2,00,000	3.01
6	Rakesh Sanghvi	Nil	3,30,000	3,30,000	4.96
7	TNV Ayyar	Nil	3,30,000	3,30,000	4.96
8	Nirad D Mehta	Nil	3,30,000	3,30,000	4.96
9	Saharsh Parekh	Nil	2,00,000	2,00,000	3.01
10	Mihir Shah	Nil	3,30,000	3,30,000	4.96
11	Dipali V. Shah	Nil	2,00,000	2,00,000	3.01
12	Jitesh Gandhi	Nil	1,00,000	1,00,000	1.50
13	Rajendra Sethia	Nil	1,20,000	1,20,000	1.80
14	Sushila Sethia	Nil	1,00,000	1,00,000	1.50
15	Kanishka Sethia	Nil	1,20,000	1,20,000	1.80
16	Richa Sethia	Nil	60,000	60,000	0.90
17	Rupam Banerji	Nil	50,000	50,000	0.75

*On an assumption of full conversion of the Warrants into equity shares of the Company.

(vi) Consequential Changes in the Voting Rights:

Voting rights will change in tandem with the shareholding pattern.

(vii) Lock in Period

The aforesaid allotment of warrants and/or equity shares arising on the conversion of warrants into equity shares shall be locked in as per the provisions of Chapter VII of the SEBI (ICDR) Regulations, 2009.

(viii) Change in the control or composition of the Board:

Subsequent to the proposed issue of warrants on preferential basis, there will neither be change in control nor a change in the management of the Company. However there will be a corresponding change in the shareholding pattern as well as voting rights consequent to the conversion of warrants in to equity shares and allotment of such equity shares on preferential basis.

(xi) Pricing of Issue :

The shares are proposed to be allotted on preferential basis at a price of Rs. 20/- per share including premium of Rs. 10/- per share or such higher price arrived at as per the SEBI (ICDR) Regulations, 2009 based on the

relevant date 11th August, 2010.

(x) Undertakings:

- (i) The Issuer Company undertakes that they shall re-compute the price of the Warrants in terms of the provision of SEBI (ICDR) Regulations, 2009, where it is required to do so.
- (ii) The Issuer Company undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in terms of the provision of SEBI (ICDR) Regulations, 2009, the warrants shall continue to be locked-in till the time such amount is paid by the allottees.

(xi) Auditors' Certificate:

A copy of the certificate from the Statutory Auditors of the Company, M/s. Bhandari B.C. & Co. Chartered Accountants, certifying that the issue of the warrants is being made in accordance with the requirement of SEBI (ICDR) Regulations, 2009 for preferential issues, will be available for inspection at the Registered office of the Company during 11.00 A.M. to 4.00 P.M. on any working day upto the date of Annual General Meeting and at the meeting.

(xii) Other Terms of Issue of Warrants:

- (i) The proposed allottees of the warrants shall on or before the date of allotment of warrants, pay an amount equivalent to at least 25% of the total consideration per warrant.
- (ii) The holders of each warrant will be entitled to apply for and obtain allotment of one equity shares against such warrant at any time after the date of allotment but on or before the expiry of 18 months from the date of allotment, in one or more tranches. At the time of exercise of entitlement, the warrant holder shall pay the balance of the consideration towards the subscription to each equity share.
- (iii) If the entitlement against the Warrants to apply for the equity shares is not exercised within the aforesaid period, the entitlement of the warrant holders to apply for equity shares of the Company along with the rights attached thereto shall expire and any amount paid on such warrants shall stand forfeited.
- (iv) Upon receipt of the requisite payment as above, the Board (or Committee) shall allot one equity shares against warrant by appropriating Rs. 10/- per share towards equity share capital and the balance amount paid against each warrant towards the securities premium amount.
- (v) The warrant by itself till converted into equity shares, does not give to the holders thereof any rights of the shareholders of the Company.
- (vi) The equity shares issued as above shall be subject to the provisions of the Memorandum and Articles of

Association of the Company and shall rank pari passu in all respects with the existing fully paid up equity shares of the Company.

- (Xiii) Any of the equity shares and/or warrants issued as above, that may remain unsubscribed for any reason whatsoever, may be offered and allotted by the Board in its absolute discretion to any person / entity / investors, on the same terms and conditions.

The consent of the shareholders is being sought pursuant of Section 81(1A) and other applicable provisions of the Companies Act, 1956, if any, and in terms of the provisions of the Listing Agreements executed by the Company with the Stock Exchanges in India where the Company's shares are listed.

None of the Directors of the Company is, in any way, concerned or interested in the resolution. The Board recommends the resolutions for your approval.

The Board recommends the Special resolution as set out in the notice for your approval.

ITEM 8

The Company plans to expand its existing activities. The key plans for which finance is required are detailed hereunder:

- (1) Expansion its current activities to make investments in various corporate bodies.
- (2) To Provide Corporate Finance.
- (3) Long term working capital requirements.

In order to part finance these plans the company intends to raise resources by issue of Equity shares of the face value of Rs. 10/- each to the existing shareholders for a total amount not exceeding Rs. 25,00,00,000/- (Rupees Twenty Five Crores).

The Directors recommend this Resolution for approval of the Shareholders.

The Directors of the Company may be deemed to be concerned or interested in the resolution to the extent they may be entitled to the equity shares that may be offered to them on rights basis or otherwise, applied for by them and allotted to them.

By order of the Board
Beda Nand Choudhary Ram Kumar Dalmia
Director Director

Registered Office:
"Rajkamal Building", 1st Floor
128, Rash Behari Avenue,
Kolkata - 700029
Date: 11th August, 2010

REPORT OF THE DIRECTORS' & MANAGEMENT DISCUSSION ANALYSIS

To the Members

Your Directors' present the 16th Annual Report of the Company, together with the Audited Accounts for the year ended 31st March, 2010.

1. FINANCIAL HIGHLIGHTS

The financial results of the Company are summarized below:

	(In Rupees)	
	2009-10	2008-09
Profit/(Loss) before Depreciation	25,06,524	1,84,736
Less: Depreciation	2,22,789	2,75,291
Provision for Taxation:		
Current Tax	3,50,000	14,675
Deferred Tax written back	(39,665)	(1,07,813)
Fringe Benefit Tax	--	45,364
Income Tax written back	--	(9,45,984)
Amount transferred to special Reserve	--	1,80,640
Profit/(Loss) after tax	19,73,400	9,03,203
Add: Balance brought forward from previous year	4,23,007	(2,99,556)
Profit/(Loss) carried forward to Balance Sheet	23,96,407	4,23,007

2. DIVIDEND

No Dividend is being declared for the year under review.

3. CHANGE IN MANAGEMENT / CONTROL

As you are aware, the erstwhile promoters of your company entered into Share Purchase Agreement on 31st August, 2009 with Vista Vyapaar Private Limited and/or its nominees for indirect sale of equity shares of your Company. Pursuant to this agreement and pursuant to SEBI (Substantial Acquisition of Shares and Takeover) Regulations, Vista Vyapaar Private Limited made an open offer for purchase of 20% equity shares of the Company and the open offer was completed on 12th January, 2010. All the regulatory approvals required for giving effect to the Share Purchase Agreement were obtained by the Company. With the completion of the process, your company's management and control has been changed from 14th January, 2010.

4. DIRECTORS:

Pursuant to the Share Purchase Agreement, all the Directors on the Board of the Company resigned and the Board of Directors of the Company has been reconstituted on 14th January, 2010.

