

**BOARD OF DIRECTORS**

Mr.Shankar Bhagat

Mr.Ketan Sorathiya

Mr.Vipul Trivedi

**AUDITORS**

**Y. D. & co.**

Chartered Accountants

Ludhiana

**REGISTERED OFFICE**

302, Camy House 3, Dhuswadi,

Dr. Cawusji Hormusji Street, ,

Mumbai – 400 002

**REGISTRAR & SHARE TRANSFER AGENT**

**Sharepro Services (India) Pvt. Ltd.**

13 AB Samhita Warehousing Complex,

2nd Floor, Sakinaka Telephone Exchange Lane,

Off Andheri-Kurla Road, Sakinaka,

Andheri (E), Mumbai - 400 072.

**NOTICE**

Notice is hereby given that the Annual General Meeting of the Shareholders of the Monotona Securities Limited Will be held on Wednesday, 29th June, 2011 at 302, Camy House 3, Dhuswadi, Dr. Cawusji Hormusji Street, ,Mumbai – 400 002 at 11.30 a.m. to transact the following business:-

**ORDINARY BUSINESS :**

- To receive and adopt Audited profit and Loss Account for the year ended 31st March, 2011 and the balance Sheet as on that date along with Directors' and Auditors' Report thereon.
- To Appoint a Director in place of Mr. Vipul Trivedi, who retires by rotation and, being eligible offers himself for re-appointment.
- To reappoint M/s. Y. D. & Co., Chartered Accountants, Ludhiana, Auditors of the company to hold office from the conclusion of this meeting until the conclusion of next annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration.

**By order of the Board Directors**

**Date: 28.05.2011.**

**Place: Mumbai.**

**Director**

**NOTES:**

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF MEETING.
- The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 setting out material facts is annexed hereto
- Pursuant to section 154 of the Companies Act, 1956, Register of Members and Shares Transfer Books of the Company will remain closed from 28th June, 2011 to Tuesday, 29th June, 2011 (both days are inclusive)
- Members intending to require information about accounts at the meeting are requested to write to the Company at least 10 days in advance of the Annual General Meeting.
- Intimate, if Shares are held in the same name or in the order and names, but in more than one account to enable the Company to club they said accounts in to one account.
- Notify immediately the Change if any, in the registered address, to the Company.

**By the order of the Board of Directors**

**Place: Mumbai**

**Date: 28.05.2011**

**Director**

**DIRECTOR'S REPORT**

To,  
The Members,  
**Monotona Securities Limited.**

Your Directors have pleasure in presenting the Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2011

**FINANCIAL RESULT:**

(in Rs.)

<b>PARTICULARS</b>	<b>2010-2011</b>	<b>2009-2010</b>
Profit/(Loss) Before Tax	(2,38,719)	(2,61,093)
Less: Provision for Income Tax	0	0
Deferred Tax	0	0
Profit/(Loss) for the year after Taxation	(2,38,719)	(2,61,093)
Add/(Less) prior year's tax adjustment	0	0
<b>TOTAL</b>	<b>(2,38,719)</b>	<b>(2,61,093)</b>
Balance Brought Forward	69,71,075	72,32,168
Balance available for appropriation		
Surplus/(deficit) carried to Balance Sheet	67,32,356	69,71,075

**OPERATIONS:**

During the year under review the company has incurred net Loss of Rs. 2,38,719/- against the loss Rs. 2,61,093/- during the previous year. Your Directors expects the company will achieve growth in the coming years.

**DIVIDEND:**

Directors do not recommend any dividend on equity shares of the company.

**PARTICULARS OF EMPLOYEES:**

There is no employee having remuneration in accordance with the provisions of section 217(2A) of the companies Act 1956 read with the companies (Particulars of employee) Rules 1975 as amended.

**DIRECTOR:**

Mr. Vipul Trivedi, Director of the company will retire at the forthcoming annual general meeting of the company, and being eligible, offer them for re-appointment.

**BONUS ISSUE:**

The Board of directors of the Company has decide to make a bonus issue of 41,39,200 Equity Shares of Rs. 10/- each fully paid up at a proportion of Four equity shares for every five equity shares held by the equity shareholders of the company as on record date ranking pari paasu with the existing equity shares. The Extra Ordinary Geenral Meeting was called for shareholders approval for the Bonus issue as on 18th April, 2011. The company has received in-principle approval from the BSE and Shareholders of the Company and after that allot the bonus issue to the Existing Shareholders of the Company.

**APPOINTMENT OF AUDITORS:**

M/s. Y. D. & Co., Chartered Accountants, Ludhiana, are proposed to be re-appoint as auditor of the company for the financial year 2011-2012. The auditors of the Company retire at the forthcoming Annual General Meeting. The board will fix the remuneration of newly appointed auditors of the company. The necessary

certificate under section 224(1B) of the Companies Act, 1956 has been received from the auditor.

