

FinancialEyes(India)Limited

16TH ANNUAL REPORT 2009-2010

Board of Directors

1. Mrs. A. Agarwal (Whole Time Director)
2. Mr. Mukesh Jain (Director)
3. Mr. Vishal Bakshi (Director)
4. Mr. Ashish Todi (Director)
5. Mr. Ravi Joshi (Director)
6. Mr. Trinadh Kiran Vemuri (Additional Director w.e.f 28/08/2010)

Chief Financial Officer

Mr. P.Chowdhary
Email id: pc@feindia.net

Company Secretary cum Compliance Officer

Ms. Shikha Sharma
Email id: cs@feindia.net

Auditors

M/s. Nangia & Company.
Chartered Accountants
Email id: nangia@nangia.com,
nangia@vsnl.com

Bankers

Punjab National Bank

Registered Office :

F-58/1, Okhla Industrial Area
Phase-1, New Delhi-20
Contact No.s: 91-11-40537610,26811999
Fax: 91-11-40537611
Email id: info@feindia.net ,
cs@feindia.net

Registrar & Transfer Agents

Link Intime (India) Pvt. Ltd.
A-40, 2nd Floor,
Near Batra,Banquet Hall ,
Naraina Industrial Area, Phase - I,
New Delhi – 110 028
Email Id: delhi@linkintime.co.in

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FinancialEyes(India)Limited

NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the shareholders of Financial Eyes (India) Limited will be held at 9.00 A.M. on Thursday, 30th September 2010 at Hotel Royal Castle Grand, D-616, Chittaranjan Park, New Delhi-110019 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the period ended June 30, 2010 and the Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. A. Agarwal, who is liable to retire by rotation and being eligible, offers herself for reappointment.
3. To appoint a Director in place of Mr. Mukesh Jain, who is liable to retire by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditor and fix their remuneration

SPECIAL BUSINESS

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

“RESOLVED THAT Mr. Trinadh Kiran Vemuri, who was appointed by Board of Directors as an Additional Director of the Company on 28/08/2010 and who holds office up to the date of the forthcoming Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act proposing his candidature for of the office of Director of the Company, be and is hereby appointed as a Director of the Company.”

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

“RESOLVED that in accordance with Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or reenactment thereof for the time being in force), as also provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “SEBI Regulations”), the provisions of the Foreign Exchange Management Act, 1999, as amended, and rules and regulations made thereunder, including the Foreign Exchange Management (Transfer and Issue of Securities by a Person Resident outside India) Regulation, 2000, if applicable, any other applicable law or laws, rules and regulations (including any amendment thereto or re-enactment thereof for the time being in force) and enabling provisions in the Memorandum and Articles of Association of the Company and Listing Agreements, entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to the approval of, if applicable including but not limited to, Government of India, Reserve Bank of India, Securities and Exchange Board of India and/or all other authorities, institutions or bodies, within or outside India, (hereinafter collectively referred to as appropriate authorities) and subject to such conditions as may be prescribed by any of them while granting such approval (hereinafter referred to as requisite approvals), the Company do create, offer, issue and allot in one or more tranch(es), in the course of domestic or international offerings or qualified institutional placements, with or without an over allotment/green issue option, in one or more foreign markets or domestic markets, to domestic institutions, foreign institutions, non-resident Indians, Indian public companies, corporate bodies, mutual funds, banks, insurance companies, pension funds, individuals, qualified institutional buyers or other persons or entities, whether

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shareholders of the Company or not, through a public issue and/or on a private placement basis and/or qualified institutional placement within the meaning of Chapter VIII of the SEBI Regulations and/or preferential issue and/or any other kind of public issue and/or private placement, with or without an over allotment/green shoe option, equity shares, preference shares, secured or unsecured debentures, bonds, warrants or any other securities whether convertible into equity shares or not, including, but not limited to, Mandatorily Convertible Preference Shares ("MCPS") and / or Foreign Currency Convertible Bonds ("FCCBs") and / or Non Convertible Debentures ("NCDs") with or without attached share warrants and / or Partly Convertible Debentures ("PCDs") and / or Optionally Convertible Debentures ("OCDs") and / or Fully Convertible Debentures ("FCDs") and / or Bonds with share warrants attached which are convertible into or exchangeable with equity shares and / or Global Depository Receipts ("GDRs") and / or American Depository Receipts ("ADRs") or any other equity related instrument of the Company or a combination of the foregoing including but not limited to a combination of equity shares with Bonds and/or any other securities whether convertible into equity shares or not as may be permitted by law (hereinafter referred to as "securities"), whether secured or unsecured, to be listed on any stock exchange inside India or any foreign/international stock exchange outside India if required, through an offer document and/or prospectus and/or offer letter, and/or offering circular, and/or on public and/or private or preferential basis, whether rupee-denominated or denominated in foreign currency, provided that the aggregate of the sums so raised, including premium, if any, shall not exceed 25 Crores.(Rs. Twenty Five Crores)

"RESOLVED FURTHER that the securities to be created, offered, issued

and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and the underlying equity shares shall rank pari passu in all respect with the existing equity shares of the Company."

"RESOLVED FURTHER that in addition to all applicable Indian laws, the securities issued in pursuance of this resolution shall also be governed by all applicable laws and regulations of any jurisdiction outside India where they are listed or that may in any other manner apply to such securities or provided in the terms of their issue."

"RESOLVED FURTHER that the Board or any committee thereof be and is hereby authorised on behalf of the Company to finalise the pricing, terms and conditions relating to the issue of the securities and any other matter in connection with, or incidental to, the issue of the securities as the Board or any committee thereof, in its absolute discretion, deems necessary or desirable, together with any amendments or modifications thereto."

"RESOLVED FURTHER that the pricing of the securities and the pricing of any equity shares issued upon conversion of the securities shall be made subject to and in compliance with all applicable laws and regulations."

"RESOLVED FURTHER that the Board or any committee thereof be and is hereby authorised to finalise and approve the preliminary as well as the final offer documents for the proposed issue of the securities and to authorise any director or directors of the Company or any other officer or officers of the Company to sign the above documents for and behalf of the Company together with the authority to amend, vary or modify the same as such authorised persons may consider necessary, desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, certificates, consents and/or authorities as may, in the opinion of such authorised person, be required from time to time."

"RESOLVED FURTHER that the Board or

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any committee thereof be and is hereby authorised to appoint, in its absolute discretion, managers (including lead managers), investment bankers, merchant bankers, underwriters, guarantors, financial and/or legal advisors, depositories, custodians, principal paying/transfer/ conversion agents, listing agents, registrars, trustees and all other agencies, whether in India or abroad, in connection with the proposed offering of the securities and to negotiate and finalise the terms and conditions (including the payment of fees, commission, out of pocket expenses and their charges subject to requisite approvals of Reserve Bank of India, if any) of the aforesaid appointments and also to, in its absolute discretion, renew or terminate the appointments so made.”