Name of Director	Date of resignation
Mrs. Valsa Mathew	14 th January, 2010
Mr. Dilip Cherian	14 th January, 2010
Mr. Sekhar Sukla	14 th January, 2010
Mr. Deb Kumar Guin	14 th January, 2010
Mr. Bibhash Bangal	18 th August, 2009

Mr. Beda Nand Choudhary, Mr. Ram Kumar Dalmia (independent) and Mr. Jitendra Patnaik (independent) have been appointed as Additional Director at the Board Meeting held on 14th January, 2010 and Mr. Atul Kaushik has been appointed as an additional director (independent) at the board meeting held on 30th July, 2010

The Company has received notice under Section 257 of the Companies Act, 1956 proposing the names of the Additional Directors for re-appointment. The Company shall place the necessary resolution for reappointment of Directors for approval of members.

Your Directors place on record their appreciation for the valuable services rendered by the outgoing Directors during their tenure as Directors of the Company.

5. PROSPECT AND FUTURE OUTLOOK:

After almost 7% growth in 2008-09 fiscal year, in the first three months of 2010 India's economy expanded 8.6% boosted by industrial production and services. Indeed, the better than expected performance of Indian economy in the last few quarters had a lot to do with a significant fiscal stimulus and loose monetary policy. In fact, two stimulus packages providing tax cuts and increasing infrastructure spending in connection with lower interest rates have supported significantly domestic demand. Yet, with demand growing at a faster pace than supply, inflation is becoming a growing concern. Not surprising, the Reserve Bank of India has raised its benchmark interest rates twice to 3.75%. And it is expected that by the end of June the rate may increase as much as 100 basis points. However, India's central bank should be more cautious in shifting its monetary policy. Tightening too much or too early is likely to squeeze credit availability and weight on growth which is essential in keeping fiscal deficit at sustainable levels.

Looking further, stimulus spending had expanded fiscal deficit from 2.6% of GDP in 2007-08 to 10% in 2009-10. And although due to strong growth numbers the shortfall is more than sustainable, Indian government should be able to better control its expenditure. In fact, while Union Budget for 2011 increases infrastructure spending, raises taxes for petroleum products and reduces for middle-income families it fails to slash inefficient subsidies on fertilizer, fuel and food. The government has made progress in new tax laws, disinvesting state run companies; it formed an experts panel to ease foreign investment in the financial sector. Yet, labor reforms and farm prices release are far from being executed.

India will continue to attract a rising share global funds' asset allocation, given superior long term prospects of the economy Domestic investor participation in equity market is rising rapidly, with fav ed securities and the inter bank money markets. A number of large US and European banks reported large loan losses and write downs. The contagion effects

subsequently spread to other asset classes including emerging markets bonds and equities.

6. OPPORTUNITIES:

- a. Low retail penetration of financial services/products in India
- b. Promising per-capita GDP
- c. Young population and attractive demographic profile.

THREATS:

- a. Competition from local and multinational players.
- b. Execution risk
- c. Regulatory changes
- D. Attrition and retention of Human Capital

7. RISK AND CONCERNS:

Your Company is exposed to specific risks that are particular to its business and the environment within which it operates, including, inter alia market risk, interest rate volatility, human resource risk, and any significant downturn in the economic cycle.

Economic Cycle:

The Indian economy has shown sustained growth over the last several years. Any slowdown in economic growth could adversely affect the Company's business.

Market Risk:

The Company has significant quoted investments which are exposed to fluctuations in stock prices. These investments represent a material portion of the Company's business and are vulnerable to fluctuations in the stock markets. Any decline in the prices of the Company's quoted investments may affect its financial position and the results of its operations. Your Company has a well-diversified portfolio of stocks to mitigate any stock specific risk. It also continuously monitors market exposure and uses derivative instruments as a hedging mechanism, wherever appropriate, to limit volatility in its asset returns.

Competition Risk:

The financial sector industry is becoming increasingly competitive and the Company's growth will depend on its ability to compete effectively.

Human Resource Risk:

The Company's success depends largely upon its management team and key personnel and its ability to attract and retain such persons. Any failure to attract and retain talented professionals may have an adverse impact on the Company's business, and its future financial performance.

Operational Risk:

The rapid development and establishment of financial services business in new markets may raise unanticipated operational or control risks, that may have an adverse effect on the

Company's financial position and the results of its operations. Your company manages all these risks by maintaining a conservative financial profile and by following prudent business and risk management practices.

8. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

An extensive system of internal controls is practiced by our company to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and protected against loss from unauthorized use or disposition and that all transactions are authorised, recorded and reported correctly. The Audit Committee of Directors reviews the adequacy of internal controls.

9. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

Various exigencies as stated in the above report the company's profit after tax has however increased to Rs. 19,73,400/- from Rs. 9,03,203/- from the previous year and after adjustment of carry forward profit of Rs. 4,23,007/- the net surplus of Rs. 23,96,407/- has been carried to Balance Sheet.

10. MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT:

In line with the corporate philosophy, the Human Resource is considered as the most valuable resource in the Company. The focus is on developing a performance culture with high standards of efficiency and innovation. The employees worked together as a team to achieve both Company's and personal goals.

11. DIRECTORS' RESPONSIBILITY STATEMENTS PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT, 1956:

The Directors hereby confirm:

- i) That in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- iv) That the directors had prepared the Annual Accounts on a going concern basis.

REPORT OF THE DIRECTORS' & MANAGEMENT DISCUSSION ANALYSIS**12. AUDITORS:**

M/s. Bhandari B. C. & Co., Chartered Accountants, Kolkata, retire as Auditor of the Company at the conclusion of forthcoming Annual General Meeting and is eligible for reappointment.

13. PARTICULARS OF EMPLOYEES:

During the year under review no employee of the Company was in receipt of remuneration for the whole or part of the year exceeding the limits, prescribed under Section 217 (2A) (d) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975 as amended.

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

The company had no activities relating to conservation of energy and technology absorption. There is no foreign exchange earnings and outgo during the year under review.

15. CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Corporate Governance report and certificate regarding Compliance of conditions of Corporate Governance was made part of the annual Report.

16. FORWARD-LOOKING STATEMENTS

This Report contains forward-looking statements that involve

risks and uncertainties. Where used in this Report the words "anticipate", "believe", "estimate", "expect", "intend", "will" and other similar expressions as they relate to the Company and/or its business are intended to identify such forward looking statements. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward looking statements. Readers are cautioned not to place undue reliance on those forward looking statements that speak only as of their dates. This report should be read in conjunction with the financial statements included herein and the notes thereto.

17. ACKNOWLEDGEMENT:

The Board wishes to place on record their gratitude for the co-operation and assistance from the banks, shareholders and employees and thank them for their continued support.

By order of the Board

Beda Nand Choudhary Ram Kumar Dalmia
Director Director

Registered Office:

"Raj Kamal Building", 1st Floor
128, Rash Behari Avenue
Kolkata 700029
Date: 11th August, 2010

MATHEW EASOW RESEARCH SECURITIES LIMITED

REPORT ON CORPORATE GOVERNANCE:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself to increasing long-term shareholders value, keeping in view the needs and interest of all its stake holders. The Company is committed to transparency in all its dealings and places emphasis on business ethics.

CORPORATE GOVERNANCE:

Your company has been practicing the principles of good Corporate Governance, which comprise all activities that result in the control of the Company in a regulated manner, aiming to achieve transparent, accountable and fair management. The details of the Corporate Governance compliance by the Company as per Clause 49 of the Listing Agreement with Stock exchanges are as under:

The following Corporate Governance Practices have been adopted by the Board of Directors to assist the exercise of its responsibilities. These practices are subject to future amendments or changes as may be necessary in the light of the amendments in various regulations governing Governance requirements.