The Statutory Auditors of the Company have submitted auditor's report on the accounts of the Company for the accounting year ended 31st March, 2011 which is self-explanatory and needs no comments.

**RESPONSIBILITY STATEMENT:**

As required u/s 217(2AA) of the companies Act 1956 your director confirms that in the preparation of the annual accounts:

w applicable accounting standards have been followed along with proper explanation relating to material departures.

- 2) Such accounting policies have been selected and applied consistently and reasonable and prudent judgments and estimates made, 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 the profit/loss of the company for that period.
- 3) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- 4) The annual accounts have been prepared on a going concern basis.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:**

As required under rule 3 of the companies (Disclosure of Particulars in the report of board of directors) Rules 1998, the particulars relating to the conservation of energy, Technology absorption, and the foreign exchange earnings and outgo are also Nil.

**LISTING AGREEMENT:**

The securities of the company are listed with the Stock Exchange, Mumbai. The company has paid the annual listing fees.

**ACKNOWLEDGEMENT:**

The management is grateful to the government authorities, Bankers, Vendors, for their continued assistance and co-operation. The directors also wish to place on record the confidence of members in the company.

**By the order of the Board of Directors**

**Place: Mumbai**

**Date: 28.05.2011**

**Director**

### REPORT ON CORPORATE GOVERNANCE

#### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of operations and in all inter-actions with its shareholders, employees, and the Government Company is committed to achieve the highest standards of corporate governance.

Company believes that all its operations and actions must serve the underlying goal of enhancing the overall shareholder value, over a sustained period of time.

#### BOARD OF DIRECTORS:

The Board of Directors of the company is comprised of optimum number of Executive ,non-executives and independent directors. The Board met **7 times** during the year on the following dates.

During the year, Board Meetings were held on **14.05.2010, 08.07.2010, 30.07.2010, 04.09.2010, 13.11.2010, 11.02.2011, 18.03.2011**

S. No.	Name of Director	Category of Directorship	No. of Board Meetings Attended	Attendance at Last AGM	No. of Other Committee Memberships
1	Shankar Prasad Bhagat	Non- Executive Director and Independent Director	7	Yes	3
2	Ketanbhai Dineshchandra Sorathiya	Non- Executive Director and Professional Director	7	Yes	3
3	Vipul Shantilal Trivedi	Non- Executive Director and Independent Director	7	Yes	3
4	Mitul Shah (Resigned On 08.07.2010)	Non- Executive Director and Independent Director	2	Yes	-

#### AUDIT COMMITTEE:

The Audit committee was reconstituted by the board and the present members of the audit committee are Shankar Prasad Bhagat, Ketanbhai Dineshchandra Sorathiya, and Vipul Shantilal Trivedi.

The Committee has appointed Ketanbhai Dineshchandra Sorathiya as chairman.

The terms of reference and powers of Audit Committee are as per Clause 49 of the Listing Agreement. The functions of the Audit Committee are as per Listing Agreement with the Stock Exchanges. This includes review of accounting and financial policies and procedures, review of financial reporting system and internal control procedure. The Committee met four times during the year i.e. **14.05.2010, 30.07.2010, 13.11.2010, 11.02.2011**

S. No.	Name of Audit committee member	No of meetings attended
1	Shankar Prasad Bhagat	4
2	Ketanbhai Dineshchandra Sorathiya	4
3	Vipul Shantilal Trivedi	4

#### REMUNERATION COMMITTEE:

No Remuneration Committee meeting was held during the year.

#### SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:

The present members of Shareholders/Investors Grievance committee are Shankar Prasad Bhagat, Ketanbhai Dineshchandra Sorathiya, and Vipul Shantilal Trivedi

The role and functions of the said Committee are the effective redressed of the complaints of the shareholders regarding dematerialization, transfers, non-receipt of balance-sheet etc, The Committee will also recommend the steps to be taken for further improvement in the quality of services to the Investors.

The company has received no complaints during the year

#### GENERAL BODY MEETINGS:

The last three Annual General Meetings were held as under :

Financial Year	Date	Time	Venue
2009-10	30th September, 2010	11:30 a.m.	302, Camy House, 3, Dhuswadi, Dr. Cawusji Hormusji street Mumbai
2008-09	30th September, 2009	10:00 a.m	302, Camy House, 3, Dhuswadi, Dr. Cawusji Hormusji street Mumbai
2007-08	27th September, 2008	12:00 p.m.	Unit No. 3 Neeru silk mills, N.M.Joshi Marg , mathusadas mills compound, lower parel, (w) Mumbai

No special Resolutions were put through postal ballot as recommended under clause 49 of the Listing Agreement of the Stock Exchanges, are placed for shareholders' approval at the forthcoming Annual General Meeting. There is no non-compliance nor any penalty or stricture imposed on the company by stock Exchanges, SEBI or any other statutory authority on any matter relating to capital markets during the last three years.

