

STOCKNET INTERNATIONAL LIMITED

Regd. Office: Amritdham Suite No. 5 & 6, P.O. Danesh Sekh Lane, Nityannad Nagar,
Bakultolla, Howrah –711 109.

NOTICE

NOTICE is hereby given that the Twenty Eight Annual General Meeting of **M/s STOCKNET INTERNATIONAL LIMITED** will be held on Monday, the 27th day of September, 2010 at its registered office at 11.00 A.M. to transact the following businesses:-

AS ORDINARY BUSINESS:

- 1 To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2010 and Profit & Loss Account for the period ended on that date, together with the report of the Directors and Auditors thereon.
- 2 To appointment of Director in place of Mr. A. Bajpaye who retire by rotation and being eligible offer himself for re-appointment.
3. To appoint the Auditor to hold office from the conclusion of this ensuing annual general meeting until the conclusion of the next Annual General Meeting.

By order of the Board

Sd/- H. Hegde

(Director)

Place: Howrah

Date: 28th August 2010

Notes:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company.
2. Proxies in order to be effective should be lodged with the company at the Registered Office of the Company not less than 48 hours before the start of the meeting.
3. Members are requested to notify the change, if any, in their address quoting their folio numbers.
4. The Register of Members and the share transfer books will remain closed from 27th day of September, 2010 to 27th day September, 2010 both days inclusive.

STOCKNET INTERNATIONAL LIMITED

Regd. Office: Amritdham Suite No. 5 & 6, P.O. Danesh Seikh Lane, Nityannad Nagar,
Bakultolla, Howrah -711 109.

Report of the Directors to the members of the Company

To
The Members,

Your Directors have pleasure in presenting the Twenty Seventh Annual Report on the business and operations of your Company and the Audited Financial Results for the period ended 31st March 2010

Financial Results	Y.E. 31.03.2010	Y.E. 31.03.2009
Operating Profit (PBIT)	254198.00	247755.00
Less: Depreciation & Interest	164003.00	164940.00
Profit/(Loss) before tax	90195.00	82815.00
Less: Taxation	8530.00	10077.00
Less : Fringe Benefit Tax	2057.00	2195.00
Profit /(Loss) after Tax	79608.00	70543.00
Balance brought forward	(4460431.00)	(4530974.00)
Balance carried to B/S	(4380823.00)	(4460431.00)

Dividend

In view of inadequate profit for the period under review, your Directors do not recommend any dividend.

Fixed Deposits

During the period under the review, the Company did not accept or invite any deposit from public under the provisions of section 58A of the Companies Act, 1956 and the Rules made thereunder and therefore the question of compliance or otherwise does not arise.

Directors

Pursuant to provision of Section 256 of the Companies Act,1956 Mr. A. Bajpaye retires by rotation but being eligible offer himself for re-appointment.

Directors' Responsibility Statement

In accordance with the requirements of Section 217 (2AA) of the Companies Act, 1956, your Directors wish to confirm the following:

- i) that the applicable accounting standards have been followed in the preparation of the annual accounts;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the period under review;

Contd...2

STOCKNET INTERNATIONAL LIMITED

(2)

iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) that the Directors have prepared the accounts for the period ended 31.03.2007 on a going concern basis

Other Aspects

Provisions relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are not applicable to your Company.

Particulars of Employees

The particulars as required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, do not apply to your company as there was no employee drawing remuneration in excess of the amount prescribed under Section 217(2A) of the Companies Act, 1956 during the period ended 31st March, 2007.

Auditors & Auditors Report

The statutory Auditors of the Company M/s. T.N. Datta & Associates, Chartered Accountants, Kolkata, hold office until the conclusion of the forthcoming Annual General Meeting of the company and being eligible offer themselves for reappointment.

Corporate Governance

The Auditors M/s. T. N. Datta & Associates have certified the Company's compliance of the requirements of Corporate Governance in terms of clause 49 of the Listing Agreement. The said certificate together with the management's discussion and analysis report, is attached which forms part of this report.

Acknowledgement

Your Directors wish to place on record their appreciation for the support of members of your company, the customers and constituents and the staff members of your company.

By order of the Board

Sd/ A. Bajpaye

(Director)

Place: Howrah

Date: 28th August 2010

Stocknet International Limited

Regd. Office: Amritdham Suite No. 5 & 6, P.O. Danesh Sekh Lane, Nityanand Nagar, Bakultolla, Howrah -711 109.