2. BOARD OF DIRECTORS:

COMPOSITION OF THE BOARD

Pursuant to the Share Purchase Agreement and in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 1997, Vista Vyapaar Private Limited and/or its nominees has directly/indirectly acquired 69.34% stake in the Company and has become the Promoter of the Company with effect from 14th January, 2010. The newly constituted Board of Directors of the Company is a balanced Board, Comprising of Non-Executive Directors which includes Independent Professionals. Presently there are three Non Executive Directors on the Board, out of which two are independent.

The details of the directors with regards to the other Indian Directorships (other than Section 25 Companies, Foreign Companies and Private Companies), positions held either in any Committees of Board of Directors as well as attendance at Board Meeting / Annual General Meeting are as follows:

Director	Category	No. of Directorships held in other Companies	Outside Committees\$ As a Member Chairperson		Shares held
Mr. Mathew Easow*	Executive Chairman & Promoter	2	None	None	11800
Mr. Dillip Cherian	Non Executive Independent	5	None	None	3000
Mr. Bibhas Bangal*	Non Executive Independent	None	None	None	100
Mr. Shekhar Shukla	Non Executive Independent	None	None	None	Nil
Mrs. Valsa Mathew**	Non - Executive	2	None	None	25,500
Mr. Deb Kumar Guin*	Non Executive Independent	Nil	None	None	100
Mr. Beda Nand Choudhary+	Non Executive	3	1	None	Nil
Mr. Ram Kumar Dalmia+	Non Executive Independent	1	None	None	Nil
Jitendra Patnaik+	Non Executive Independent	1	1	None	Nil

* Deceased on 31st May 2009.

** Mrs. Valsa Mathew Appointed as an additional Director with effect from 20.05.2009 and appointed as a director liable to retire by rotation at the Annual General Meeting held on 23.09.2009.

* Mr. Bibhas Banagal Resigned from the Directorship and Mr Deb Kumar Guin appointed as an additional Director with effect from 18th August, 2009. Mr. Deb Kumar Guin Resigned From the directorship with effect from 22nd September, 2009 and again reappointed as an additional Director with effect from 24th September, 2009.

+ appointed as additional Directors as on 14th January, 2010.

\$ Only two Committees viz. the Audit Committee and investor grievance Committee.

ATTENDANCE OF DIRECTORS PRESENT IN THE MEETINGS HELD DURING THE YEAR 2009-2010

Nineteen Board meetings were held during the financial year ended 31st March, 2010 on 17th April, 2009, 5th May, 2009, 8th May, 2009, 20th May, 2009, 30th May, 2009, 11th June, 2009, 31st July, 2009, 8th August, 2009, 18th August, 2009, 31st August, 2009, 23rd September, 2009, 24th September, 2009, 30th October, 2009, 14th January, 2010, 14th January, 2010, 18th

January, 2010, 30th January, 2010, 23rd February, 2010 & 29th March, 2010.

The attendance of each Director at these meetings is as follows:

Name of Directors	No. of Board Meeting Attended	AGM held on 23.09.2009 Attended
Mr. Mathew Easow	5	No
Mr. Bibhas Bangal	8	No
Mr. Dilip Cherian	6	No
Mr. Shekhar Shukla	13	Yes
Mrs. Valsa Mathew	10	Yes
Mr. Deb Kumar Guin	4	Yes
Mr. Beda Nand Choudhary	5	No
Mr. Ram Kumar Dalmia	5	No
Mr. Jitendra Patnaik	5	No

CODE OF CONDUCT

The Company has a code of Conduct for all its Board members and Senior Management personnel for avoidance of conflict of interest. It has received the necessary declarations affirming compliance with it from all of them during the period from 01.04.2009 to 31.03.2010. There were no material personal interests adverse to the interest of the company and improper personal benefits received as a result of his/her position by the Board members / Senior Management personnel, which could lead to potential conflict of interest with the Company.

3. BOARD COMMITTEES:

A. AUDIT COMMITTEE

TERMS OF REFERENCE:

The Audit Committee has been mandated with the same terms of reference as specified in the Clause 49 of the Listing Agreements with Stock exchanges and covers all the aspects stipulated by the SEBI Guidelines. The terms of reference also fully confirm to the requirements of Section 292A of the Companies Act, 1956

COMPOSITION, NAME OF MEMBERS AND CHAIRMAN:

The Audit Committee consists of two independent directors and one non executive director. During the year, the Audit Committee met 5 times to deliberate on various matters on 5th May, 2009, 30th May, 2009, 31st July, 2009, 30th October, 2009 and 30th January, 2010.

The Composition of the Audit Committee and the attendance of each member at these meetings are as follows:

Name of Directors	Position Held	No. of meetings Attended
Mr. Mathew Easow [^]	Member	2
Mr. Bibhas Bangal [*]	Chairman	3
Mr. Shekhar Shukla	Member	4
Mrs. Valsa Mathew ^{**}	Member	2
Mr. Deb Kumar Guin [*]	Chairman	1

[^] Deceased on 31st May 2009.

^{*} Mr. Bibhas Banagal resigned from the directorship on 18th August, 2009 and Mr. Deb Kumar Guin appointed and inducted in the Audit Committee as Chairman of the Audit Committee

^{**} Mrs. Valsa Mathew inducted in the Audit Committee since 31st July, 2009.

POST ACQUISITION:

On 14th January, 2010, the Audit Committee has been reconstituted consequent to reconstitution of the Board. The Composition of the Audit Committee presently is as follows:

Chairman : Mr. Ram Kumar Dalmia
Members : Mr. Beda Nand Choudhary
Mr. Jitendra Patnaik

COMPLIANCE OFFICER: Mr. Beda Nand Choudhary is the Compliance Officer of the audit Committee.

INVITEES: (as & when considered necessary)

- The Statutory Auditors
- The Internal Auditors

The Chairman of the Audit Committee attended the Annual General Meeting of the company held on 23rd September, 2009 and he ensured that necessary clarifications and explanation were provided to the members of the Company on issue regarding accounts and finance.

The Quarterly Unaudited Financial Results as well as the Annual Financial statements during the year ended 31st March 2010 were reviewed and examined by the members of the Audit Committee before recommendation of the same to them for their perusal and approval on the following dates:

Financial Reporting	Date of approval by Audit Committee
Variation of terms of Managing Director remuneration	05.05.2009
The annual Financial Statements & Results for the year ended 31 st March, 2009	30.05.2009
Quarter ended 30 th June, 2009	31.07.2009
Quarter ended 30 th September, 2009	30.10.2009
Quarter ended 31 st December, 2009	30.01.2010

B. REMUNERATION COMMITTEE:

The Remuneration Committee holds one meeting on 5th May, 2009 during the year to approve the terms of remuneration of Chairman cum Managing Director.