#### MEANS OF COMMUNICATION :

A. quarterly Results

the company has published quarterly results in The Western Times (English) and The Western Times (Marathi), both at Mumbai.

B. Management Discussion And Analysis

Appended to this Report.

#### GENERAL SHAREHOLDER INFORMATION:

**Financial Calendar 2011 -12 (tentative)**

: Results for the quarter ended June 30, 2011: Last week of July 2011.

Results for the quarter ended September 30, 2011. Last week of October 2010

Results for the quarter ended December 31, 2011, Last week of January 2012

Results for the quarter ended March 31, 2012, Last week of April 2012

**Book closure date**

: 28th June, 2011 to 29th June, 2011

(Both days inclusive)

**Registered Office**

: 302, CAMY HOUSE,  
3, DHUSWADI, DR. CAWUSJI HORMUSJI STREET  
MUMBAI, Maharashtra

Tele: 022- 22080650,66164433,66164414

Fax: 022- 66164409, 24962236

Email: monotona2007@gmail.com

**Equity shares Listed on Stock Exchanges at**

: The Bombay Stock Exchange Ltd, Mumbai

**Disclosures:**

- All related party transactions have been entered into the ordinary course of business and were placed periodically before the audit committee in summary form. There were no material individual transactions with related parties were not in the normal course of business to be placed before the audit committee and that may have potential conflict with the interest of the Company at large. All individual transactions with related parties or others were on an arm's length basis.
- All Accounting standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.
- Risk assessment and its minimizations procedures have been laid down by the Company and the same have been informed to Board Members. These procedures are periodically reviewed to ensure that executive management controls risks through means of a properly defined framework.
- The company has not raised money through preferential allotment basis during the year.
- The Company duly complies with all mandatory requirements of clause 49 of Listing Agreement with the Stock Exchange. However, the company has not adopted the non – mandatory requirement defined therein.
- Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provisions of Clause 49 of the listing agreement with Stock Exchanges.
- No Penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

**Stock Code**

Trading Symbol at the Bombay Stock Exchange Ltd, Mumbai  
Scrip Code 504367

Demat ISIN Numbers : Equity Shares INE815H01018 in NSDL & CDSL

**Stock Market Data** : The details regarding the month wise high/low price is during 2010-11 is as follows:

Month	High	Low
Apr-10	14.73	14.03
May-10	18.78	15.46
Jun-10	19.70	19.70

**REGISTRAR AND SHARE TRANSFER AGENT:**

Sharex Dynamic (India) Private Limited,  
17/B, Dena Bank Building, 2nd Floor,  
Horniman Circle,  
Fort, Mumbai - 400001  
Phone: (022) 2851 5606 / 2851 5644

**SHARE TRANSFER SYSTEM:**

Transfer of Shares in Physical form are registered and dispatched within 3 weeks from the date of their receipts, subject to the documents being valid and complete in all respects. Transfer of shares are processed by the Share Transfer Agents and approved by the Share Transfer Committee called as "Investor / Shareholders Grievance Committee", which meets at frequent intervals. Share transfers are registered and returned within 30 days from the date of receipt, if the relevant documents are complete in all respect.

**Dematerialization of shares and liquidity**

The Equity Shares of your company are traded in compulsory dematerialization form by all investors. The

company has entered into agreements with existing Depositories, National Securities Depository Limited (NSDL) enabling the investors to hold shares of the company in electronic form through the depository of their choice. As on 31st March 2011 51,05,746 Equity Shares (98.68%) of the Company was held in dematerialized form

**Distribution of Shareholding as on 31st March, 2011**

Shareholding of nominal value Rs. As on 31st March, 2011	No. of Shares	% of No. of shares	No. of Shareholders	% of Shareholders
Up to 500	4764	0.092	96	78.049
501 - 1000	0	0	0	0
1001- 2000	1500	0.029	1	0.81
2001- 3000	0	0	0	0
3001- 4000	0	0	0	0
4001- 5000	0	0	0	0
5001 - 10000	24890	0.48	3	2.44
10001 and above	5142846	99.40	23	18.69
<b>Total</b>	<b>51,74,000</b>	<b>100.00</b>	<b>123</b>	<b>100.00</b>

**Category of shareholders as on 31st March 2011**

Category	No. of Shareholders	% of Shareholding
Promoters	1	2.64
Mutual Funds and UTI	0	0
Public Shareholding		
- Institutions	0	0
- Non-Institutions	19	84.53
- Individual(up to 1 lakh)	97	0.43
- Individual(excess 1 lakh)	6	12.39
<b>Total</b>	<b>123</b>	<b>100.00</b>

**Outstanding GDRS/ADRS/Warrants or any Convertible Instruments, conversion Date and Likely Impact on Equity:** None

**Address for correspondence:**

Shareholders correspondence should be addressed at registered office of the company at:

**REGISTERED OFFICE:**

302, CAMY HOUSE,  
3, DHUSWADI, DR. CAWUSJI HORMUSJI STREET, MUMBAI

**Compliance Officer:**

Mr. Ketan Sorathiya

**Declaration:**

None of the Director of the Company is a Director of more than 15 companies and member of more than 10 committees or chairman of more than five committees across all companies in which he is a Director



## ANNEXURE TO REPORT

## DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

The company has framed a specific code of conduct for the members of the Board of Directors of the Company pursuant to clause 49 of the listing agreement with Stock Exchanges to further strengthen corporate governance practices in the company.