“**RESOLVED FURTHER** that the Board or any committee thereof be and is hereby authorised to determine the form, terms and timing of the issue(s)/ offering(s), including the investors to whom the securities are to be allotted, the proportion in which they are allotted, issue price, face value, number of equity shares or other securities upon conversion or redemption or cancellation of the securities, the price, premium or discount on issue/conversion of securities, rate of interest, period of conversion or variation of the price or period of conversion, listing on one or more Stock Exchanges in India and/or abroad and fixing of record date or book closure and related or incidental matters and finalise and approve the preliminary as well as the final offer documents for the proposed issue of the securities as may be required by the authorities in such issues in India and/or abroad and to authorise any director or directors of the Company or any other officer or officers of the Company to sign the above documents for and behalf of the Company together with the authority to amend, vary or modify the same as such authorised persons may consider

necessary, desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, certificates, consents or any other confirmation and/or authorities as may, in the opinion of such authorised person, be required from time to time.”

“**RESOLVED FURTHER** that such of these securities as are not subscribed may be disposed off by the Board or any committee thereof in its absolute discretion in such manner, as the Board may deem fit and as permissible by law.”

“**RESOLVED FURTHER** that in case of a qualified institutional placement pursuant to Chapter VIII of the SEBI Regulations, the allotment of specified securities within the meaning of Chapter VIII of the SEBI Regulations shall only be to qualified institutional buyers within the meaning of Chapter VIII of the SEBI Regulations, such securities shall be fully paid-up and the allotment of such securities shall be completed within 12 months from the date of the shareholders resolution approving the proposed issue or such other time as may be allowed by SEBI Regulations from time to time.”

RESOLVED FURTHER that in case of a qualified institutional placement of equity shares pursuant to Chapter VIII of the SEBI Regulations, the relevant date for the determination of the price of the equity shares, shall be the date of the meeting of the Board or any Committee thereof in which the decision to open the proposed issue is taken or such other time as may be allowed by SEBI Regulations from time to time and such price shall be subject to appropriate adjustments in accordance with the applicable SEBI Regulations.”

“**RESOLVED FURTHER** that in the event securities convertible into equity shares are issued under Chapter VIII of the SEBI Regulations, the relevant date for the purpose of pricing of the equity shares to be issued on conversion, shall be the date of the meeting of the Board or any Committee thereof in which the decision to open the proposed issue is taken or the date on which

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the holder(s) of securities which are convertible into or exchangeable with equity shares at a later date become(s) entitled to apply for the said shares or such other time as may be allowed by SEBI Regulations from time to time and such price shall be subject to appropriate adjustments in accordance with the applicable SEBI Regulations.”

“**RESOLVED FURTHER** that any director or directors of the Company or any other officer or officers of the Company as may be authorised by the Board or any committee thereof, be and is or are hereby authorised to sign, execute and issue consolidated receipt/s for the securities, listing application, various agreements (including but limited to subscription agreement, depository agreement, trustee agreement), undertaking, deeds, declarations and all other documents and to do all such things, deeds and acts and to comply with all the formalities as may, in the opinion of such authorised person, be required in connection with or incidental to the aforesaid offering of securities, including post issue formalities.”

“**RESOLVED FURTHER** that the Board or any committee thereof be and is hereby authorised to open one or more bank accounts in the name of the Company in Indian currency or foreign currency(ies) with such bank or banks in India and/or such foreign countries as may be required in connection with the aforesaid issue, subject to requisite approvals from Reserve Bank of India and other overseas regulatory authorities, if any, and that director or directors of the Company or other officer or officers of the Company authorised by the Board or any committee thereof be and is or are hereby authorised to sign and execute the application form and other documents required for opening the account, to operate the said account, and to give such instructions including closure thereof as may be required and deemed appropriate by these signatories, and that

the said bank/s be and is/are hereby authorised to honor all cheques and other negotiable instruments drawn, accepted or endorsed and instructions given by the aforesaid signatories on behalf of the Company.”

“**RESOLVED FURTHER** that the Common Seal of the Company, if required to be affixed in India on any agreement, undertaking, deed or other document, the same be affixed in the presence of any one or more of the directors of the Company or any one or more of the officers of the Company as may be authorised by the Board or any committee thereof in accordance with the Articles of Association of the Company.”

“**RESOLVED FURTHER** that subject to the applicable laws the Board or any committee thereof be and is hereby authorised to do such acts, deeds and things as the Board or any committee thereof in its absolute discretion deems necessary or desirable in connection with the issue of the securities, and to give effect to aforesaid resolution, including, without limitation, the following:

- a) finalisation of the allotment of the securities on the basis of the subscriptions received;
- b) finalisation of and arrangement for the submission of the preliminary and final offering circulars/prospectus(es)/ offer document(s), and any amendments and supplements thereto, with any applicable government and regulatory authorities, institutions or bodies, as may be required;
- c) approval of the preliminary and final offering circulars/ prospectus/offer document (including amending, varying or modifying the same, as may be considered desirable or expedient) as finalised in consultation with the Lead Managers/ Underwriters/ Advisors, in accordance with all applicable laws, rules, regulations and guidelines;
- d) approval of the Deposit Agreement(s), the Purchase/ Underwriting Agreement(s), the Trust Deed(s), the Indenture(s), the Master/ Global GDRs/ADRs/FCCBs/ other securities, letters of allotment, listing application, engagement letter(s),

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- memoranda of understanding and any other agreements or documents, as may be necessary in connection with the issue/offering (including amending, varying or modifying the same, as may be considered desirable or expedient), in accordance with all applicable laws, rules, regulations and guidelines;
- e) finalisation of the basis of allotment in the event of oversubscription;
 - f) acceptance and appropriation of the proceeds of the issue of the securities;
 - g) authorisation of the maintenance of a register of holders of the securities, if so required, in India or abroad;
 - h) authorisation of any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorneys, to do such acts, deeds and things as the authorised person in its absolute discretion may deem necessary or desirable in connection with the issue and allotment of the securities;
 - i) seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the issue and allotment of the securities;
 - j) seeking the listing of the securities on any Indian or international stock exchange, submitting the listing application to such stock exchange and taking all actions that may be necessary in connection with obtaining such listing;
 - k) giving or authorising the giving by concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time;
 - l) deciding the pricing and terms of the securities, and all other related matters, including taking any action on two-way fungibility for conversion of underlying equity shares into GDRs/ADRs, as per applicable laws, regulations or guidelines; and
 - m) creation of mortgage and / or charge in accordance with Section 293 (1) (a) of the Companies Act, 1956 in respect of securities as may be required either on paripassu basis or otherwise."
- "RESOLVED FURTHER** that without prejudice to the generality of the foregoing, issue of the securities may be done upon all or any terms or combination of terms in accordance with international practices relating to the payment of interest, additional interest, premium on redemption, prepayment or any other debt service payments and all such terms as are provided customarily in an issue of securities of this nature."
- "RESOLVED FURTHER** that the Company may enter into any arrangement with any agency or body authorised by the Company for the issue of depository receipts representing the underlying equity shares issued by the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per international practices and regulations (including listing on one or more stock exchange(s) inside or outside India) and under the forms and practices prevalent in the international markets."
- "RESOLVED FURTHER** that for the purpose of giving effect to the above resolutions, the Board or any committee thereof 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, including without limitation to settle any question, difficulty or doubt that may arise in regard to the offer, issue and allotment of the securities."
- "RESOLVED FURTHER** that the Board or any committee thereof be and is hereby authorised to accept any modifications in the proposal as may be required by the authorities involved in such issues but subject

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to such conditions as appropriate authorities, inside or outside India, may impose at the time of their approval and as agreed to by the Board or any committee thereof.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **SPECIAL RESOLUTION:**