CORPORATE GOVERNANCE REPORT

This report on Corporate Governance forms part of the report of the Directors to the members. This report complies with the requirements of Clause 49 of the Listing Agreement entered into with the Stock Exchanges and also provides a window through which one can view the constitution and functioning of the organization in its march to achieve its stated objectives.

Company's Philosophy on Corporate Governance:

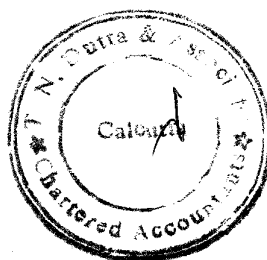
The Company's philosophy on Corporate Governance envisages the attainment of the highest level of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholders including members, employees, the government and lenders. Your company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value over a sustained period of time. The Company's Corporate Governance policies recognize the Company's commitment to good and efficient Corporate Governance. The Board of Directors - the Company's high policy making body is committed in its responsibility for all decisions to all constituents, including investors, employees and regulatory authorities. The Company recognizes that the members are ultimately the persons who are catalysts to the economic activities and also the ultimate beneficiaries thereof.

Composition of Board

The Board, currently has, four members (who are suitably qualified, experienced, and competent), and periodically reviews the need for its expansion. As per the current Articles of Association of the Company, the Board can have a maximum up to 12 (Twelve) Directors.

The Board has been constituted in a manner, which will result in appropriate mix of executive and independent directors. This has been done to preserve the independence of the Board and to separate the Board functions of policy decisions and governance and the day-to-day management. The Board functions either as a full-fledged Board or through committee. Policy formulation, setting up the goals, evaluation of the performances and control functions vest with the Board, while the committee oversees operational issues. The current Board has one independent director and two executive directors.

Six meetings of the Board of Director were held during the year under review on 27.04.2009, 28.07.2009, 30.07.2009, 28.08.2009, 30.10.2009 and 27.01.2010



The name of members of the Board of Directors, their attendance at six board meetings and the number of their directorship are set out below:

Name of the Board Member	Board meeting attended during the year	Attendance at Last AGM	Number of other directorship (Indian & foreign)
Mr. Harendra Hegde	6	Present	-
Mr. Ashutosh Bajpaye	6	Present	-
Mr. Ghanshyam Taparia	6	Present	-

Committee of Directors

The board of Directors provides guidance to operating management on policy matters as well as in the monitoring of the action of operating management. This involvement is formalized through the constitution of designated committee of Board. The committees are intended to provide regular exchange of information and ideas between the Board and operating management.

Audit Committee

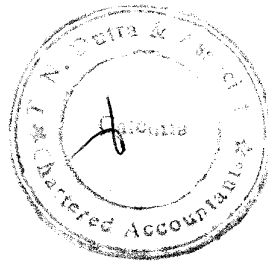
To provide assistance to the Board of Directors of the Company the Audit committee was constituted. It consists of Chairman and two other members. The Chairman of the Audit Committee is independent Non-Executive Director. The Audit Committee provides direction to and oversees the Audit and the Risk Management functions, reviews the financial accounts, interacts with statutory auditors and reviews matters of special interest.

Composition, Name of Members, Chairman and other Details

1. Mr. Harendra Hagde (Chairman)
2. Mr. Ashutosh Bajpaye
3. Mr. Ghanshyam Taparia

Meeting and Attendance during the Year

Members	Meeting Held During the Tenure of Directors	Meetings Attended
Mr. Harendra Hagde	5	5
Mr. Ashutosh Bajpaye	5	4
Mr. Ghanshyam Taparia	4	4



General Body Meeting

Location and time for the last three Annual General Meetings

Description of Meeting	Location	Date	Time
25 th AGM	Amrit Dham, Suite No. 5 & 6, P.O. Danesh Sekh Lane, Nityanand Nagar, Bakultolla, Howrah-711109	26 th September 2007	11:00 A.M.
26 th AGM	AmritDham, Suite No. 5 & 6, P.O. Danesh Sekh Lane, Nityanand Nagar, Bakultolla, Howrah-711109	24 th September 2008	11.00 A.M.
27 th AGM	AmritDham, Suite No. 5 & 6, P.O. Danesh Sekh Lane, Nityanand Nagar, Bakultolla, Howrah-711109	25 th September 2009	11.00 A.M.

No postal ballots were used / invited for voting at the above meetings. There were no special resolutions to be passed. There is no proposal to pass any special resolution by Postal Ballots at the ensuing Annual General Meeting.