The Composition of Remuneration Committee is given below:

Name of Directors	Position Held	Status
Mr. Shekhar Shukla	Chairman	Non-Executive, Independent
Mr. Bibhas Bangal	Member	Non-Executive, Independent
Mr. Dilip Cherian	Member	Non-Executive, Independent

On 14th January, 2010, the remuneration Committee has been reconstituted consequent to reconstitution of the Board. The Composition of the Audit Committee presently is as follows:

Chairman	: Mr. Ram Kumar Dalmia
Member	: Mr. Jitendra Patnaik Mr. Beda Nand Choudhary

BRIEF DESCRIPTION OF TERMS OF REFERENCE:

The Company has constituted the remuneration committee. The Remuneration Committee is entrusted with the responsibility of finalizing the remuneration of executive directors. Remuneration Committee considers the remuneration after taking into consideration, inter alia, various factors such as qualification, experience, expertise of the director, prevailing remuneration in the corporate world and financial position of the Company, etc. The remuneration terms of the Managing Director is recommended by the remuneration Committee after considering all elements of remuneration viz. Salary, Bonus, Commission, Stock Option, Pension, Service Contract, Notice period etc. The remuneration Committee has also the responsibility for administering the employees stock option scheme (ESOP) & Employees Stock Purchase Scheme (ESPS).

REMUNERATION POLICY:

The Managing Director is paid Remuneration as per the Agreement entered with the company on 1st October, 2007 and approved by the shareholders on 10th September, 2007. No stock option was granted during the year.

During the period under review, no sitting fee has been paid to the Directors for attending the meetings of the Board and its Committees.

C. COMPOSITION OF INVESTORS'/SHAREHOLDERS' GRIEVANCE COMMITTEE:

The following was the composition of the Shareholders Grievance Committee:

Name of Directors	Positions held	No. of Meetings held	No. of Meetings attended
Mr. Bibhas Bangal	Chairman	2	1
Mr. Dilip Cherian	Member	2	1
Mrs. Valsa Mathew	Member	2	1
Mr. Ram Kumar Dalmia	Chairman	2	1
Mr. Beda Nand Choudhary	Member	2	1
Mr. Jitendra Patnaik	Member	2	1

Post acquisition, the Shareholders' Grievance Committee of the Board of Directors of the Company is comprises of Mr. Beda Nand Choudhary, Mr. Ram Kumar Dalmia and Jitendra Patnaik under the Chairmanship of Mr. Ram Kumar Dalmia.

The Committee looks into redressal of complaints received from shareholders. It is the policy of the Company to promptly attend to and resolve the complaints received from the shareholders. Mr. Beda Nand Choudhary, Director of the Company is designated as Compliance Officer.

The Board of Directors of the Company has delegated the power of transfer and transmission of shares to Messrs. MCS Limited, the Registrar and Share Transfer Agents of the Company who are attending these transfer formalities fortnightly, under the overall supervision of the Company's Secretarial Department.

NAME AND DESIGNATION OF THE COMPLIANCE OFFICER:

Mr. Beda Nand Choudhary, is the Director & Compliance officer of the Company for compliance of the requirements under the listing agreements with Stock exchanges.

THE MEETINGS OF THE SHAREHOLDERS' GRIEVANCE COMMITTEE WERE HELD ON: 30th September, 2009 & 29th January, 2010

POSITION AS ON 31ST MARCH, 2010 OF THE SHAREHOLDERS' COMPLAINTS RECEIVED & REDRESSED DURING THE FINANCIAL YEAR:

Grievances	Complaints received from			
	Investors	Stock Exchange	SEBI	ROC
Stop Transfer	Nil	Nil	Nil	Nil
Change of Address	Nil	Nil	Nil	Nil
Demat Related	Nil	Nil	Nil	Nil
Non-receipt of Annual Reports	Nil	Nil	Nil	Nil
Share Transfer	Nil	Nil	Nil	Nil
Duplicate Certificates	Nil	Nil	Nil	Nil
Non-receipt of Dividend	Nil	Nil	Nil	Nil
Complaints received from: SEBI/ ROC/Stock Exchange	Nil	Nil	Nil	Nil

POSITION AS ON 31st MARCH, 2010 OF THE SHAREHOLDERS' COMPLAINTS RECEIVED & REDRESSED DURING THE FINANCIAL YEAR:

Total Complaints received during the year	Total redressed during the year	No. of grievances outstanding as on 31.03.2010
Nil	Nil	Nil

NUMBER OF PENDING COMPLAINTS AS AT 31.03.2010: NIL

4. NOTES ON DIRECTORS SEEKING RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 IV (G) OF THE LISTING AGREEMENT:

Mr. Beda Nand Choudhary, Mr. Ram Kumar Dalmia and Mr. Jitendra Patnaik were appointed as additional directors at the Board Meeting dated 14th January, 2010. Notice has been received under Section 257 of the Companies Act, 1956 for reappointing them as Directors.

Details of new Directors and directors seeking re-appointment in the Annual General Meeting has been provided in the Annual General Meeting Notice attached with the Annual Report.

5. GENERAL BODY

i) DETAILS OF ANNUAL GENERAL MEETING (AGMs) :

AGM	Date	Venue	Time	No. of Special Resolutions
15 th	23 rd September, 2009	432, Prince Anwar Shah Road, Kolkata 700068	9.30 a.m.	None
14 th	22 nd September, 2008	432, Prince Anwar Shah Road, Kolkata 700068	9.00 a.m.	None
13 th	10 th September, 2007	432, Prince Anwar Shah Road, Kolkata 700068	9.00 a.m.	One

At the above mentioned meetings, all the Resolutions were passed on show of hands.

The Shares held by the above Director have already been disclosed under the caption Composition of Board of Directors under Composition of the Board.

No Special Resolution was passed during the financial year ended 31st March, 2010 through Postal Ballot.

(ii) DISCLOSURE:

(a) DISCLOSURE ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS: Details of related party transactions during the year have been set out under Note (I)

of Schedule 12 of Annual Accounts. These are not having potential conflict with the interests of the Company at large.

(b) DETAILS OF NON-COMPLIANCE BY THE COMPANY, PENALTIES, STRICTURES IMPOSED ON THE COMPANY BY THE STOCK EXCHANGES, SEBI OR ANY STATUTORY AUTHORITIES ON ANY MATTER RELATED TO CAPITAL MARKETS: All the requirements of the listing agreement with the Stock Exchanges as well as regulation and guidelines of SEBI have been complied with by the Company. No penalty has been imposed or stricture has been made by SEBI, Stock Exchanges or any Statutory Authorities on matters relating to Capital Markets during the last three years.

(c) DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENT AND ADOPTION OF NON-MANDATORY REQUIREMENTS: All the mandatory requirement have been appropriately complied with and the non mandatory requirements are dealt with at the end of this Report.

(d) MEANS OF COMMUNICATION

FINANCIAL RESULTS & ANNUAL REPORTS ETC.:

The Quarterly Unaudited Financial Results and the Annual Financial Results as taken on record and approved respectively by the Board of Directors of the Company are published in leading newspapers, i.e. The Business Standard, Financial Express (English), Aarthik Lipi / Dainik Lipi / Kalante (Bengali) and are also sent immediately to all the Stock Exchanges with which the shares of the Company are listed.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MD&AR):

The Management Discussion and Analysis Report as reviewed by Audit Committee set out in composite and comprehensive manner in the Directors Report forming part of the Annual Report.

(iii) GENERAL SHAREHOLDERS INFORMATION:

(a) NEXT ANNUAL GENERAL MEETING:

Day & Date	Time	Venue
Friday, 10 th September, 2010	9.30 A.M.	432, Prince Anwar Shah Road, Kolkata - 700068

(b) The financial year of the Company covers 1st April, 2009 to 31st March, 2010.

(c) DATE OF BOOK CLOSURE:

2nd September, 2010 to 10th September, 2010 (both days inclusive)

(d) DIVIDEND PAYMENT DATE: N.A.