“**RESOLVED THAT**, pursuant to Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory amendment thereto or re-enactment thereof) and subject to the provisions of the Memorandum of Association and Articles of Association of the Company and the Listing Agreement entered into with the Stock Exchange where the Equity Shares of the Company are listed and in accordance with the existing guidelines, rules and regulations of the Securities and Exchange Board of India (“SEBI”) (including the SEBI (Substantial Acquisition of Shares and Takeovers Regulations, 1997) (including any statutory amendment(s) modification(s) and or re-enactment(s) thereof, for the time being in force) and subject to the approvals, consents, permissions and/ or sanctions, as may be necessary of the appropriate authorities, institution or body and subject to such terms, conditions,

alterations, corrections, changes, variations and/or, modifications, if any, as may be prescribed by any one or more or all of them in granting such approvals, consents permissions and / or sanctions and which may be agreed by the Board of Directors of the Company (hereinafter referred to as the “Board” which terms shall be deemed to include any committee duly constituted by the Board of Directors or any committee which the Board of Directors may hereafter constitute, to exercise one or more of its powers, including the powers conferred by this resolution), consent of the Company be and is hereby accorded and Board is hereby authorized to raise upto Rs. 21,00,00,000/- by way of issuance, offering and allotment of upto 35,00,000 (thirty five lac only) Convertible Warrant (Warrants) @ Rs. 60/-, to be convertible at the option of warrant holder in one or more trenches, within 18 (eighteen) months from its allotment date into such number of equity Share of the Company of face value of Rs. 10/- each at such premium, as may be determined in terms of the Regulation 71(b) of the SEBI (ICDR) Regulations, 2009 i.e., 30 days prior to the intimation by the warrant holder to the Company for conversion of said warrants into equity shares. on such further terms and conditions as may be finalized by the Board of Directors to following persons belonging to Promoter and Non Promoter group :

Name of Allottee	Category	No. of Warrants
M/s Andaz Merchantile Pvt. Ltd.	Promoter	27,50,000
Mr. Sanjay Agarwal	Non Promoter	7,50,000

FURTHER RESOLVED THAT the relevant date for the purpose of calculating the exercise price for allotment of Equity Shares under Regulation 71(b) of the SEBI (ICDR) Regulations, 2009 shall be 30 days prior to the intimation by the warrant holder to the Company for conversion of said warrants into equity shares.

FURTHER RESOLVED THAT the Equity Shares to be allotted on preferential basis shall rank pari passu in all respects with the existing Equity Shares of the Company.

FURTHER RESOLVED THAT the warrants and/ or the equity shares to be allotted on conversion, shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under

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SEBI Regulations except to the extent and in the manner permitted thereunder.

FURTHER RESOLVED THAT the Warrants and or the Equity Shares to be allotted on the conversion thereof, shall be locked in for a period of 1 (One) year/ 3 (three) years, as the case may be, from the date of allotment or upto such extended period as per the provisions of SEBI (ICDR) Regulations, 2009 for Issue of Warrants on Preferential basis, as amended.”

FURTHER RESOLVED THAT the equity shares, if any, already held by the proposed allottees shall be under lock in from the relevant date for a period of six months from the date of allotment of Warrants.

FURTHER RESOLVED THAT for the purpose of issue and allotment of the warrants the Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate to give effect to this resolution in all respects and in particular to settle any questions, difficulties or doubts that may arise with regard to the offering, issuing, allotting and utilizing the issue proceeds of the Warrants of the Company, as in the absolute discretion, deem fit and proper.

RESOLVED FURTHER THAT at least 25% of the total subscription price in respect of the allotment of warrants shall be paid up front on the date of the allotment of the Warrants.

RESOLVED FURTHER THAT the warrant holder shall have the option of applying for and being allotted such number of Equity Shares of the Company of face value of Rs. 10 each, at such premium, as may be determined 30 days prior to the intimation by the warrant holder to the Company for conversion of said warrants into equity shares, at any time prior to the expiry of 18 months from the date of allotment of the Warrants, by paying the

balance subscription price after adjusting the upfront payment made on the date of allotment of the Warrants, by paying the balance subscription price after adjusting the upfront payment made on the date of allotment of the Warrants.

Resolved further that the Board be and in hereby authorized to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect this resolution and for matters connected therewith or incidental thereto.

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to applicable provisions of the Foreign Exchange Management Act, 1999 (FEMA), the Companies Act, 1956 and all other applicable rules, regulations, guidelines and laws (including any statutory modification or re-enactment thereof for the time being in force) and subject to all requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions, sanctions, which may be agreed to by the Board of Directors of the Company be and is hereby accorded for investment by Foreign institutional investors including their sub-accounts (hereinafter referred to as “the FIs”), in the shares or debentures convertible into shares of the Company, by purchase or acquisition from the market under the portfolio investment Scheme under FEMA, subject to the condition that the total holding of all FIs put together shall not exceed sectoral caps as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect this resolution and for matters connected therewith or incidental thereto”.

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9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **SPECIAL RESOLUTION:**

Resolved That pursuant to the section 198, 309 & Schedule XIII OF THE COMPANIES ACT, 1956 & other applicable provisions if any & subject to the approval of central government, consent of the company be & is hereby accorded to Board/committee of Board for the payment of remuneration to Mrs. A. Agarwal, Whole Time Director of the company exceeding 5% of the net profits

to be calculated as per provisions of Companies act 1956 up to a sum of Rs. 2,00,000/- (Rs. Two lacs per month)/ Rs.24,00,000/- per annum (Rs. Twenty Four Lacs per annum) for the remainder tenure of office of 5 years as per the agreement to be entered in to between the Board of Directors acting on behalf of company & Mrs, A. Agarwal, Wholetime Director of the company on the terms & conditions as approved by Central Government & acceptable to the Mrs A. Agarwal, Whole time Director & the Board acting on behalf of the company.

Place: New Delhi

Dated: 28/08/2010

**By the order of the Board
For Financial Eyes (India) Ltd.**

Sd/-

**Shikha Sharma
Company Secretary**

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Note:

1. **A MEMBER IS ENTITLED TO APPOINT ONE OR MORE PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER, TO MAKE THE PROXY EFFECTIVE PROXY FORM MUST BE SUBMITTED AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The relevant Explanatory Statements, pursuant to Section 173 of the Companies Act, 1956, in respect of the business under Item Nos. 5-9 above, are annexed hereto. The relevant details of persons seeking appointment as Directors under the said items, as required by Clause 49 of Listing Agreement entered into with the Bombay Stock exchange is also annexed.
3. As per the provisions of the Companies Act, 1956, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. The Nomination Form 2B prescribed by the Government can be obtained from the RTA or the Company at its Registered Office.
4. The Register of Members and Transfer Books of the Company will be closed from September 21, 2010 to September 30, 2010, both days inclusive.
5. Shareholders holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agents, Link Intime (India) Pvt. Ltd. Shareholders holding shares in electronic form must send the advice about change in address to their respective Depository Participants and not to the Company.
6. Depository System
The Company has entered into agreements with NSDL and CDSL. Members, therefore, now have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL.

The Depository System envisages the elimination of several problems involved in the scrip based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of share certificates, etc. Simultaneously, Depository System offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc.