Location and time for the last three Extra-ordinary General Meetings:

Date	Time	Venue
NONE	N/A	N/A

General shareholder Information

Compliance Officer : **Mr. Ravindra Waghmare**

- (a) Twenty Seventh Annual General Meeting
Date : 27th September, 2010
Time : 11.00 A.M.
Venue : Amrit Dham, Suite No. 5 & 6, P.O. Danesh Sekh Lane, Nityanand Nagar, Bakultolla, Howrah – 711 109.
- (b) **Financial Calendar**

Publication of Unaudited Results:

Quarter ending	3rd / 4th week of
June 30, 2009	July, 2009
September 30, 2009	October, 2009
December 31, 2009	January, 2010
March 31, 2010	April, 2010

- (c) **Book Closure Date** : 27.09.2010 to 27.09.2010.
 (Both days inclusive)



(d) **Listing on Stock Exchanges**

The Equity Shares of the Company are listed on The Stock Exchange, Mumbai, and Calcutta Stock Exchange Association Limited. The Company confirms that it has paid annual listing fees to The Stock Exchange, Mumbai and Calcutta Stock Exchange Association Limited, for the year 2010-11.

(e) **Stock Code**

The stock codes of the shares listed at the Stock Exchanges are given below:

Name of the Company	Code
(i) The Stock Exchange, Mumbai	512640
(ii) Calcutta Stock Exchange Association Limited	10015092

(f) **Market Price Data**

The high & low of the share price of the Company during each month in the last financial year at the Stock Exchange, Mumbai are as follows:

Month	High	Low
April 2009	0.93	0.70
May 2009	1.18	0.97
June 2009	1.41	1.19
July 2009	1.05	0.81
August 2009	2.05	0.98
September 2009	2.27	1.79
October 2009	1.73	1.31
November 2009	2.48	1.75
December 2009	2.60	1.68
January 2010	2.17	1.56
February 2010	2.10	1.59
March 2010	2.26	1.49

(g) **Name of depository with whom the Company has entered into Agreement**

The Company has signed the Agreements with National Securities Depository Limited and Central Depository Services (India) Limited.

(h) **Registrar and Transfer Agents:**

For Physical Shares: **ABS Consultants Private Limited.**
99, Stephen House,
4, B. B. D. Bagh (E),
Kolkata – 700 001.



(i) **Share Transfer System**

Transfer of Shares, splitting/consolidation of share certificates and issue of duplicate shares is delegated to a Share Transfer Committee consisting of Mr Harendra Hegde (Director) and Mr. Binit Kumar Shukla, Mr. Bachh Raj Kothari members. During the year under report Share Transfer Committee met Seven (Seven) Times.

(j) **Distribution of Shareholding**

The Distribution of shareholding as on 31st March 2010, is as follows:

No. of Shares From To		No. of Shareholders	%	No. of Shares	%
0	500	1247	46.24	345674	6.28
501	1000	621	23.03	575078	10.46
1001	2000	328	12.16	561516	10.03
2001	3000	153	5.67	413816	7.52
3001	4000	67	2.48	244582	4.45
4001	5000	97	3.60	471371	8.57
5001	10000	106	3.93	817991	14.87
10001	Above	78	2.89	2080422	37.82
Total		2781	100.00	5500350	100.00

(k) **Shareholding pattern as on 31st March, 2010:**

Category	No. of Shares	%
Nationalized Banks	-	-
Mutual Funds	-	-
NRIs / OCBs	-	-
Directors & Relatives and Bodies Corporate	1700	0.03
Other Bodies Corporate	492420	8.95
Public	5006230	91.02
Total	5500350	100.00

(l) **Dematerialisation of Shareholding**

As per the directions of SEBI the company's shares are in dematerialised form. So the shareholders have the option to hold/ trade their shares in the electronic mode. To enable the shareholders to have an easy access to the demat system the company has executed agreements with National securities depository Ltd (NSDL) and Central Depository Services (India) Ltd. (CDSL).



(m) **Address for Correspondence**

Registered Office:

Amrit Dham, Suite No. 5 & 6, P.O. Danesh Sekh Lane,
Nityanand Nagar, Bakultolla, Howrah – 711 109.

Disclosures

The Company has entered into certain transaction with Companies in which the Directors or the Management or their relatives, etc., have interest. However, these transactions are of routine nature and do not have any potential conflict with the interest of the Company at large.