All the members of the Board of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non compliance thereof during the year 31st March, 2011.

**Shanker R. Bhagat**

**Place: Mumbai**

**Date: 28.05.2011**

**Director**

## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members,  
MONOTONA SECURITIES LIMITED  
302, CAMY HOUSE,  
3, DHUSWADI, DR. CAWUSJI HORMUSJI STREET  
MUMBAI

We have examined the relevant records pertaining to compliance conditions of Corporate Governance by Monotona Securities Limited("the Company"), for the year ended 31st March, 2011 as stipulated clause 49 of the Listing Agreement of the said Company which the stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. Our examination 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, the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

We have to state that no investor grievances are pending for a period exceeding one month against the Company as per records maintained by the Company which were presented to the Investor Grievance Committee.

We further state that such compliances are 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.

**Y.D. & Co.**

**Chartered Accountant**

**Partner**

**Rakesh Puri**

**M.No. 092728**

**Place: Ludhiana**

**Date: 28.05.2011**

**AUDITORS' REPORT**

**To,  
THE MEMBERS OF  
MONOTONA SECURITIES LIMITED**

- (1) We have audited the attached Balance Sheet of **MONOTONA SECURITIES LIMITED** as on 31st March 2011, the relative Profit and Loss Account and the Cash Flow Statement for the year ended on that date, all of which have been signed by us 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 have conducted our audit in accordance with auditing and assurance 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 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 (Auditors' Report) Order, 2003 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 as we considered appropriate and according to the information and explanations given to us, we set out in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
- (4) Further to our comments in the Annexure referred to in paragraph (3) above we report that:
  1. 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.
  2. In our opinion, proper books of accounts as required by law, have been kept by the Company so far as appears from our examination of books.
  3. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report, are in agreement with the books of account.
  4. In our opinion, the Balance Sheet, Profit & Loss Account, and Cash Flow statement dealt with by this report comply with the Accounting Standard referred to in sub-section (3c) of Section 211 of the Companies Act, 1956.
  5. On the basis of written representation received from the Directors and taken on records by the Board of Directors, we report that none of the Directors is disqualified as at 31st March 2011 from being appointed as a director in terms of clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.
  6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Notes thereon, particularly the note no 4 regarding inter corporate investment and Loans thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
    - (a) In case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011 and;
    - (b) In case of Profit and Loss Account, of the Profit of the Company for the year ended on that date.
    - (c) In case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Y. D. & CO.  
CHARTERED ACCOUNTANTS  
FRN No. 018846 N  
Rakesh Puri  
Partner  
M.No. 092728

Place : Ludhiana  
Dated : 28th May, 2011

**ANNEXURE TO AUDITORS' REPORT**

Annexure referred to in Paragraph 3 of the Auditors Report of Even date to the Member of Monotona Securities Limited

- i) The Company does not have any Fixed Assets.
- ii) The Company does not have any inventory during the year.
- iii) The Company has neither granted nor taken any loans during the year, secured or unsecured, from companies, firms or other parties listed 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 are adequate internal control procedures commensurate with the size of the Company and the nature of its business. During the course of our audit, no major weakness has been noticed in the internal controls.
- v) According to the information and explanations given to us, we are of the opinion that there are no transactions that need to be entered into the register maintained under section 301 of the companies Act 1956.
- vi) In our opinion, and according to the information and explanations given to us, the company has not accepted any fixed deposits which are covered under provisions of section 58A and section 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rule 1975.
- vii) In our opinion and according to the information and explanations given to us, Company does not have internal audit system commensurate with the size and nature of its business.
- viii) The Central government has not prescribed any maintenance of cost records for the Company's product pursuant to Rules made under section 209 (1)(d) of the Companies Act, 1956.
- ix) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.
- x) The Company has incurred cash loss of Rs. 238734/- during the year . and also in immediately preceding financial year. The Company does not have any accumulated losses as at 31st March 2011.
- xi) During the year, the Company has neither taken any loan from Financial Institution nor any debentures issued.
- xii) As per information & according to explanation 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.
- xiii) The provisions of any special statue applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
- xiv) As per information & according to explanation given to us, the Company has made investments and proper records for the same are maintained & all the investments are in name of the company.
- 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) As per information & according to explanation given to us, the company has not obtained any term loan during the year.