7. Members are requested to make all correspondence in connection with shares and debentures held by them by addressing letters directly to the RTA or the Company at its registered office quoting reference of their folio numbers or their Client ID with DP ID number, as the case may be.
8. Shareholders are requested to bring their copies of the Annual Report at the Meeting.

EXPLANATORY STATEMENT

The Statement of Material facts pursuant to Section 173(2) of the Companies Act, 1956, relating to the business mentioned at Item No. 5-9 of the accompanying Notice dated 28/08/2010

Item No. 5

Mr. Trinadh Kiran Vemuri was appointed as Additional Director of the Company on 28/08/2010. As per the provisions of Section 260 of the Companies Act, 1956, the aforesaid Director holds office up to the date of forthcoming Annual General Meeting of the Company and is eligible for appointment as Director of the Company. The Company has received notice in writing under Section 257 of the Companies Act, 1956, in respect of the candidate, proposing his appointment as a Director of the Company, along with the requisite deposit.

Keeping in view the experience and expertise of the person, his appointment as Director of the Company is recommended.

None of the Directors, except Mr. Trinadh Kiran Vemuri, be deemed to be interested in the above resolution.

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Item no.6 – Issue of Securities upto Rs. 25 Crore

There has been constant increase in the Turnover of the Company for past 3 years. The Company proposes expand its operations and enter into new avenues like Manufacturing of Agro commodities in future for which it is planning to takeover a running manufacturing company or setting up our own agro commodities manufacturing unit . Also in order to increase exports we are planning to set up a wholly owned subsidiary (WOS)company abroad.. Thus in order to meet the fund requirements for said purposes, it is proposed to access external sources of funds. Accordingly, it is proposed to issue either equity shares, preference shares, debentures, bonds, warrants or other securities, including, but not limited to, Mandatorily Convertible Preference Shares (“MCPS”), Global Depository Receipts (“GDRs”) and / or American Depository Receipts (“ADRs”) and/or Foreign Currency Convertible Bonds (“FCCBs”), Non Convertible Debentures (“NCDs”) with or without attached share warrants and / or Partly Convertible Debentures (“PCDs”) and / or Optionally Convertible Debentures (“OCDs”) and / or Fully Convertible Debentures (“FCDs”) and/or bonds with attached share warrants, that are partly or fully, mandatorily or optionally, convertible into equity shares of the Company including but not limited to a combination of the foregoing in one or more tranches to the eligible investors including but not limited to qualified institutional buyers under the provisions of Chapter VIII of SEBI (Issue of Capital and Disclosure Requirements), Regulations 2009 (“SEBI Regulations”), such that the aggregate of the sums so raised by issuing equity shares, debentures, bonds and other securities, including premium, if any, shall not exceed Rs. 25 Crores(Rs.Twenty Five Crores only)

To the extent that any part of the above mentioned capital raising plan includes issue of equity shares or Mandatorily Convertible Preference Shares (“MCPS”) or securities linked to or convertible into equity shares of the Company, members’ approval is being sought. As per provisions of Section 81(1A) of

the Companies Act, 1956, the Board of Directors of the Company can issue and allot shares to any person other than existing members, provided that the members approve the same by way of a special resolution. The Listing Agreements executed by the Company with Bombay Stock Exchange Limited also provide that the Company shall, in the first instance, offer all securities for subscription on pro rata basis to the existing Shareholders unless the Shareholders in General Meeting decide otherwise. The equity shares, if any, allotted on issue, conversion of securities or exercise of warrants shall rank in all respects pari passu with the existing equity shares of the Company.

Further in case the Company decides to issue specified securities within the meaning of Chapter VIII of the SEBI Regulations to qualified institutional investors, it will be subject to the provisions of Chapter VIII of the SEBI Regulations as amended from time to time.

The aforesaid securities can be issued at a price after taking into consideration the pricing formula prescribed in Chapter VIII of SEBI Regulations.

In case of a qualified institutional placement of equity shares pursuant to Chapter VIII of the SEBI Regulations, the relevant date for the determination of the price of the equity shares, shall be the date of the meeting of the Board or any Committee thereof in which the decision to open the proposed issue is taken or such other time as may be allowed by SEBI Regulations from time to time and such price shall be subject to appropriate adjustments in accordance with the applicable SEBI Regulations.”

In the event that securities convertible into equity shares are issued under Chapter VIII of the SEBI Regulations, the relevant date for the purpose of pricing of the equity shares to be issued on conversion, shall be the date of the meeting of the Board or any Committee thereof in which the decision to open the proposed issue is taken or the date on which the holder(s) of securities which are convertible into or exchangeable with equity shares at a later date become(s) entitled to apply for the said shares or such other time as may be allowed by SEBI Regulations from time to time and such price shall be subject to appropriate adjustments in accordance with the applicable SEBI Regulations.

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The aforesaid issue, if made to qualified institutional buyers pursuant to Chapter VIII of the SEBI Regulations shall be subject to such terms and conditions as may be finalised by the Board keeping in view the SEBI Regulations, some of which are:

- a) The price for issue of securities determined as per SEBI formula shall be subject to appropriate adjustments in the following situations:
- issue of shares by way of capitalization of profits or reserves (other than by way of a dividend on shares);
 - issue of shares on rights basis;
 - consolidation of outstanding shares in small number of shares;
 - division of outstanding shares (including by way of stock split);
 - re-classification of any shares into other securities of the Company;
 - any other similar events or circumstances which in the opinion of Stock Exchange, require adjustments.
- b) In case of issue of a security which is convertible into or exchangeable with equity shares at a later date, the same may be converted/exchanged with equity shares at any time after the date of

allotment of the security as may be determined by the Board or any Committee and within the period prescribed under applicable laws.

- c) Allotment of securities issued pursuant to Chapter VIII of SEBI Regulations shall be completed within twelve months from the date of passing of the resolution under section 81(1A) of the Companies Act, 1956.

The Board considered the above matter in the board meeting dated 1/05/2010 & subsequently in the board meeting dated 28/08/2010. The proposed offer is in the interest of the Company and the Board recommends the Special Resolution for approval.

None of the Directors is concerned or interested in the above resolution.

Item No. 7

The Board of Directors of the Company are desirous of expending the business avenues of the Company and thus raise funds by way of issue of convertible warrants at an issue price of Rs. 60/- on preferential basis for cash consideration, in terms of SEBI (ICDR) Regulations, 2009 as in force on the date of this Notes, to the following persons belonging to the Promoter / Non Promoter category:

Name of Allottee	Category	No. of Warrants
M/s Andaz Merchantile Pvt. Ltd.	Promoter	27,50,000
Mr. Sanjay Agarwal	Non Promoter	7,50,000

The Warrants proposed to the allotted shall be convertible into such number of equity share of the face value of Rs. 10/- each, at such premium, as may be determined in terms of the Regulation 71(b) of the SEBI (ICDR) Regulations, 2009 which is 30 days prior to the intimation by the warrant holder to the Company for conversion of said warrants into equity shares, at the option of the allottee, within a period of 18 months from the allotment thereof, in one or more tranches.

The proposed allottees shall pay atleast 25%

of the warrant issue price on or before the due of allotment of warrants. The Company reserves the right to forfeit the amount paid at the time of allotment as per the provisions of SEBI Regulations in case of failure by the warrant holder to apply for and be allotted Equity shares of the Company by paying the balance subscription price after adjusting the upfront payment made before the expiry of the specified period of 18 months."