(iv) INFORMATION PERTAINING TO THE STOCK EXCHANGES:

(a) The Calcutta Stock Exchange Limited (CSE), 7 Lyon Range, Kolkata 700001.

(b) Bombay Stock Exchange of India Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001.

(c) STOCK CODE FOR:

Bombay Stock Exchange 511688

Calcutta Stock Exchange 023052

The annual listing fees of these Exchanges have been paid by the Company for year 2010 - 2011.

(d) ISIN No. for the Company's ordinary shares in demat form: INE963B01019

(e) Depository Connectivity: NSDL and CDSL.

(v) STOCK MARKET PRICE DATA (in Rs.):

BSE Months	Company's Share Price		BSE Sensex High	BSE Sensex Low
	BSE High	BSE Low		
April, 2009	8.50	6.56	11492.10	9546.29
May, 2009	9.50	7.68	14930.54	11621.30
June, 2009	9.40	6.01	15600.30	14016.95
July, 2009	8.69	5.96	15732.81	13219.99
August, 2009	18.84	9.12	16002.46	14684.45
September, 2009	18.35	15.33	17142.52	15356.72
October, 2009	18.00	17.20	17493.17	15805.20
November, 2009	18.90	17.20	17290.48	15330.56
December, 2009	18.70	14.40	175530.94	16577.78
January, 2010	18.37	12.86	17790.33	15982.08
February, 2010	16.38	12.15	16669.25	15651.99
March, 2010	17.00	12.70	17793.01	16438.45

There has been no transaction in CSE during the year 2009 - 2010

REGISTRAR AND SHARE TRANSFER AGENT :

MCS Limited, 77/2A, Hazra Road, Kolkata 700029. (Contacts: Mr. Tapas Roy). Phone Nos.: (033) 24767350 to 53, 2454 1892/1893, Fax Nos: 24541961, 2474 7674. E Mail: mcscal@cal2.vsnl.net.in, mcskol@rediffmail.com

(vi) SHARE TRANSFER SYSTEM:

MCS Limited the existing Registrars and Share Transfer Agents looks after the share transfers (for both physical and dematerialized shares) and redressal of investor complaints. In addition the Director cum Compliance officer oversees the work of MCS Limited to ensure that the queries of the investors are replied within a reasonable period.

Moreover, the Company has appointed a Company Secretary in Whole Time Practice as required under Clause 47(C) of the

Listing agreement to ensure that the shares are transferred within 30 days of the date of lodgment of the shares.

(vii) DISTRIBUTION OF SHARE HOLDING AS ON 31ST MARCH 2010 :

(a) ACCORDING TO CATEGORY OF HOLDING:

Category of Shareholders	No. of shares held	% of holding
Promoters		
Persons acting in concert	2080343	69.34
Non Promoters		
Institutional Investors	Nil	Nil
Mutual Funds & UTI	Nil	Nil
Banks, Fls, Insurance Companies Fils'	Nil	Nil
Others		
Private Corporate Bodies	47033	1.57
Indian Public	859820	28.66
NRIs/OCB	12804	.43
Total	3000000	100

(b) ACCORDING TO NUMBER OF ORDINARY SHARES HELD:

Shareholding	Number of Share holders	% to total	Number of shares	% to total
1 - 500	3318	92.3462	450996	15.0332
501 - 1000	176	4.8984	147547	4.9182
1001 - 2000	52	1.4473	82342	2.7447
2001 - 3000	15	.4175	38607	1.2869
3001 - 4000	6	.1670	23059	.7686
4001 - 5000	8	.2227	38927	1.2976
5001 - 10000	11	.3062	79599	2.6533
10001 - 50000	3	.0835	58580	1.9527
50001 - 100000	Nil	Nil	Nil	Nil
100001 and above	4	0.1112	2080343	69.3448
Total	3593	100	3000000	100

(viii) DEMATERIALISATION OF SHAREHOLDING AND LIQUIDITY:

As per SEBI's Guidelines, Company's Ordinary Shares are compulsorily traded in Dematerialized form for all the investors with effect from 31st May, 1999.

1972858 Shares were dematerialized representing 65.76% of the total Ordinary Shares as on 31st March, 2010 as per agreements of the Company with NSDL and CDSL, the

investors have an option to dematerialize their Ordinary Shares with either of the Depositories.

(ix) **OUTSTANDING GDRS/ADRS/WARRANT OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY: NIL**

(x) **PLANT LOCATION: N.A.**

(xi) **INSIDER TRADING:**

The Code of internal procedure & conduct under The SEBI (prohibition of Insider Trading) Regulations, 1992 as amended, is in force since 28.04.2002.

(xii) **ADDRESS FOR CORRESPONDENCE:**

(a) **FOR ROUTINE MATTERS:**

Any assistance regarding Share transfer and transmissions, change of Address, non-receipt of dividends, duplicate/missing Share certificates, demat and other matters, please write to or contact the Share Department of the Company at the address given below:

Registrar & Share Transfer Agent:

M/s MCS Ltd. 77/2A, Hazra Road, Kolkata 700029.
Phone No: 033-24767350 to 53, 033-24541892/3,
Fax No: 033-24541961, 033-24747674.
Email mcskol@rediffmail.com, mcscal@cal2.vsnl.net.in

(b) **FOR REDRESSAL COMPLAINTS & GRIEVANCES:**

The Compliance Officer, Mathew Easow Research Securities Limited, "Rajkamal Building", 1st Floor, 128, Rash Behari Avenue, Kolkata 700029, Phone Nos. 033-24646063/7022, Fax: 033-24647931, Email mers.ltd@gmail.com

(xiii) **MECHANISM FOR EVALUATING NON-EXECUTIVE BOARD MEMBERS:**

Non-executive Directors were being always evaluated by their own peer in the Board meetings during the year 2009-10, although there was no formal peer Group review by the entire Board except the Directors concerned.

(xiv) **WHISTLE BLOWER POLICY :**

The Company does not have any Whistle Blower Policy as of now but no personnel is being denied any access to the Audit Committee.

Declaration by the director under clause 49(1) (D) (ii) of the listing agreement

I, Beda Nand Choudhary, Director of Mathew Easow Research Securities Limited declare that all the members of the Board of Directors and Senior Management personnel have, for the year ended 31st March, 2010, affirmed compliance with the code of Conduct laid down by the Board of Directors in terms of the Listing Agreement entered with the Stock Exchange.

Kolkata
11th August, 2010

Beda Nand Choudhary
Director

To the Members of

Mathew Easow Research Securities Limited

We have examined the compliance of conditions of Corporate Governance by **Mathew Easow Research Securities Limited**, for the year ended 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management.

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

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

We 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.

For **BHANDARI B. C. & CO.**
Chartered Accountants
Firm Registration No. 311082E
B. C. Bhandari, FCA
Partner
ICAI, Membership No. 50196

Place: Kolkata

Date: 11th August, 2010

MATHEW EASOW RESEARCH SECURITIES LIMITED

AUDITORS REPORT

Auditors Report to the Member of Mathew Easow Research Securities Limited

1. We have audited the attached Balance Sheet of Mathew Easow Research Securities Limited as at 31st March, 2010 and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. 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 misstatement. 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, as amended by Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order'), issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order:
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the 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, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this

report comply with the accounting standards referred to in section 211(3C) of the Companies Act, 1956.

- (e) On the basis of written representations received from the Directors, as on 31st March, 2010 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of clause (g) of 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 explanations given to us, the said financial statements together with Notes thereon and attached thereto give, in the prescribed manner, the information required by the Companies Act, 1956, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2010;
 - (ii) in the case of the Profit and Loss Account, of the PROFIT 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 that date.