- xvii) On the basis of an overall examination of the balance sheet of the Company and according to the information and explanations given to us, in our opinion, funds raised on a short-term basis have not been used for long-term investment and vice versa.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- xix) The Company has not issued any debenture till date. Therefore, creation of reserves in respect of debentures does not arise.
- 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 Y. D. & CO.  
CHARTERED ACCOUNTANTS  
FRN No. 018846 N

Rakesh Puri

Partner

M.No. 092728

Place : Ludhiana

Dated : 28th May, 2011

**BALANCE SHEET AS AT 31st MARCH 2011**

<b>PARTICULARS</b>	<b>SCHD. NO.</b>	<b>2010-2011 AMOUNT IN RS.</b>	<b>2009-2010 AMOUNT IN RS.</b>
<b>SOURCES OF FUNDS :</b>			
Shareholder's funds			
Share Capital	1	51,740,000	51,740,000
Reserves & Surplus	2	55,608,250	55,608,250
Credit Balance in P & L A/c		6,732,356	6,971,075
Loan Fund			
Unsecured Loans	3	219,543,644	105,050,489
<b>TOTAL FUNDS EMPLOYED</b>		<b>333,624,250</b>	<b>219,369,814</b>
<b>APPLICATION OF FUNDS :-</b>			
FIXED ASSETS :		0	0
INVESTMENTS	4	204,277,345	123,330,150
		<b>204,277,345</b>	<b>123,330,150</b>
CURRENT ASSETS , LOANS & ADVANCES	5		
Sundry Debtors		0	0
Cash & Bank Balance		132,597	173,943
Loans & Advances		129,340,447	95,840,797
		<b>129,473,044</b>	<b>96,014,740</b>
LESS: CURRENT LIABILITIES & PROVISIONS	6		
Current Liabilities & Provisions		398,220	337,850
		<b>398,220</b>	<b>337,850</b>
NET CURRENT ASSETS		<b>129,074,823.76</b>	<b>95,676,890</b>
MISC EXP			
Preliminary Expense		272,081	362,774
		<b>272,081</b>	<b>362,774</b>
<b>TOTAL</b>		<b>333,624,250</b>	<b>219,369,814</b>
Notes to Accounts	9		

AS PER OUR REPORT OF EVEN DATE

For Y. D. &amp; Co.

CHARTERED ACCOUNTANTS

FRN No. 018846 N

FOR AND BEHALF OF THE BOARD

(Rakesh Puri)

Partner

M.NO. 092728

Place : Ludhiana

Date : 28/05/2011

DIRECTOR

DIRECTOR

Place : Mumbai

Date : 28/05/2011

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

PARTICULARS	SCHD. NO.	2010-2011 AMOUNT IN RS.	2009-2010 AMOUNT IN RS.
<b>INCOME :-</b>			
Other Income	7	107,679	10,846
<b>TOTAL Rs.</b>		<b>107,679</b>	<b>10,846</b>
<b>EXPENDITURE :-</b>			
Administration Expenses	8	346,398	271,939
<b>TOTAL Rs.</b>		<b>346,398</b>	<b>271,939</b>
<b>Profit / (Loss ) before tax</b>		<b>(238,719)</b>	<b>(261,093)</b>
Provision for Taxation			
-Current Tax		0	0
<b>Profit / (Loss ) after Tax</b>		<b>(238,719)</b>	<b>(261,093)</b>
Profit / (Loss ) Carried from last Year		6,971,075	7,232,168
<b>Profit / (Loss ) carried over to Balance Sheet</b>		<b>6,732,356</b>	<b>6,971,075</b>
Significant Accounting Policies and Notes to the Accounts			
Earnings per Share (Face Value Rs. 10)			
Basic and Diluted Earnings per Share (in Rupees)		(0.00)	0.06
Notes to Accounts	9		

AS PER OUR REPORT OF EVEN DATE

For Y. D. &amp; Co.

CHARTERED ACCOUNTANTS

FRN No. 018846 N

FOR AND BEHALF OF THE BOARD

(Rakesh Puri)