We give below the disclosures, which are required to be given in the Explanatory Statement to the Notice of the Annual General Meeting, in terms of

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Regulation 77(1) of the SEBI Regulations on preferential issues as in force on the date of this Notice:

1. OBJECTS OF THE ISSUE THROUGH PREFERENTIAL OFFER

There has been constant increase in the Turnover of the Company for past 3 years. The Company proposes expand its operations and enter into new avenues like Manufacturing of Agro commodities in future for which we are planning to takeover a running manufacturing company or setting up our own manufacturing unit . Also in order to increase exports we are planning to set up a wholly owned subsidiary (WOS)company abroad.. Thus for said purposes, it needs funds & to meet the fund requirements, the Company plans to augment its long term financial resources by the issuance of equity shares / equity linked securities/ or any other financial instruments to qualified institutional buyers.

2. PRICING

The pricing of the Warrants to be allotted on preferential basis shall not be lower than the price determined in accordance with the Chapter VII of SEBI (ICDR) Regulations, 2009.

SEBI (ICDR) Regulations, 2009 provides that the issue of shares on a preferential

basis can be made at a price not less than the higher of the following:

- The average of the weekly high and low of the closing prices of the shares quoted on the stock exchange during the six months preceding the relevant date; or
- The average of the weekly high and low of the closing prices of the shares quoted on a stock exchange during the two weeks preceding the relevant date.

The relevant date for the purpose of calculating the exercise price for allotment of Equity Share under Regulation 71(b) of the SEBI (ICDR) Regulations, 2009 shall be 30 days prior to the intimation by the warrant holder to the Company for conversion of said warrants into equity shares.

3. INTENTION OF THE PROMOTERS/ DIRECTORS TO SUBSCRIBE TO THIS OFFER

The promoters of the company are participating in the proposed preferential allotment to the extent of 27,50,000 Warrants.

4. RELEVANT DATE

Relevant date for the purpose of calculating the exercise price for allotment of Equity Share under Regulation 71 (B) of the SEBI (ICDR) Regulations, 2009 Shall be 30 days prior to the intimation by the warrant holder to the Company for conversion of said warrants into equity shares...

5. SHAREHOLDING PATTERN BEFORE AND AFTER THE OFFER

The information on shareholding pattern before and after the offer is as follows:

Sr. No.	Category	Pre Issue		Post Issue after allotment of Equity Share #	
		No. of Shares held	% of Share Holding	No. of Shares held	% of Share Holding
A	Promoters' holding :				
1	Indian :				
	Individual	16,44,348	54.81	16,44,348	25.30
	Bodies Corporate	NIL	NIL	27,50,000	42.30
	Sub Total (A)	16,44,348	54.81	43,94,348	67.60

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Sr. No.	Category	Pre Issue		Post Issue after allotment of Equity Share #	
		No. of Shares held	% of Share Holding	No. of Shares held	% of Share Holding
2.	Foreign Promoters	NIL	NIL	NIL	NIL
	Sub Total (A)	16,44,348	54.81	43,94,348	67.60
B.	Non-Promoters' holding				
1.	Institutional Investors	NIL	NIL	NIL	NIL
2.	Non-Institution :				
	Private Corporate Bodies	7,61,413	25.38	7,61,413	11.71
	Directors & Relatives	76,605	2.55	76,605	1.18
	Indian Public	4,95,192	16.51	4,95,192	7.62
	Clearing Members	3,065	0.10	3,065	0.05
	NRI	3,869	0.13	7,53,869	11.60
	HUF	15,578	0.52	15,578	0.24
	Sub total (B)	13,55,722	45.19	21,05,722	32.40
	GRAND TOTAL	30,00,070	100.00	65,00,070	100.00

Note: Post Shareholding pattern has been prepared on the assumption that the warrants shall be convertible into equivalent number of equity shares and the entire warrants shall be converted into equity shares. This may, however, vary depending upon any other corporate action in between and the Conversion price, as may be determined at the time of exercise of option to convert the warrants into equity shares.

6. CONSEQUENTIAL CHANGES IN THE VOTING RIGHTS

Voting rights will change in tandem with the shareholding pattern.

7. PROPOSED TIME WITHIN WHICH ALLOTMENT SHALL BE COMPLETE

The Board proposes to allot the Warrants convertible into equity shares within a

period of 15 days from the date of passing of the resolution provided that where this allotment on preferential basis is pending on account of pendency of any approval of such allotment by any regulatory authority or the Central Government, the allotment shall be completed within 15 days from the date of such approval.

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8. 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 Allottee	Category	Pre-Issue Shareholding		Number of Warrants Equity Shares Proposed to be allotted	Post Issue shareholding After allotment of Equity Shares	
			No. of Shares	%		No. of Shares	%
1.	M/s Andaz Merchantile Pvt. Ltd.	Promoter	NIL	NIL	27,50,000	27,50,000	42.30
2.	Mr. Sanjay Agarwal	Non Promoter	NIL	NIL	7,50,000	7,50,000	11.54

Note: Post Shareholding pattern has been prepared on the assumption that the warrants shall be convertible into equivalent number of equity shares and the entire warrants shall be converted into equity shares. This may, however, vary depending upon any other corporate action in between and the Conversion price, as may be determined at the time of exercise of option to convert the warrants into equity shares.

1. Lock-in:

The warrants/ the Equity Shares to be allotted on conversion shall be under lock in, as per the applicable provisions as per SEBI (ICDR) Regulations.

The promoter further undertakes that the entire pre-preferential share holding, if any, shall be locked in from the relevant date upto a period of 6 months from the date of preferential allotment

In terms of provisions of the Companies Act, 1956, consent of the members is sought under Section 81(1A) of the Companies Act, 1956, for the offer, issue and allotment of the said securities, as detailed in the resolution. The Board may be authorized to issue the Warrants, in accordance with the terms of offer, as detailed in the resolution.

The Board considered the above matter in the board meeting dated 1/05/2010 & subsequently in the board meeting dated 28/08/2010 & recommend the passing of the said resolution as a Special Resolution.
2. Change in Management:

Due to this preferential allotment there will be no change in management of the company.

The Directors are interested in the said resolution only to the extent of shares allotted to them or to constituents of Promoter group including their relatives.
3. Undertakings

In terms of SEBI (ICDR) Regulations, 2009 issuer hereby undertakes that :

 - a) It shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.
 - b) if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked- in till the time such amount is paid by the allottees.

Item No 8.

The foreign institutional investors (FIIs) have assumed a crucial role in the Indian capital market. It is proposed to facilitate greater FII investment in the Company, which would not only provide depth and liquidity to the Company's shares but will also reflect the Company's commitment to the highest standards of disclosures, transparency, and corporate governance, its operational efficiencies, global competitiveness, and proven management track record, which are the preferred investment qualifications for FIIs.

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Foreign Institutional Investors (FIIs) may invest in the equity shares / convertible debentures up to the sectoral cap statutory limit as applicable to the Indian companies, subject to the approval of the Board of Directors and approval of Members of the Company by way of a special resolution.