For BHANDARI B. C. & CO.
Chartered Accountants
Firm Registration No. 311082E

B. C. Bhandari, FCA
Partner
ICAI Membership No: 50196
Kolkata, May 29, 2010

ANNEXURE TO THE AUDITORS REPORT

Referred to in paragraph 3 of the Auditors' Report of even date to the members of Mathew Easow Research Securities Limited on the financial statements for the year ended 31st March, 2010.

- (i) (a) Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.

- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- (ii) (a) As explained to us, inventories in the form of Shares and Securities have been physically verified by the management at reasonable intervals to the extent possible and practical.
- (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 were reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of inventories and no material discrepancies were noticed on physical verification.
- (iii) (a) Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register, maintained under section 301 of the Act.
- (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) (a) According to information and explanations given to us, the particular 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) According to information and explanations given to us, transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public within the meaning of sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- (vii) In our opinion, the company does not have proper and adequate internal audit system commensurate with its size and nature of its business and it needs improvement.
- (viii) 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.
- (ix) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth tax, service-tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) The Company does not have any accumulated losses as at the end of the year. The company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions, banks and debenture holders.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the company.
- (xiv) Based on our examination of the records and evaluation of the related internal control, the company has maintained proper records of transactions and contracts in respect of its dealing in shares, securities, debentures and other investments and timely entries have been

made therein. The aforesaid securities have been held by the company, in its own name, except to the extent of the exemption granted under section 49 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 bank or financial institutions.
- (xvi) The company has not taken any term loans.
- (xvii) The company did not raise any fund on short-term basis.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintain under Section 301 of the Act during the year.
- (xix) The company has not issued debentures.
- (xx) The company has not raised any money by public issues during the year.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For **BHANDARI B.C. & CO.**
Chartered Accountants
Firm Registration No. 311082E
B. C. Bhandari, FCA
Partner
ICAI Membership No: 50196
Kolkata, May 29, 2010

MATHEW EASOW RESEARCH SECURITIES LIMITED

BALANCE SHEET AS AT 31st MARCH, 2010

	Schedule	As at 31.3.2010 Rupees	As at 31.3.2009 Rupees
SOURCES OF FUNDS :			
SHAREHOLDERS' FUNDS			
Share Capital	1	30,000,000	30,000,000
Reserves & Surplus	2	6,927,047	4,953,647
DEFERRED TAX LIABILITY	12 (G)	330,033	369,698
		<u>37,257,080</u>	<u>35,323,345</u>
APPLICATION OF FUNDS :			
FIXED ASSETS			
Gross Block	3	4,323,084	5,085,761
Less : Depreciation		1,994,169	1,943,154
Net Block		<u>2,328,915</u>	<u>3,142,607</u>
INVESTMENTS	4	-	3,410,345
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	5	16,035,060	28,175,149
Cash & Bank Balances	6	1,857,810	322,310
Loans and Advances	7	17,460,608	421,138
		<u>35,353,478</u>	<u>28,918,597</u>
Less: Current Liabilities & Provisions	8	60,638	64,192
Current Liabilities		364,675	84,012
Provisions		<u>425,313</u>	<u>148,204</u>
Net Current Asset		<u>34,928,165</u>	<u>28,770,393</u>
		<u>37,257,080</u>	<u>35,323,345</u>

Significant Accounting Policies and Notes to Accounts

As per our Report of even date.

For **Bhandari B.C. & Co.**

Chartered Accountants

B. C. Bhandari, FCA

Partner

Membership No. 50196

Kolkata, 29 May 2010

Beda Nand Choudhary

Ram Kumar Dalmia

Director

MATHEW EASOW RESEARCH SECURITIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2010

<u>INCOME</u>	Schedule	As at 31.3.2010 Rupees	As at 31.3.2009 Rupees
Sales		84,272,934	177,318,001
Interest (TDS Rs 58,355/-, Prv yr Rs. 104155)		588,425	517,786
Dividend		339	279,171
Profit on Sale of Investments		684,578	-
Other Income	9	97,622	567,868
Closing Stock		16,035,060	28,175,149
		<u>101,678,958</u>	<u>206,857,975</u>
<u>EXPENDITURE :</u>			
Opening Stock		28,175,149	27,998,986
Purchase		68,314,961	173,945,765
Security Transaction Tax		46,399	167,337
Personnel Expenses	10	623,397	1,285,768
Administrative Expenses	11	2,012,528	2,763,184
Depreciation	3	222,789	275,291
Diminution in Value of Investment	8	-	512,199
		<u>99,395,223</u>	<u>206,948,530</u>
PROFIT BEFORE TAX		2,283,735	(90,555)
Provision for taxation			
Income Tax Current Year		350,000	14,675
Income Tax written back		-	(945,984)
Deferred tax written back	12 (G)	(39,665)	(107,813)
Fringe benefit tax		-	45,364
PROFIT AFTER TAX		1,973,400	903,203
Transfer to Special Reserve		-	180,640
		1,973,400	722,563
Profit / (Loss) brought forward from previous year		423,007	(299,556)
Profit carried over to Balance Sheet		<u>2,396,407</u>	<u>423,007</u>
Basic/Diluted earning per share		0.66	0.30
Significant Accounting Policies and Notes to Accounts	12		
As per our Report of even date. For Bhandari B.C. & Co. Chartered Accountants B. C. Bhandari, FCA Partner Membership No. 50196 Kolkata, 29 May 2010		Beda Nand Choudhary Ram Kumar Dalmia	D i r e c t o r

CASH FLOW STATEMENT AS ON 31.03.2010

	2009-10 IN RUPEES	2008-09 IN RUPEES
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax & Extraordinary Activities	2,283,735	(90,555)
Adjustments for:		
Depreciation	222,789	275,291
Profit on sale of investment	(684,578)	-
Service Tax W/ Off being not recoverable	93,603	-
Loss on Sale of Fixed Assets	43,677	-
Operating Profit before Working Capital Changes	<u>1,959,225</u>	<u>184,736</u>
Adjustments for:		
(Increase) / Decrease in Inventories	12,140,089	(176,163)
(Increase) / Decrease in Loans & Advance	(17,142,275)	983,694
Increase / (Decrease) in Current Liabilities	(3,554)	(62,026)
Cash generated from Operations	(3,046,515)	930,241
Taxes Paid	(60,135)	625,858
Net Cash Flow from Operating Activities [A]	<u>(3,106,650)</u>	<u>1,556,099</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(22,774)	(47,415)
Proceeds from Sale of Fixed Assets	570,000	-
(Purchase) / Sale of Investment	4,094,923	(3,025,368)
Net Cash Flow From Investing Activities [B]	<u>4,642,149</u>	<u>(3,072,783)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash Flow From Financing Activities [C]	-	-
Net Increase / (Decrease) in Cash & Cash Equivalents (A) + (B) + (C)	1,535,499	(1,516,684)
Cash & Cash Equivalents at the beginning of the year	322,310	1,838,994
Cash & Cash Equivalents at the end of the year	1,857,810	322,310

Notes:

1. The Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard - 3 on Cash Flow Statement
2. Cash and Cash Equivalents include Cash-In-Hand and Bank balances in Current accounts. (Refer Schedule - 6)
3. Figures in brackets indicate Cash outflow.