Partner

M.NO. 092728

Place : Ludhiana

Date : 28/05/2011

DIRECTOR

DIRECTOR

Place : Mumbai

Date : 28/05/2011

## SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT &amp; LOSS ACCOUNT

PARTICULARS	2010-2011 AMOUNT IN RS.	2009-2010 AMOUNT IN RS.
<b>Schedule 1:</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised Capital</b>		
{60,00,000 (9,00,000) Equity shares of Rs. 10 each}	60,000,000	9,000,000
	<u>60,000,000</u>	<u>9,000,000</u>
<b>Issued, Subscribed &amp; Paid up</b>		
3,74,000 Equity Shares of Rs. 10 each fully paid up	3,740,000	3,740,000
Equity Share Capital issued on Preferential Basis	48,000,000	48,000,000
48,00,000 Equity Shares of Rs.10 each fully paid up	<u>51,740,000</u>	<u>51,740,000</u>
<b>TOTAL Rs.</b>	<u>51,740,000</u>	<u>51,740,000</u>
<b>Schedule 2:</b>		
<b>RESERVES &amp; SURPLUS</b>		
Amalgamated Reserve	11,308,250	11,308,250
General Reserves	2,300,000	2,300,000
Equity Share Premium (Preferential Allotment)	42,000,000	42,000,000
<b>TOTAL Rs.</b>	<u>55,608,250</u>	<u>55,608,250</u>
<b>Schedule 3:</b>		
<b>UNSECURED LOAN</b>		
From Corporate	219,543,644	105,050,489
<b>TOTAL Rs.</b>	<u>219,543,644</u>	<u>105,050,489</u>
<b>Schedule 4:</b>		
<b>INVESTMENT</b>		
Investment (At Cost)- Long Term		
<b>Investment in Shares (unquoted)</b>		
80000 Equity share Of Rs.10/- Each Fully paid up of Mahalaxmi commercial Services Ltd.	4,000,000	4,000,000
40000 Equity share Of Rs.10/- Each Fully paid up of Vidhi Sales P.LTd.	2,000,000	2,000,000
6000 Equity share Of Rs.10/- Each Fully paid up of Khetan Packfine Pvt.Ltd.	300,000	300,000
32000 Equity share Of Rs.10/- Each Fully paid up of Sarsan Securities Pvt.Ltd.	1,600,000	1,600,000
15000 Equity share Of Rs.10/- Each Fully paid up of Suman sales & Services Pvt Ltd.	750,000	750,000
170000 Equity share Of Rs.10/- Each Fully paid up of Kareena Shares and Stock (P) Ltd.	0	27,200,000
	<u>8,650,000</u>	<u>35,850,000</u>
<b>Investment in Shares (quoted)</b>		
2719000 Equity share Of Rs.10/- Each Fully paid up of Amradeep industries Ltd.	5,030,150	5,030,150
	<u>5,030,150</u>	<u>5,030,150</u>
<b>Investment in Mutual Funds</b>		
Hdfc Cash Management Fund - 5835819	23,475,620	22,500,000
Hdfc Cash Management Fund - 5835820	7,825,823	7,500,000
LIC Liquid Fund - Growth Plan- 50911533341	0	15,000,000
LIC Liquid Fund - Growth Plan- 5091153351	0	15,000,000
Rel. Money Manager Fund Retail - 4049586882	0	22,450,000
Rel. Money Manager Inst.Ser II Fund Retail - 4049586882	50,000,000	0
Rel. Money Manager Inst. Fund Growth - 4049586882	109,295,752	0
<b>TOTAL Rs.</b>	<u>190,597,195</u>	<u>82,450,000</u>
<b>TOTAL Rs.</b>	<u>204,277,345</u>	<u>123,330,150</u>
MARKET VALUE OF QUOTED INVESTMENTS	28,060,080	18,108,540

**SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT**

PARTICULARS	2010-2011 AMOUNT IN RS.	2009-2010 AMOUNT IN RS.
<b>Schedule 5:</b>		
<b>CURRENT ASSETS LOANS &amp; ADVANCES</b>		
<b>(A) SUNDRY DEBTORS :</b>	0	0
<b>(B) CASH &amp; BANK:</b>		
Bank Balance	100,533	40,443
(In current Account with Schedule Bank)		
Cash in Hand	32,064	133,500
<b>TOTAL Rs.</b>	<u>132,597</u>	<u>173,943</u>
<b>(C) LOANS &amp; ADVANCES :</b>		
(UNSECURED, CONSIDERED GOOD EXCEPT OTHERWISE - STATED)		
Loan	125,000,000	90,000,000
Advances recoverable in cash or kind or for value to be received		
Considered Good	4,340,447	5,840,797
<b>TOTAL Rs.</b>	<u>129,340,447</u>	<u>95,840,797</u>
<b>Schedule 6:</b>		
<b>(A) CURRENT LIABILITIES &amp; PROVISIONS</b>		
Sundry Creditors	77,220	16,500
Provisions	321,000	321,350
<b>TOTAL Rs.</b>	<u>398,220</u>	<u>337,850</u>
<b>Schedule 7 :</b>		
<b>OTHER INCOME</b>		
Dividend	7,290	7,290
Profit/(Loss) on sale of Investment	100,389	3,556
	<u>107,679</u>	<u>10,846</u>
<b>Schedule 8 :</b>		
<b>ADMINISTRATIVE EXPENSES</b>		
Annual Custody Fees	16,618	26,385
Audit Fees	10,000	16,500
Bank Charges	1,152	1,987
Conveyance Exp.	8,450	0
Demat Charges	405	441
Legal & Professional Fees	71,150	93,308
Listing Fees	44,120	11,165
Office & General Expenses	13,960	4,460
Preliminary Expenses Written Off	90,693	90,693
Printing and Stationary Expense	6,850	7,500
Professional Tax	0	2,500
Roc Filing Fees	6,500	0
Salary Expense	72,000	17,000
Telephone Exp.	4,500	0
	<u>346,398</u>	<u>271,939</u>



**SCHEDULE '9'****NOTES ON ACCOUNTS****1. ACCOUNTING POLICIES:**

The accounts are prepared on a historical cost convention and materially comply with the mandatory accounting standards issued by the Institute of Chartered Accountants of India. The significant accounting policies followed by the company are as stated below: -

**i. Basis of accounting**

The accounts have been prepared on the basis of historical cost and accrual basis.