The Board of Directors of the Company at its meeting held on 1/05/2010 & subsequently in the board meeting held on 28/08/2010, interalia proposed subject to the approval of shareholders by way of special resolution, to allow the said FIIs investment limit up to sectoral caps as may be prescribed from time to time

The Board of Directors accordingly recommend the resolution set out at Item No. 8 of the accompanying notice for the approval of the Members.

None of the Directors of the Company are, in any way, concerned or interested in the said resolution.

Item No 9.

Taking in to consideration the increased role of Directors in emerging competitive environment, the active participation &

added responsibility of Mrs. A. Agarwal, Wholetime Director of the Company at various board and committee meetings, her invaluable contribution in planning / promotion for expansion & diversification of business activities etc., it is appropriate that she should be compensated and therefore it is proposed to increase her remuneration exceeding the limits laid down under the provisions of Section 309 of the Companies Act, computed in the manner specified in the Act.

Maximum Remuneration shall be Rs. 2,00,000/- (Rs. Two lacs per month) / Rs.24,00,000/- per annum (Rs. Twenty Four Lacs per annum)

Remuneration shall be paid subject to the agreement between Board of Directors acting on behalf of the company & WTD on terms & conditions approved by Central Govt & acceptable to WTD & Board of Directors acting on behalf of Company.

Mrs A. Agarwal, Whole Time Director of the Company may be deemed to be concerned or interested in this resolution to the extent of remuneration that may be received by her.

The above resolution is recommended for your approval.

By the order of the Board

Place: New Delhi

Dated: 28/08/2010

By the order of the Board
For Financial Eyes (India) Ltd.

Sd/-

Shikha Sharma
Company Secretary

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DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their Sixteenth Annual Report together with the Audited Statement of Accounts for the period ended as at 30/06/2010. Financial Year of the company extended up to 30/06/2010 in the Board Meeting dated 29/03/2010. Financial Statements have been prepared for a period of Fifteen Months started from 1/04/2009 and ended on 30/06/2010.

FINANCIAL RESULTS

Rs. in '000

	Financial Year 2009-10 (15 months)	Financial Year 2008-09 (12 months)
Total Income	3901086	2356277
Profit before Depreciation & Tax	61332	37576
Less: Depreciation	6495	2409
Profit before Tax	54835	35167
Less: Provision for Tax	19136	14170
Profit after Tax	35699	20997
Appropriation transferred to RBI Fund (RBI Act)	-	-
Profit(Loss) carried forward	35699	20997

DIVIDEND

Your Directors have decided not to recommend any dividend for the year.

FIXED DEPOSITS

During the year under review, your Company has not accepted any deposits from the public in terms of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975 and rules amended thereafter.

PREFERENTIAL ALLOTMENT

The Board of Directors of the Company at its meeting held on 1/05/2010 & subsequently held on 28/08/2010 decided to allot 27,50,000 Fully Convertible Warrants convertible into equal number of Equity Shares to Promoters at such price as may be determined as per SEBI (ICDR)

Regulations 2009 subject to the approval of shareholders at the forthcoming AGM.

Amount received from Andaz Merchantile Pvt . Ltd which is a promoter's entity towards share Application money received is shown in the books pending approval of shareholders in the Forthcoming Annual General Meeting.

It was also decided in the said board meetings to raise additional funds by issue of upto 50,00,000 Equity Shares/ other securities by way of Qualified Institutional Placements (QIPs), at such price and other terms and conditions, as per the applicable Rules and Regulations subject to the receipt of the shareholders approval at the forthcoming AGM.

Both the matters form part of the notice of ensuing Annual General meeting for obtaining shareholders approval.

DIRECTORS

Mrs. A. Agarwal and Mr. Mukesh Jain are director

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retiring by rotation at the ensuing Annual General Meeting & being eligible offer themselves for reappointment. Brief resume of the director retiring by rotation, his expertise in specific functional areas and directorship(s) in public companies or membership(s) of any committee in public companies as stipulated under clause-49 of listing agreements are given in the section of corporate governance report as an annexure.

The Board of Directors, at its meeting held on 28/08/2010 appointed Mr. Trinadh Kiran Vemuri as Additional Director & he will hold office as Additional Director till the date of forthcoming Annual General Meeting.

The Company has received Notice under Section 257 of the Companies Act, 1956 and accordingly the Resolution proposing the appointment of Mr. Trinadh Kiran Vemuri shall be placed before the Shareholders for their approval at the ensuing Annual General Meeting.

Mr. Mukund sharan resigned from Directorship in the board meeting dated 1/09/2009 & Mr. Ravi Joshi was appointed as additional Director in same board meeting. Mr. Ravi Joshi was confirmed as director in the previous AGM held on 30/09/2009.

CORPORATE GOVERNANCE

The Report on Corporate Governance along with the Certificate from the Statutory Auditors certifying the compliance of Corporate Governance enumerated in Clause 49 of Listing Agreement with the Stock Exchange is included in the Annual Report.

STATUS OF LISTING

The Company's shares are listed at The Stock Exchange, Mumbai. The Company has paid the listing fees to the Stock Exchange, Mumbai for the year 2009-10.

DIRECTOR'S RESPONSIBILITY STATEMENT

The Board of Directors of your Company state:

- (i) that in the presentation of the annual accounts, the applicable accounting

standards have been followed.

- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments that are 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 of the company for the year.
- (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, 1956, safeguarding the assets of the Company and for preventing fraud and other irregularities.
- (iv) that the Directors have prepared the annual accounts on a going concern basis.

SUBSIDIARY COMPANIES

There is no subsidiary of Financial Eyes (India) Ltd. Hence, no Consolidated Accounts form part of Sixteenth Annual Report.

AUDITORS

M/s. Nangia & Co., Chartered Accountants, Auditors of the Company retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. As required under section 224 of the Companies Act 1956 the company has obtained from them a confirmation to the effect that their appointment, if made, would be in conformity with the limits prescribed in the said section. The Board of Directors recommends their re-appointment as auditors.

In the Audit Report of the Financial Year 2009-10, Auditors have mentioned the dues of service tax for the financial Year 2008-09 amounting Rs. 906,092/- not paid till date. It is explained that unpaid dues have not been paid because there are pending refunds of larger amount with the same authority & it has been requested to adjust the same.

CONSERVATION OF ENERGY, TECHNOLOGY, & FOREIGN EXCHANGE

Since the company is not involved in any

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manufacturing activity, the particulars regarding conservation of energy and technology absorption are not provided.

Particulars of foreign currency earning and outgo during the year are given in schedule 15 the Significant Accounting Policies & Notes to Accounts.

PARTICULARS OF EMPLOYEES

Relations between the employees and the management remained cordial during the year under review. Your Directors hereby place on record their appreciation for the efficient services rendered by the employees of the Company.

None of the employees was in receipt of remuneration more than the limit prescribed

under Section- 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended.

ACKNOWLEDGEMENT

Your Directors take on record their sincere appreciation to the contributions made by the employees through their hard work, dedication, competence, support and co-operation towards the success of your Company. Your Directors wish to place on record their deep appreciation and gratitude for the cooperation and assistance extended to your company by banks, government agencies, investors and business associates. Your directors are thankful to the members and investors for their whole hearted and continuous support and for being a source of strength for the company.