As per our Report of even date.
For **Bhandari B.C. & Co.**
Chartered Accountants
B. C. Bhandari, FCA
Partner
Membership No. 50196
Kolkata, 29 May 2010

Beda Nand Choudhary

Ram Kumar Dalmia

Director

MATHEW EASOW RESEARCH SECURITIES LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31.3.2010 AND
THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

	As at 31.3.2010 <u>Rupees</u>	As at 31.3.2009 <u>Rupees</u>
SCHEDULE-1		
SHARE CAPITAL		
<i>Authorised Capital</i>		
9000000 Equity shares of Rs 10/- each	90,000,000	90,000,000
100000 Preference Shares of Rs.100/- each	<u>10,000,000</u>	<u>10,000,000</u>
	<u>100,000,000</u>	<u>100,000,000</u>
Issued, Subscribed & Paid-up Capital		
3000000 Equity Shares of Rs. 10/- each fully paid-up	<u>30,000,000</u>	<u>30,000,000</u>
	<u><u>30,000,000</u></u>	<u><u>30,000,000</u></u>
SCHEDULE-2		
RESERVES & SURPLUS		
<i>Special Reserve</i>		
Opening Balance	4,530,640	4,350,000
Add: Transferred from Profit & Loss Account	-	<u>180,640</u>
	<u>4,530,640</u>	<u>4,530,640</u>
Profit & Loss Account-Credit balance	<u>2,396,407</u>	<u>423,007</u>
	<u><u>6,927,047</u></u>	<u><u>4,953,647</u></u>
SCHEDULE-3		
FIXED ASSETS		Separate sheet attached
SCHEDULE-4		
INVESTMENT		
<i>Current Investment</i>		
Quoted, Equity shares of Rs.10/- each		
39335 shares of Zenotech Laboratories Ltd	-	3,922,544
Less: Diminution in Value	<u>-</u>	<u>512,199</u>
	<u><u>-</u></u>	<u><u>3,410,345</u></u>
SCHEDULE-5		
INVENTORIES		
<i>(As taken valued and certified by the management)</i>		
Shares & Securities	16,035,060	9,579,046
Mutual Fund-HSBC Cash Fund	-	18,596,103
	<u><u>16,035,060</u></u>	<u><u>28,175,149</u></u>

MATHEW EASOW RESEARCH SECURITIES LIMITED

SCHEDULE - 3
FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on 01.04.09	Additions	Deduction/ Adjustment	As on 31.03.10	Upto 31.03.09	For the year	Adjustments	Upto 31.03.10	As at 31.03.10	As at 31.03.09
Office Premises	2051305	-	-	2051305	460237	33436	-	493673	1557632	1591068
Computer	115044	4784	-	119828	52296	23432	-	75728	44100	62748
Furniture & Fixture	1024943	-	-	1024943	744709	64879	-	809588	215355	280234
Office Equipment	498647	17990	-	516637	231746	24402	-	256148	260489	266901
Motor Car	1385822	-	785451	610371	454166	76640	171774	359032	251339	941656
CURRENT YEAR	5085761	22774	785451	4323084	1943154	222789	171774	1994169	2328915	3142607
PREVIOUS YEAR	5093460	47415	55114	5085761	1722977	275291	55114	1943154	3142607	3370483

MATHEW EASOW RESEARCH SECURITIES LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31.3.2010 AND
THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

	As at 31.3.2010 Rupees	As at 31.3.2009 Rupees
SCHEDULE-6		
CASH & BANK BALANCES		
Cash-in-hand (As certified by the Management)	846,165	6,608
Balances with Scheduled Banks in Current Accounts	1,011,645	315,702
	<u>1,857,810</u>	<u>322,310</u>
SCHEDULE-7		
LOANS AND ADVANCES		
(unsecured, considered good)		
Loans	2,043,200	75,101
Advance recoverable in cash or in kind or for value to be received	15,209,375	23,299
Security Deposits	45,523	57,423
Service Tax credit balance	-	93,603
Income Tax Payments & TDS Asst year 2008-09	-	67,557
Income Tax Payments & TDS Asst year 2009-10	104,155	104,155
Income Tax Payments & TDS Asst year 2010-11	58,355	-
	<u>17,460,608</u>	<u>421,138</u>
SCHEDULE-8		
CURRENT LIABILITIES & PROVISIONS		
Current Liabilities		
Sundry Creditors	150	-
Liabilities for expenses	58,178	63,802
Professional Tax	1,560	390
TDS Payable	750	-
	60,638	64,192
Provisions		
Provision for Income Tax	364,675	82,232
Provision for Fringe Benefit Tax	-	1,780
	<u>364,675</u>	<u>84,012</u>
	<u>425,313</u>	<u>148,204</u>
SCHEDULE-9		
OTHER INCOME		
Rent Received	79,250	200,200
Income on Rate Difference Transactions (Net)	18,372	367,668
	<u>97,622</u>	<u>567,868</u>

MATHEW EASOW RESEARCH SECURITIES LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31.3.2010 AND THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

	As at 31.3.2010 Rupees	As at 31.3.2009 Rupees
SCHEDULE-10		
PERSONNEL EXPENSES		
Salary	595,300	1,245,984
Staff Welfare Expenses	28,097	39,784
	<u>623,397</u>	<u>1,285,768</u>
SCHEDULE-11		
ADMINISTRATIVE EXPENSES		
Advertisement	40,573	26,273
Accounting Charges	-	31,000
Audit Fees	63,423	57,908
Bank Charges	5,642	4,588
Books & Periodicals	32,640	16,471
Motor Car Running & Maintenance	165,700	162,992
Conveyance	22,548	68,425
Demat Charges	578	1,778
Custodian Charges	16,069	10,456
Director's Remuneration	100,000	457,926
Electricity Charges	27,910	55,090
Entertainment Expenses	23,499	-
Filing Fees	14,952	1,500
Interest on Loan	-	22,066
Internal Audit Fees	15,000	12,000
Misc Expenses	67,934	41,938
Listing Fees	23,729	20,500
Loss on Sale of Investments	-	13,801
Loss on Sale of Fixed Asset	43,677	-
Membership & Subscription	5,000	-
Postage & Courier	63,374	100,306
Printing & Stationary	87,999	73,921
Legal & Professional Fees	861,319	868,400
Rent, Rates & Taxes	15,118	43,438
Repair & Maintenance	75,431	137,874
Service Tax Balance written off being not recoverable	93,603	-
Telephone Charges	104,262	141,949
Travelling Expenses	36,378	392,584
Transaction, Turnover Charges etc.	6,170	-
	<u>2,012,528</u>	<u>2,763,184</u>

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31.03.2010
SCHEDULE-12:

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

- A. The Financial Statements have been prepared in accordance with applicable Accounting Standards and as per relevant presentation requirements of the Companies Act, 1956. The Financial Statements have been prepared according to the double entry system of accounting and on accrual basis except expenditure on gratuity, leave pay and Bonus etc. which are accounted for as and when actual payments are made.
- B. The Company is registered as a Non-Banking Financial Company with the Reserve Bank of India
- C. FIXED ASSETS are stated at original cost of acquisition (including related incidental expenses) reduced by depreciation.
- D. Depreciation has been provided on pro-rata basis on the Straight Line Method at the rates and in the manner as provided in Schedule XIV to the Companies Act, 1956.
- E. INVENTORIES: Inventories are valued at lower of cost or net realizable value and in accordance with guidelines issued by Reserve Bank of India as applicable to NBFC.
- F. INVESTMENTS: Investments are valued at cost less diminution in value of investments in accordance with Accounting Standard-13 issued by Institute of Chartered Accountants of India.
- G. The tax expense for the year, comprising of the current tax, fringe benefit tax and deferred tax is included in determining the net profit/loss for the year. Provision for the current tax and fringe benefit tax is based on tax liability computed in accordance with relevant tax rates and tax laws. Provision on deferred tax is made for all timing differences arising between taxable incomes and accounting income at rates that have been enacted or substantively enacted as of the Balance Sheet date. The breakup of Net Deferred Tax is as follows.