**ii. Investments**

Long term Investments are valued at cost of acquisition and related expenses.

**iii. Inventories**

Inventories are valued at cost or market value whichever is lower. However, where the market quotations are not available, the same have been valued at cost.

**iv. Income Recognition**

Interest Income on Non Performing Assets is accounted for as and when realized in view of Guidelines issued by RBI in respect of Non Banking Finance Company.

**v. Income Tax**

Tax expense comprises of current and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act.

The company does not made provision for deferred Tax assets or liability

**vi Earning Per Share**

In accordance with the Accounting Standard 20 " Earnings per Share " issued by the Institute of Chartered Accountants of India , basic earnings per share is computed using the weighted average number of shares outstanding during the year.

**VII Provisions And Contingent Liabilities**

Provisions are recognized when the Company has a legal and constructive obligation as a result of past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation.

Contingent Liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

2. In the opinion of the Board, the Current Assets, Loans and Advances are not less than the value stated, if realized in the ordinary course of business. The provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.

3. The Company does not deal in any specific segment therefore it is not possible to give any segment wise information.

4. The company has made investment of Rs. 13,680,150/- in other corporate and given Loans & advances of Rs.125,000,000/- to other companies.

**5. Related party Disclosures**

Related party disclosures, as required by AS-18,"Related Party Disclosures" are given below:

No Related party transaction was carried out during the year.

6. In the opinion of the management the current assets, loans and advances have a value on realization in ordinary course of business at least equal to the amounts at which they are stated in the Balance Sheet. Provisions have been made for all known liabilities, losses and claims.

7. Earnings per Share

	<b>2010-11</b>	<b>2009-10</b>
	<b>Current Year</b>	<b>Previous Year</b>
(a) Net profit /(Loss) after tax available for equity shareholders ( Rs./lacs)	-238719	-261093
(b) Equity Shares of Rs.10/- each outstanding (No. of Shares)	5174000	5174000
(c) Basic / Diluted Earning per Share (Rs.) (a / b)	-.00	0.01

8. No provision for gratuity is made in absence of any liability as per the provision of Gratuity Act 1972.

9. Figures in brackets indicate figures relating to the previous year.

10. Previous year's figures have been regrouped /rearranged wherever necessary.

11. Other Clause of Part II of Schedule VI of the Companies Act, 1956 are either NIL OR NOT APPLICABLE.

Signature to Schedules '1' to '9'

As per our report on even date

For Y. D. & CO.

For and on behalf of the Board

CHARTERED ACCOUNTANTS

Rakesh Puri

Partner Director

M.No. 092728

Director

Place : Ludhiana

Place : Mumbai

Dated : 28th May, 2011

Dated : 28th May, 2011

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011**

( Rupees in Lacs)

	31-03-2011	31-03-2010
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Tax and Extra Ordinary Items	(2.39)	(2.61)
<b>Adjustments for</b>		
Dividend Received	(0.07)	(0.07)
Interest Received	0.00	0.00
Profit on Sale of Investment	(1.00)	(0.04)
<b>Operating Profit before Working Capital Changes</b>	<b>(3.46)</b>	<b>(2.72)</b>
<b>Adjustments for</b>		
Increase/ (Decrease) in Debtors	0.00	0.00
Increase/ (Decrease) in Loan & Advances	(335.00)	(840.72)
Increase/ (Decrease) in Trade Payables & Other Liabilities	0.60	(6.59)
Increase In preliminary Exp.	0.91	-3.63
	<b>(336.95)</b>	<b>(853.66)</b>
<b>Cash generated from Operations</b>		
Direct Taxes paid	0.00	0.00
<b>Net cash from Operating Activities</b>	<b>(336.95)</b>	<b>(853.66)</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	0.00	0.00
Interest Received	0.00	0.00
Purchases of Investment	(809.47)	(1096.50)
Dividend Received	0.07	0.07
Loss on sales of Shares	1.00	0.04
<b>Net cash flow from Investing Activities</b>	<b>(808.40)</b>	<b>(1096.39)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Equity Shares	0.00	480.00
Premium on Issue of Equity Shares on Preferential Basis	0.00	420.00
Interest Received	0.00	0.00
Bank Borrowings (Net)	0.00	0.00
Proceeds from Unsecured loans	1144.93	1050.50
<b>Net cash flow from Financing Activities</b>	<b>1144.93</b>	<b>1950.50</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalent</b>	<b>(0.41)</b>	<b>0.45</b>
Cash & Cash Equivalents at the beginning of the year	1.74	1.29
Cash and cash equivalents transferred on demerger	0.00	0.00
Cash & Cash Equivalents at the end of the year	1.33	1.74
	<b>(0.41)</b>	<b>0.45</b>

Note : Previous Year figures have been regrouped/rearranged, wherever necessary.