There is neither any non-compliance with any of the legal provision of law by the Company nor any penalty or stricture imposed by the Stock Exchange / SEBI / any other statutory authority, on matter related to the capital markets, during the last three years.

Means of communication

Information like Quarterly Financial Results and press releases on significant developments of the Company have been made available from time to time to the press and have also been submitted to the Stock Exchanges to enable them to put on their Web Sites. The quarterly Financial Results are published in English and Vernacular newspapers.



**AUDITORS' CERTIFICATE TO THE MEMBERS OF
M/S. STOCKNET INTERNATIONAL LIMITED**

We have examined the compliance of conditions of Corporate Governance by Stocknet International Limited, for the year ended 31st March 2010, as stipulated in clause 49 of the listing agreement of the said company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause. 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 and the representations made by the Directors, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the aforesaid Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that on the report issued by the Registrars of the Company to the Share holders/ Investor Grievance Committee, as on 31st March 2010, there were no investor grievance matters against the Company remaining unattended / pending for more than 30 days.

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

For T.N. Datta & Associates
Chartered Accountants


Tarak Nath Datta
Proprietor

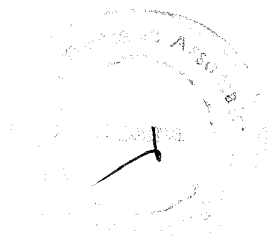
Kolkata
20th Day of July 2010



To
The Members
STOCKNET INTERNATIONAL LIMITED

1. We have audited the attached Balance Sheet of M/s. **Stocknet International Ltd.** 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 management of company. 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. Further to our comments in the paragraph 4 below, 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 purposes 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 applicable Accounting Standards referred in sub-section (3C) of Section 211 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 of the Company, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of clause (g) of 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 Balance Sheet, Profit and Loss Account and Cash Flow Statement together with the notes thereon and attached thereto give in the prescribed manner the information required by the Companies Act, 1956 give a true and fair view in conformity with the accounting principles generally accepted in India :

.../2



(2)

- (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 Flow for the year ended on that date.

4. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 of India and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we state below on the matters specified in paragraphs 4 and 5 of the said Order :-

- 4.1. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year, the management has physically verified the fixed assets of the Company. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- (c) In our opinion and according to the information and explanations given to us, no fixed assets has been disposed off by the Company during the year. Accordingly, paragraph 4(1)(c) of the Order is not applicable.
- 4.2. (a) As explained to us, inventories were physically verified by the management at reasonable intervals.
- (b) In our opinion and according to 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 Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company maintained proper records of its inventories. The discrepancies notice on physical verification between physical stock and book records were not material.
- 4.3. According to the information and explanation given to us, the Company has neither taken nor granted any loans to any party in pursuance of the register maintain u/s.301 of the Companies Act, 1956. Accordingly, paragraph 4(iii)(b), (c) and (d) of the Order is not applicable.
- 4.4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures 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. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.

.../3

(3)

- 4.5. In our opinion and according to the information and explanation given to us, there were no transactions made in pursuance of any contract or arrangement entered into the register maintained u/s. 301 of the Companies Act, 1956 exceeding the value of Rs.5.00 lakh in respect of any party during the year. Accordingly, paragraph 4(v)(b) of the order is not applicable.
- 4.6. In our opinion and according to the explanation given to us, the Company has not accepted any deposits within the meaning of Section 58A and Section 58AA of the Companies Act, 1956 and the Rules framed there under.
- 4.7. In our opinion, the Company has an Internal Audit System commensurate with the size and nature of its business.
- 4.8. The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.
- 4.9. (a) According to the information and explanations given to us the Company is depositing with appropriate Authorities undisputed statutory dues including provident fund, investor education fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues to the extent applicable.

(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, wealth-tax and cess, which have not been deposited on account of any dispute as at 31st March, 2010.
- 4.10. The company has no accumulated losses as at March 31, 2010 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- 4.11. The company has not taken any term loan from banks or financial institutions nor have issued any debentures accordingly paragraph 4(xi) of the Order is not applicable.
- 4.12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, paragraph 4(xii) of the Order is not applicable.
- 4.13. In our opinion and according to the information and explanations given to us, the Company is not a chitfund / nidhi / mutual benefit fund / society. Accordingly, paragraph 4(xiii) of the Order is not applicable.
- 4.14. The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the Company in its own name.