Date: 28/08/2010

Place: New Delhi

By Order of the Board

For Financial Eyes (India) Ltd.

sd/-

**Mukesh Jain
(Director)**

sd/-

**Ravi Joshi
(Director)**

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

The domino effect of the global recessionary trends which was triggered in the Financial Year 2008-2009, was felt well impacted in its full landslide form into Financial Year 2009-2010 and the gaps created in the fall in exports had a major trundling effect.

How so ever, were the conditions ,only the fittest with the adaptability can survive with the inherent desire of survival ,hence, inspite of the growing downward trends in international market, we strove to survive, and survived we did, with the change in focus from concentration on exports to imports and internal markets through strategic shift from dealing in product mix and alliances.

The Financial Year 2009-2010 had a significant rise in its gross turn over from Rs 39011/- Lacs as compared to Rs 23563/- Lacs of Financial Year 2008-2009, i.e a growth of more than 50% in the overall ,meaning thereby the significant shift in the management style, focus and pradagim we saw ourselves dealing successfully in internal(domestic) physical trading of agri commodities, import of PVC based products, and imports of sugar.

The shift in our operations, could only be attributed, to the visionary capability of our top management and core competence of our extremely well coordinated team work of our workforce. The adaptability to change, the vision to survive and the will to struggle ,has really pulled us out from going into the dismal spiral downtrend, and truly we have proved the age old adage that only the fittest can survive.

With this renewed vitality we look forward to forge ahead no matter what future

hindrances or dark economic clouds may have in the offing, with the sheer faith in saying:"never say die".

OPPORTUNITIES AND THREATS

Company has been trying to establish itself globally as supplier of quality products & striving hard to achieve International Standards for the same. Also in view of the competitive scenario, company has taken various steps to meet challenges & to capitalize on budding opportunities available.

Company's overall strategy is to enhance shareholders' value by receiving better returns through long term investments.

The company is fully aware of the factors dictating competition & therefore to exist in the Competitive market & to improve the value of its Shareholders, Company is consistently considering all the significant factors, which provide sharp edges that enable the company to enhance the margin.

OUTLOOK

As significant part of company's earning is realized from exports, outlook depends upon the global economic scenario , global demand & supply and international product prices.Above all, the performance of your company largely depends on the Foreign trade policy of the Union Government.

RISKS AND CONCERNS

Although your company does not perceive any serious threat, still company is taking care against risk of growing pressures of prices, Foreign Exchange Rates variation, current & future litigation, Working Capital Management, bad debts etc.

As a overall risk management strategy, company follows such practices & policies to counter the risk in advance.

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INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has in place adequate systems of internal control commensurate with its size and nature of its business. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies.

The Company has an Audit Committee, details of which have been provided in the Corporate Governance Report. The Committee meets the Company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems in the Company and keeps the

Board of Directors informed of its major observations from time to time.

CAUTIONARY STATEMENT

Certain statements made in the "Management Discussion and Analysis Report" describing the company's objectives estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such estimates and projections etc, whether expressed or implied. Several factors could make a significant difference to the Company's operations. These include economic conditions, Government regulations and Tax Laws, Political situation, natural calamities etc. over which the Company does not have any direct control.

Date: 28/08/2010

Place: New Delhi

By Order of the Board

For Financial Eyes (India) Ltd.

sd/-

**Mukesh Jain
(Director)**

sd/-

**Ravi Joshi
(Director)**

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COPORATE GOVERNANCE REPORT

COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

The Company firmly believes that good corporate governance practices should be enshrined in all activities of the Company to ensure efficient conduct of the affairs of the Company while upholding the core values of transparency, honesty & accountability. This would help the Company in its goal to maximize value for its entire Stakeholders

The Company's activities are carried out in accordance with good corporate governance practices and company is constantly striving to improve them and adopt best practices.

The Company is in compliance with the requirements of revised guidelines on Corporate Governance stipulated in Clause 49 of the Listing Agreements with the Stock Exchanges.

BOARD OF DIRECTORS

(A) COMPOSITION

The Board of Directors of the Company consists of persons with professional expertise. The Board consists of Five directors and three among them are non-executive directors and independent directors. Accordingly, the composition of the Board is in conformity with the requirements of the Listing Agreement.

Name and designation of director	Position	No.of other directorship	Committee Membership (in other Companies Member/ Chairman)
Mrs.A. Agarwal			
Whole Time Director	Whole time Director	2	---
Mr. Mukesh Jain			
Director	Non-Executive/ Independent	1	---
Mr. Vishal Bakshi			
Director	Non-Executive/ Independent	None	---
Mr. Ashish Todi			
Director	Non-Executive/ Independent	2	---
Mr. Ravi Joshi			
Director	Non-Executive	None	---
Mr. Trinadh Kiran Vimuri			
Additional Director	Non-Executive	None	---

Note: Mr. Trinadh Kiran Vemuri was appointed as an Additional Director in the Board meeting dated 28/08/2010. Details mentioned in the Directors' Report under the head Directors.

(B) DIRECTOR'S INTEREST IN THE COMPANY AND ATTENDANCE RECORDS

Director	No. of Board Meeting held	Attended	Last AGM Attended	No. of equity shares held
Mrs. A. Agarwal	9	8	Yes	16,44,348
Mr. Mukesh Jain	9	9	Yes	49,600
Mr. Vishal Bakshi	9	8	Yes	21,822
Mr. Ashish Todi	9	5	No
Mr. Ravi Joshi (appointed w.e.f 1/09/2009)	5	5	Yes
Mr. Mukund Sharan (Resigned w.e.f 1/09/2009)	4	4	Not applicable

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Note: During the year Nine Board Meetings were held on 30/05/2009, 30/06/2009, 31/07/2009,01/09/2009,31/10/2009, 30/01/2010, 29/03/2010,1/05/2010, 7/05/2010.

Note: Mr. Trinadh Kiran Vemuri was appointed as an Additional Director in the Board meeting dated 28/08/2010. Details mentioned in the Directors' Report under the head Directors.

BOARD COMMITTEES

The Board currently has 3 Committees: the Audit Committee, the Share Transfer Committee and the Shareholder's/ Investor's Grievance Committee. The Board is responsible for constituting,

assigning and co-opting the Members of the various Committees.

(A) AUDIT COMMITTEE

The Company has the Audit Committee constituted in accordance with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

The Audit Committee comprises of three Directors and two of them are Non Executive and independent Directors.

The Audit Committee met five times during financial year 2009-10 on 30/06/2009, 31/07/2009, 31/10/2009, 30/01/2010,7/05/2010.

The composition of Audit Committee and attendance at committee meetings are as follows:

Name of Member	Status	No. of meetings held	No. of meetings attended
Mr. Mukesh Jain	Chairman	5	5
Mr. Vishal Bakshi	Member	5	4
Mr.Ravi Joshi (appointed w.e.f 1/09/2009)	Member	3	3
Mr.Mukund Sharan (resinedwef 1/09/2009)	Member	2	2

Minutes of the Audit Committee Meetings are circulated to the members of the Board and taken note of.

The Audit Committee is to oversee the company's financial reporting process and disclosure of its financial information, to recommend the appointment of Statutory Auditors and fixation of their fees, to review and discuss with the Auditors about internal control system, the scope of Audit including the observations of the Auditors on adequacy of the internal audit system, major accounting policies

and practices, compliances with accounting standards and Listing Agreement entered into with the Stock Exchange and other legal requirements concerning financial statements, to review the Company's financial and risk management policies and to review the Quarterly, Half yearly and Annual financial statements etc. before submission to the Board of Directors.