	As at 31.3.2010 (Rs.)	As at 31.3.2009 (Rs.)
<u>Deferred Tax Liabilities:</u>		
Tax impact of differences between carrying amount of Fixed Assets in the financial statements and Income Tax	3,30,033	3,69,698
Net Deferred Tax Liability	3,30,033	3,69,698

- H. Segment reporting as per Accounting Standard-17 is not relevant as the entire operations of the Company relates to only one segment i.e. Capital and Financial Markets and also the company did not have any overseas operations during the year.
- I. Information given in accordance with the requirements of Accounting Standard-18 on Related Party Disclosures issued by Institute of Chartered Accountants of India :

List of Related Parties	Nature of Relationship
i. Mathew Easow	Chairman cum Managing Director
ii. Valsa Mathew	Director
iii. Bibhas Bangal	Director
iv. Dilip Cherian	Director
v. Shekhar Shukla	Director
vi. Beda Nand Choudhary	Director
vii. Mathew Easow Financial Services	Proprietary concern of Managing Director
viii. Mathew Easow Fiscal Services Ltd	Company under common management
ix. Cindy Marketing Private Limited	Company under common management
x. Express Plasticchem Limited	Company under common management

MATHEW EASOW RESEARCH SECURITIES LIMITED

Transaction with Related Parties	As at 31.3.2010 (Rs.)	As at 31.3.2009 (Rs.)
Directors Remuneration (incl. other benefits) -- Mathew Easow	30,000	4,57,926
-- Valsa Mathew	70,000	-
Rental Income -- Mathew Easow Financial Services	1,000	6,000
-- Mathew Easow Fiscal Services Ltd	500	3,600
-- Cindy Marketing Private Limited	47,500	1,18,000
Purchases -- Express Plastichem Limited	1,35,55,625	-
Sale of Fixed Asset (Motor Car) -- Cindy Marketing Private Limited	5,70,000	-

- J. There is no liability towards Gratuity, leave pay, PF, ESI and/or any other type of retirement benefits. Hence, the requirements prescribed under Accounting Standard-15 have not been complied.
- K. Separate disclosures for the amount due to Small Scale Industrial undertakings under the head Current Liabilities/ Creditors could not be made as the Company does not possess the requisite information.
- L. The Micro, Small and Medium Enterprises Development Act, 2006 mandates disclosure related to payment and accrual of interest on delayed payments to suppliers classified as Micro, Small and Medium Enterprises under the Act. The Company has not received intimation from any of its suppliers regarding the status of their registration under the said Act and hence separate disclosures could not be made.
- M. Payments to Statutory Auditors:

Particulars	Current year (Rs)	Prev year (Rs)
Audit Fee	45000.00	45000.00
Tax Audit Fee	7500.00	7500.00
Service Tax	5408.00	5408.00
TOTAL	57908.00	57908.00

- N. Additional Information pursuant to the provisions of Paragraph 3 and 4 of Part-II of Schedule-VI to the Companies Act, 1956:

		Current Year		Previous Year	
		Quantity	Rupees	Quantity	Rupees
<u>Opening Stock</u>	Shares/ETF	53499.005	9579046	205103.005	25362501
	Units of MF	1277108.373	18596103	195675.167	2636485
			28175149		27998986
<u>Purchases</u>	Shares/ETF	434465.000	35814961	992847.000	93245765
	Units of MF	2218451.367	32500000	5825164.487	80700000
			68314961		173945765
<u>Sales</u>	Shares/ETF	148599.000	33067246	1105116.000	112347351
	Units of MF	3495559.740	51205688	4743731.281	64970650
			84272934		177318001
<u>Closing Stock</u>	Shares/ETF	339365.005	16035060	53499.005	9579046
	Units of MF	-	-	1277108.373	18596103
			16035060		28175149

- O. The comparative figures of the previous year appearing in the financial statements have been audited by the Company's previous auditor M/s. S.P. Chatterjee & Co., Chartered Accountants, Kolkata.
- P. Previous year's figures have been regrouped/rearranged where necessary to conform to this year's classification.

As per our Report of even date.
For **Bhandari B.C. & Co.**
Chartered Accountants
B. C. Bhandari, FCA
Partner
Membership No. 50196
Kolkata, 29 May 2010

Beda Nand Choudhary

Ram Kumar Dalmia

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MATHEW EASOW RESEARCH SECURITIES LIMITED
BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE
AS PER SCHEDULE VI, PART IV OF THE COMPANIES ACT, 1956

I. Registration Details

Registration No.

State Code

Balance Sheet Date

II. Capital Raised During the Year (Amount in Rs. Thousands)

Public Issue

Rights Issue

Bonus Issue

Private Placement

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

Total Liabilities

Total Assets

Sources of Funds
Paid-up Capital

Share Application Money

Reserves & Surplus

Secured Loans

Deferred Tax Liability

Unsecured Loans

Application of Funds
Net Fixed Assets

Investments

Net Current Assets

Misc. Expenditure

Accumulated Losses

Deferred Tax Assets

IV. Performance of Company (Amounts in Rs. Thousands)

Turnover (including Other Income)

Total Expenditure

Profit/Loss Before Tax

Profit/Loss After Tax

Earnings per Share in Rs.

Dividend %

V. Generic Names of Three Principle Products/Services of Company

Item Code No. (ITC Code)

Product Description

NBFC-Capital Market activities

As per our Report of even date.
 For Bhandari B.C. & Co.
 Chartered Accountants
 B. C. Bhandari, FCA
 Partner
 Membership No. 50196
 Kolkata, 29 May 2010

Beda Nand Choudhary
 Ram Kumar Dalmia
 Director

ATTENDANCE SLIP

Please fill in the Attendance Slip and hand it over at the Entrance of the Meeting Hall. Joint Shareholders may obtain Additional Slip on Request.

Folio No.
DP Id.* Client Id.*
Name of the Shareholders
Address of the Shareholder
..... PIN
No. of Shares held Signature(s)

I / We hereby record my/our presence at the 16th Annual General Meeting of the Company held on Friday, 10th September, 2010 at 9.30 A.M. at 432, Prince Anwar Shah Road, Kolkata 700068



PROXY

Folio No.
DP Id.* Client Id.*

I / We
Being a member/members of Mathew Easow Research Securities Limited hereby appoint
..... or failing him/her of

as my/our proxy to vote for me/us and on my/our behalf at the 16th Annual General Meeting of the Company held on Friday, 10th September, 2010 at 9.30 A.M. at 432, Prince Anwar Shah Road, Kolkata 700068 or any adjournment thereof.

Signature of the Shareholder(s) Signature of Proxy (s)

*Applicable for investors holding shares in electronic form

Date / / 2010

**Affix
Re. 1/-
Revenue
Stamp**

Note: The Proxy must be returned so as to reach the registered office of the Company not less than 48 hours before the commencement of the meeting. The Proxy need not be a member of the Company.

BOOK POST

If undelivered please send to :-

Mathew Easow Research Securities Limited

Regd. Office : Rajkamal Building, 128 Rash Behari Avenue, 1st Floor, Kolkata - 700 029