- 4.15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks and Financial Institutions during the year.
- 4.16. The Company has not availed any term loans during the year.
- 4.17. On the basis of an overall examination of the balance sheet of the company, in our opinion and according to the information and explanation given to us, there are no funds raised on a short-term basis which have been used for long-term investment, and vice-versa.
- 4.18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year. Accordingly, paragraph 4(xviii) of the Order is not applicable.
- 4.19. The Company has not issued any debentures during the year. Accordingly, paragraph 4(xix) of the Order is not applicable.
- 4.20. The Company has not raised any money by public issues during the year. Accordingly, paragraph 4(xx) of the Order is not applicable.
- 4.21. 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, notice or reported during the year, nor have we been informed of such case by the management.

For **T. N. Datta & Associates**
Chartered Accountants



Tarak Nath Datta
(Proprietor)
Membership No : 056676

Place : Kolkata
Date : 20th July, 2010



STOCKNET INTERNATIONAL LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2010

<u>SOURCES OF FUNDS</u>	Sch. No.	Rupees As at <u>March 31, 2010</u>	Rupees As at <u>March 31, 2009</u>
1 Shareholders' Funds			
Share Capital	A	55,003,500	55,003,500
Reserves and Surplus	B	44,996,500	44,996,500
		100,000,000	100,000,000
 <u>APPLICATION OF FUNDS</u>			
1 Fixed Assets			
Gross Block	C	18,980,079	18,980,079
Less : Accumulated Depreciation		18,216,397	18,052,394
Net Block		763,682	927,685
2 Investments			
	D	3,400,000	46,400,000
3 Current Assets, Loans and Advances			
Inventories	E	56,558,950	1,899,000
Sundry Debtors		1,500,000	1,500,000
Cash & Bank Balances		1,035,139	229,862
Loans and Advances		113,872,473	146,607,089
		172,966,562	150,235,951
Less : <u>Current Liabilities & Provisions</u>	F		
Current Liabilities		81,457,000	101,970,000
Provisions		54,067	54,067
		81,511,067	102,024,067
Net Current Assets		91,455,495	48,211,884
Profit & Loss Account		4,380,823	4,460,431
		100,000,000	100,000,000
Accounting Policies & Notes to Accounts	K		

Schedules referred to above form an integral part of the Balance Sheet

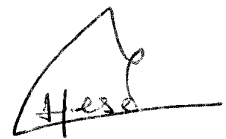
As per our report of even date



For and on behalf of the Board of Directors



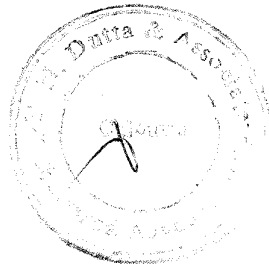
Director



Director

Place : Kolkata

Date : 20th Day of July, 2010



STOCKNET INTERNATIONAL LIMITED

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

PARTICULARS	Sch. No.	Rupees For The Year ended March 31, 2010	Rupees For The Period ended March 31, 2009
INCOME			
Income from Operations	G	86,853,150	91,118,968
Other Income	H	<u>120,384</u>	<u>-</u>
		<u>86,973,534</u>	<u>91,118,968</u>
EXPENDITURE			
Cost of Goods Sold	I	86,257,150	90,614,123
Administrative & Other Expenses	J	462,186	257,090
		<u>86,719,336</u>	<u>90,871,213</u>
Operating Profit (PBIT)		254,198	247,755
Depreciation		164,003	164,940
Profit before Taxation (PBT)		90,195	82,815
Income Tax Paid		8,530	10,077
Fringe Benefit Tax		2,057	2,195
Profit after Taxation (PAT)		79,608	70,543
Balance brought forward from Previous Year		(4,460,431)	(4,530,974)
Balance Carried to Balance Sheet		<u>(4,380,823)</u>	<u>(4,460,431)</u>
Accounting Policies & Notes to Accounts	K		