**For Y. D. & Co.**  
**CHARTERED ACCOUNTANTS**  
**FRN No. 018846 N**

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

**Partner**  
**M.NO. 092728**  
**Place : Ludhiana**  
**Date : 28/05/2011**

**Director**  
**Place : Mumbai**  
**Date : 28/05/2011**

**Director**

<b>MONOTONA SECURITIES LIMITED</b>		
<b>BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE</b>		
<b>I. REGISTRATION DETAILS</b>		
Registration No.	:	025059
State code	:	11
Balance Sheet Date	:	31/03/2011
<b>II. CAPITAL RAISED DURING THE YEAR (Rs . In thousand)</b>		
Public Issue	:	NIL
Rights Issue	:	NIL
Bonus Issue	:	NIL
Private Placement ( Preferential warrant convert into equity )	:	NIL
<b>III. POSITION OF MOBILISATION &amp; DEPLOYMENT OF FUNDS(Rs . In thousand)</b>		
<b>Total Liabilities :</b>	333,624	<b>Total Assets :</b> 333624
Sources of funds :		
Paid up Capital	:	51,740
Reserves & Surplus	:	62,341
Secured Loans	:	NIL
Unsecured Loans	:	219,544
Application of Funds :		
Net Fixed Assets	:	-
Investments	:	204,277
Net Current Assets	:	129,075
Miscellaneous Expenditure	:	272
Accumulated Losses	:	NIL
<b>IV. PERFORMANCE OF THE COMPANY :</b>		
Turnover	:	107.68
Total Expenditure	:	346.40
Profit before tax	:	(238.72)
Profit after tax	:	(238.72)
Earning per Share	:	(0.00)
<b>GENERIC NAME OF THE PRINCIPLE PRODUCT &amp; SERVICES OF THE COMPANY.</b>		
Item Code No.	:	N.A.
(ITC Code)	:	
Product Description	:	Trading activity
<hr/>		
<b>For Y. D. &amp; Co.</b>	<b>For and on behalf of the Board of Directors</b>	
<b>CHARTERED ACCOUNTANTS</b>		
<b>FRN No. 018846 N</b>		
<b>(Rakesh Puri)</b>	<b>(Director)</b>	<b>(Director)</b>
<b>Partner</b>		
<b>M.NO. 092728</b>		
<b>Place : Ludhiana</b>	<b>Place : Mumbai</b>	
<b>Date : 28/05/2011</b>	<b>Date : 28/05/2011</b>	

**MONOTONA SECURITIES LIMITED**

302, Camy House 3, Dhuswadi, Dr. Cawusji Hormusji Street, Mumbai – 400 002.

Name: \_\_\_\_\_

(Please write your name in BLOCK – letters)

Registered Folio No.: \_\_\_\_\_

DP ID/Client ID : \_\_\_\_\_

Shares Held : \_\_\_\_\_

**ATTENDENCE SLIP****(to be handed over at the entrance of the meeting hall)**

I hereby record my presence at the Annual General Meeting of the Company to be held on at Wednesday, 29th June, 2011 at 11.30 a.m. at the registered office of the Company at 302, Camy House 3, Dhuswadi, Dr. Cawusji Hormusji Street, ,Mumbai – 400 002

\_\_\_\_\_  
Member's/ Proxy Signature

(To be signed at the time of handing over this slip)

**NOTE: Please carry with you this attendance slip and hand over the same duly signed at the space provided, at the entrance of the Meeting Hall.**

CUT HERE

**MONOTONA SECURITIES LIMITED**

302, Camy House 3, Dhuswadi, Dr. Cawusji Hormusji Street, Mumbai – 400 002.

**FORM OF PROXY**

Registered Folio No.: \_\_\_\_\_

DP ID/Client ID \_\_\_\_\_

No. of Shares Held \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_ being member/  
members of the above named Company hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing  
him/her \_\_\_\_\_ of \_\_\_\_\_ as my/ our Proxy to vote for me/ us and on my/ our  
behalf at Extraordinary General Meeting of the Company to be held on at Wednesday, 29th June, 2011 at  
11.30 a.m. at the registered office of the Company at 302, Camy House 3, Dhuswadi, Dr. Cawusji Hormusji  
Street, ,Mumbai – 400 002

Signed \_\_\_\_\_ day of \_\_\_\_\_ 2011.

Signed by the said \_\_\_\_\_.

Affix Re. 0.50 Revenue Stamp
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**NOTE: The proxy to be effective must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.**