Schedule referred to above form an integral part of the Profit & Loss Account

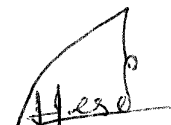
As per our report of even date

For and on behalf of the Board of Directors

Place : Kolkata
Date : 20th Day of July, 2010



Director



Director



STOCKNET INTERNATIONAL LIMITED

SCHEDULES FORMING THE PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

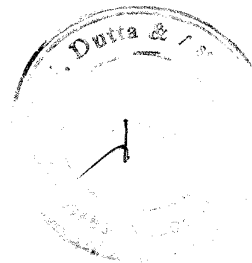
	Amount Rupees As At March 31, 2010	Amount Rupees As At March 31, 2009
<u>SCHEDULE 'A' :</u>		
<u>SHARE CAPITAL</u>		
Authorised		
55,01,400 Equity Shares of Rs. 10/- each.	55,014,000	55,014,000
Issued, Subscribed & Paid - Up		
55,00,350 Equity Shares of Rs. 10/- each.	55,003,500	55,003,500
	55,003,500	55,003,500
<u>SCHEDULE 'B' :</u>		
<u>RESERVES & SURPLUS</u>		
Capital Reserves		
As per last Account	44,996,500	44,996,500
	44,996,500	44,996,500
<u>SCHEDULE 'D' : INVESTMENTS (At Cost)</u>		
Quoted Equity Shares	1,800,000	1,800,000
Unquoted Equity Shares	1,600,000	44,600,000
	3,400,000	46,400,000



STOCKNET INTERNATIONAL LIMITED

SCHEDULES FORMING THE PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

		Amount Rupees As At <u>March 31, 2010</u>	Amount Rupees As At <u>March 31, 2009</u>
<u>SCHEDULE 'D' : INVESTMENTS (At Cost)</u>			
	<u>No. of Shares</u>		
<u>Quoted Equity Shares</u>			
Esquire Money Guarantees Ltd.	36,000	1,800,000	1,800,000
<u>Unquoted Equity Shares</u>			
Digital Components Pvt. Ltd.	13,000	1,300,000	1,300,000
Third Eye Infrastructure Ltd.		-	43,000,000
Valantine Finexim Pvt. Ltd.	1,500	<u>300,000</u>	<u>300,000.00</u>
		<u><u>3,400,000</u></u>	<u><u>46,400,000</u></u>

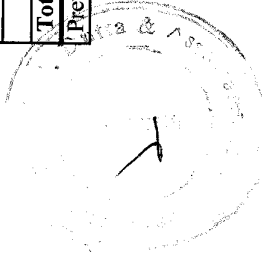


STOCKNET INTERNATIONAL LIMITED

SCHEDULES FORMING THE PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

SCHEDULE 'C': FIXED ASSETS

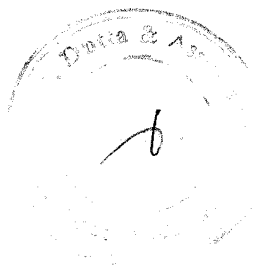
Particulars	Gross Block		Depreciation		Net Block	
	As At 01.04.2009	As at 31.03.2010	Upto 31.03.2009	For the Current Period	As at 31.03.2010	As at 31.03.2009
Computer Equipment	12,053,294	12,053,294	12,053,294	-	-	-
Furniture & Fixtures	1,446,130	1,446,130	1,058,567	91,540	296,023	387,563
Vehicles	1,004,433	1,004,433	910,437	8,930	85,066	93,996
Office Equipment	115,428	115,428	96,767	15,392	3,269	18,661
Plant & Machinery	1,013,488	1,013,488	586,023	48,141	379,324	427,465
Softwares	15,400,600	15,400,600	15,400,600	-	-	-
Total	18,980,079	18,980,079	18,052,394	164,003	763,682	927,685
Previous Year	31,033,373	31,033,373	29,940,748	164,940	30,105,688	1,092,625



STOCKNET INTERNATIONAL LIMITED

SCHEDULES FORMING THE PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

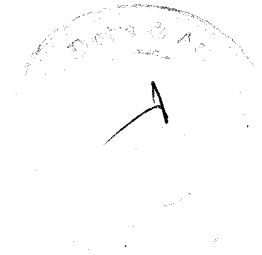
	Amount Rupees As At <u>March 31, 2010</u>		Amount Rupees As At <u>March 31, 2009</u>
<u>SCHEDULE 'E' :</u>			
CURRENT ASSETS, LOANS & ADVANCES			
Inventories (at cost)			
Shares		56,558,950	1,899,000
Sundry Debtors			
Unsecured considered good			
Debts exceeding six months	1,500,000		1,500,000
Other Debts	-		
Cash & Bank Balance	<u> </u>	<u>1,500,000</u>	<u> </u>
Cash in Hand (As certified by the management)	126,934		124,481
Bank Balances with Scheduled Banks:			
- in Current Account	<u>908,205</u>	<u>1,035,139</u>	<u>105,381</u>
Loans and Advances			229,862
(Unsecured, Secured Good)			
Loans			
Advances recoverable in cash or in kind <u>or for value to be received</u>	5,098,518		2,390,172
To Others	15,800,000		2,230,000
Share Application Money	92,555,000		141,580,000
Tax Deducted at Source	<u>418,955</u>	<u>113,872,473</u>	<u>406,917</u>
		<u><u>172,966,562</u></u>	<u><u>150,235,951</u></u>
<u>SCHEDULE 'F' :</u>			
CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities			
Sundry Creditors	45,467,000		101,970,000
Advances	<u>35,990,000</u>	<u>81,457,000</u>	<u> </u>
Provisions			101,970,000
Taxation	44,067		44,067
Audit Fees	<u>10,000</u>	<u>54,067</u>	<u>10,000</u>
		<u><u>81,511,067</u></u>	<u><u>102,024,067</u></u>



STOCKNET INTERNATIONAL LIMITED

**SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2010**

	Rupees		Rupees	
	For the year		For the year	
	ended		ended	
	31.03.2010		31.03.2009	
SCHEDULE 'G' :				
INCOME FROM OPERATION				
Sales		<u>86,853,150</u>		<u>91,118,968</u>
		<u>86,853,150</u>		<u>91,118,968</u>
SCHEDULE 'H' :				
OTHER INCOME				
Interest on Loan		<u>120,384</u>		-
		<u>120,384</u>		-
SCHEDULE 'I' :				
COST OF GOODS SOLD				
Opening Stock	1,899,000		80,142,233	
Add : Purchases	<u>140,917,100</u>		<u>12,370,890</u>	
	<u>142,816,100</u>		<u>92,513,123</u>	
Less : Closing Stock	<u>56,558,950</u>	<u>86,257,150</u>	<u>1,899,000</u>	<u>90,614,123</u>
		<u>86,257,150</u>		<u>90,614,123</u>
SCHEDULE 'J' :				
ADMINISTRATIVE EXPENSES				
Salaries & Benefits		180,000		48,000
Staff Welfare Expenses		10,136		3,560
Lighting Charges		12,000		12,000
Rent		12,000		12,000
Repairs & Maintainance		9,000		6,000
Depository Fees		44,120		22,472
Travelling & Conveyance		19,310		5,712
Professional Fees		63,500		-
Telephone Charges		5,600		5,040
Postage		2,964		2,678
Legal & Professional Charges		4,164		56,229
Vehicle Running & Maintainance		10,152		9,106
Registrar Charges		19,854		31,923
Filing Fees		5,500		500
Demat charges		-		9,704
Listing Fees		37,709		16,775
Auditor's Remuneration : Audit Fees	7,500		7,500	
Tax Audit	<u>2,500</u>	<u>10,000</u>	<u>2,500</u>	<u>10,000</u>
Bank Charges		12,641		2,524
Miscellaneous Expenses		3,536		2,867
		<u>462,186</u>		<u>257,090</u>



STOCKNET INTERNATIONAL LIMITED

SCHEDULES FORMING THE PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010 SCHEDULE 'K' :

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

NOTES ON ACCOUNT

A. SIGNIFICANT ACCOUNTING POLICIES

- (a) Basis of Accounting : The financial statements are prepared under the historical cost convention and comply with the mandatory Accounting Standards and Statements issued by The Institute of Chartered Accountants of India and The Companies Act, 1956. All income and expenditure having a material bearing on the financial statements are recognised on accrual basis.
- (b) Fixed Assets : Fixed Assets are stated at cost of acquisition. Cost comprises purchase price and attributable cost.
- (c) Depreciation : Depreciation on Straight Line Method basis is provided on tangible Fixed Assets in the manner and at the rates as per Schedule XIV to the rates applicable in The Companies Act, 1956.
- (d) Investments : The investments are valued at cost.
- (e) Inventories : The inventory items are stated at cost.

B. NOTES ON ACCOUNTS

	<u>Rupees</u> <u>March 31, 2010</u>	<u>Rupees</u> <u>March 31, 2009</u>
1. Expenditure on employees getting remuneration not less than Rs. 12,00,000/- per year if employed through the year or Rs. 1,00,000/- per month if employed for the part of the year.	Nil	Nil
2. Earning & Expenditure in Foreign Currency	Nil	Nil
3. Estimated amount of contracts remaining to be executed on capital accounts and not provided for	Nil	Nil
4. Previous year's figure have been re-arranged and re-grouped wherever found necessary.		

5. Quantitative information of Opening Stock, Purchases, Sales & Closing Stock

Particulars	Opening Stock		Purchases		Sales		Closing Stock	
	Nos.	Amount Rs.	Nos.	Amount Rs.	Nos.	Amount Rs.	Nos.	Amount Rs.
Equity Shares	192,800	1,899,000	2,846,395	140,917,100	2,437,650	86,853,150	601,545	56,558,950
Previous Year Equity Shares	3,529,245	80,142,233	1,408,890	12,370,890	4,745,335	91,118,968	192,800	1,899,000

Signature to the Schedule A to K forming part of the Balance Sheet and Profit & Loss Account.

As per our report of even date



For and on behalf of the Board of Directors

Director
Director

Place : Kolkata

Date : 20th Day of July, 2010

STOCKNET INTERNATIONAL LIMITED

ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

(1) Registration Number	:	21-36181
(2) State Code	:	21
(3) Balance Sheet Date	:	March 31, 2010

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

(1) Public Issue	:	Nil
(2) Rights Issue	:	Nil
(3) Bonus Issue	:	Nil
(4) Private Placement	:	Nil

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

(1) Total Liabilities	:	181521.067
(2) Total Assets	:	181521.067

(B) Sources of Funds

(1) Paid Up Capital	:	55003.500
(2) Reserves & Surplus	:	44996.500
(3) Unsecured Loans	:	-

(C) Application of Funds

(1) Fixed Assets (Net Block)	:	763.682
(2) Investments	:	3,400.000
(3) Net Current Assets	:	91,455.495
(4) Miscellaneous Expenditure	:	-

IV. Performance of Company (Amount in Rs. Thousand)

(1) Turnover & Other Income	:	86,973.534
(2) Total Expenditure	:	86,883.339
(3) Profit/(Loss) before Tax	:	90.195
(4) Profit/(Loss) after Tax	:	90.195
(5) Earnings per Share	:	Nil
(6) Dividend Rate %	:	Nil


V. Generic Names of the three Principle Products of the Company

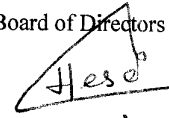
(1) Item Code (ITC Code)	:	8524
(2) Product Description	:	Software Products Shares & Securities

Signature to the Schedule A to K forming part of the
Balance Sheet and Profit & Loss Account.

As per our report of even date

For and on behalf of the Board of Directors


Director


Director

Place : Kolkata

Date : 20th Day of July, 2010



STOCKNET INTERNATIONAL LIMITED

**Cash Flow Statement for the Period Ended 31st March,2010
Pursuant to Clause 32 of the Listing Agreement**

	For the Year Ended March 31, 2010	For the Period Ended March 31, 2009
A. <u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit before tax (PBT)	0.90	0.83
Adjustments for :-		
Depreciation	1.64	1.65
Interest Paid	-	-
Interest & Other Income	-	-
Operating Profit before Working Capital Changes	2.54	2.48
Adjustments for :-		
Loans & Advances	327.35	(418.60)
Inventories	(546.60)	782.43
Sundry Debtors	-	-
Current Liabilities & Provision	(205.03)	38.80
Cash Generated from Operation	(421.74)	405.11
Adjustments for :-		
Direct Taxes Paid	(0.02)	(0.02)
Miscellaneous Expenditure	-	-
Provision for Taxation	-	-
Net Cash from Operating Activities	(421.76)	405.09
B. <u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Adjustments for :-		
Purchases of Fixed Assets	-	-
Sales of Investments	430.00	(408.50)
Capital Working Process	-	-
Interest & Other Incomes	-	-
Net Cash Used in Investing Activities	430.00	(408.50)
C. <u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Adjustments for :-		
Loans	-	-
Net Cash Used in Financing Activities	-	-
Net Increase in Cash & Cash Equivalents (A+B+C)	8.24	(3.41)
Cash & Cash Equivalents as at 31st March,2008	2.30	5.81
Cash & Cash Equivalents as at 31st, March, 2009	10.45	2.30

For and on behalf of the Board


Director


Director

Auditor's Certificate

We have examined the above Cash Flow Statement of M/s Stocknet International Limited for the period ended 31st March, 2010. The statement have been prepared by the Company in accordance with the requirement of clause 32 of the the Listing Agreements with various stock exchanges and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report to the Members of the Company.

Place : Kolkata

Date : 20th Day of July, 2010