(B)SHARE TRANSFER COMMITTEE

The Share Transfer Committee comprises of two Directors and all of them are Non Executive Directors.

The composition of Transfer Committee and attendance at committee meetings are as follows:

Name of Member	Status
Mr. Vishal Bakshi	Chairman
Mr.Ravi Joshi (appointed w.e.f 1/09/2009)	Member
Mr.Mukund Sharan (resinedwef 1/09/2009)	Member

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(C) SHAREHOLDER'S/ INVESTOR GRIEVANCE COMMITTEE

The Committee was constituted pursuant to Clause 49 of Listing Agreement to oversee redressal of shareholder's grievances expeditiously.

The Shareholders Grievance Committee comprises of following director as members. Two of them are non executive and Independent.

Name of Member	Status
Mr. Mukesh Jain	Director
Mr. Mukund Sharan (resigned w.e.f 1/09/2009)	Director
Mr. Vishal Bakshi	Director
Mr. Ravi Joshi (appointed w.e.f 1/09/2009)	Director

Notes:

1. Ms Shikha Sharma, Company Secretary of the company shall act as a secretary to the board committees.
2. As on date all request involving transfer of shares have been processed and no transfer is pending. In order to expedite the process of share transfer, the Board of Directors has delegated the powers for transfer of shares to the Registrar & transfer Agents, M/s. Link Intime (India) Pvt. Ltd. The shares transfer which are received in the physical form are processed and share certificates returned within a reasonable time subject to the documents being valid and complete in all respects.
3. No investor grievances are pending for a period exceeding one month against the Company.

GENERAL BODY MEETINGS

Details of Annual General Meetings held during the last three years.

	Year	Date	Time	Venue
Annual General Meeting	2008-09	30.09.2009	9.00 A.M.	Hotel Royal Castle Grand , C-616,Chittaranjan Park Greater Kailash - I, New Delhi-110019
Annual General Meeting	2007-08	30.9.2008	9.30 A.M.	Hotel Royal Castle Grand , C-616,Chittaranjan Park Greater Kailash - I, New Delhi - 110019
Annual General Meeting	2006-07	29.9.2007	9.30 A.M.	Hotel Rani Castle , C -10, Greater Kailash - I, New Delhi - 110048

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DISCLOSURES

1. During the year, there were no transactions of material nature with the directors or management or their subsidiaries or relatives etc. that had potential conflict with the interest of the Company.
2. There were no instances of non-compliance on any matter related to the capital markets during the last three years.

MEANS OF COMMUNICATION

1. Quarterly results and statutory notices were published in daily newspapers like Financial Express & Jansatta/ Pioneer & Hari Bhoomi /Business Standard as required.
2. Shareholding pattern and the Quarterly results are sent on quarterly basis to the stock exchanges, where the Company's securities are listed.
3. Management discussion and analysis for the year ended on 30th June 2010 forms part of this annual report.

GENERAL SHAREHOLDER'S INFORMATION

Annual General Meeting:

Date, Day : 30th September 2010, Thursday
Time : 9:00 A.M.
Venue : Hotel Royal Casle Grand,
D-616, Chittaranjan Park, New Delhi-110019

Financial Calendar:

Year ending : 1st April to 30th June of succeeding year.
Date of Book Closure : 21st September to 30th September 2010
(Both days inclusive).
Listing on Stock Exchange : The Stock Exchange, Mumbai.
Annual Listing fee as applicable is paid every year.
Stock Code : Trading in BSE & Stock code is 530863

Market Price of equity share (Data for the year 2009-2010)

2009-2010	High	Low
April - 2009	28.80	25.50
May - 2009	25.45	21.30
June - 2009	43.00	26.70
July - 2009	59.80	34.45
August - 2009	51.95	44.75
September - 2009	52.35	44.70
October - 2009	52.85	37.60
November - 2009	40.50	33.00
December- 2009	45.50	32.50
January - 2010	45.55	35.95
February - 2010	50.90	36.55
March - 2010	45.85	37.75
April - 2010	45.95	36.15
May - 2010	41.50	36.00
June - 2010	60.40	37.55

FinancialEyes(India)Limited

Share Transfer System:

The Company's shares are being traded in dematerialized form. In order to expedite transfer in physical segment. M/s. Link Intime (India) Pvt Ltd., is the Common Registrar and Share Transfer Agent. The shares transfer which are received in the physical form are processed and share certificates returned with in a reasonable time subject to the documents being valid and complete in all respects

(a) Distribution of Shareholding as on 30/06/2010

Shareholding of Nominal value Rs.	No. of Shareholders	% of Total	No. of Shares	Amount in Rs.	% to Total
0001- 2500	468	63.243	34275	342750	1.142
2501-5000	114	15.405	46567	465670	1.552
5001-10000	55	7.432	46882	468820	1.563
10001-20000	29	3.919	42868	428680	1.429
20001-30000	19	2.568	48456	484560	1.615
30001-40000	6	0.811	20387	203870	0.680
40001-50000	7	0.946	32111	321110	1.070
50001-100000	15	2.027	120402	1204020	4.013
100001-Above	27	3.649	2608122	26081220	86.935
Total	740	100.000	3000070	30000700	100.000

(b) Categories of Shareholders as on 30/06/2010

Category	Total number of share	% share holding
Promoters	1644348	54.81
Bodies Corporate	761413	25.38
Individuals	495192	16.51
Directors & their Relatives	76605	2.55
Non Resident Indians	3869	0.13
Clearing Members	3065	0.10
Hindu Undivided Family	15578	0.52
TOTAL (A)+(B)	3000070	100.00

FinancialEyes(India)Limited

Dematerialisation of Shares and Liquidity

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of NSDL (National Securities Depository System Ltd.) and CDSL (Central Depository Services (India) Ltd.).

As on 30/06/2010, 28,84,198 Equity shares being 96.14% of equity capital of the Company were held in dematerialized form and remaining rest i.e. 1,15,872 equity shares (3.86% of the total equity capital) were held in physical form.

Address For Investor's Correspondence:

For Demat and Physical Shares
Link Intime(India) Pvt. Ltd.,
A-40, 2nd Floor, Near Batra Banquet Hall
Naraina Industrial Area, Phase - I,
New Delhi - 110 028
Telephone: 011-41410592-93-94
Fax No. : 011-41410591
Email Id : delhi@linkintime.co.in

* Mail ID for investor's complaints, queries and grievances is cs@feindia.net

Date: 28/08/2010
Place: New Delhi

By Order of the Board
For Financial Eyes (India) Ltd.

sd/-
Mukesh Jain
(Director)

sd/-
Ravi Joshi
(Director)

FinancialEyes(India)Limited

ANNEXURE

Details of Directors seeking Appointment at the Annual General Meeting

Particulars	Mr. A. Agarwal
Date of Birth & Age	28/04/1974-36 yrs
Date of Appointment as a Director	29/09/2007
Qualifications	B.Com
Expertise in specific functional area	She has vast experience in trading of commodities
Directorship held in other Public Companies (excluding foreign and private companies)	NONE
Memberships/Chairmanships of committees in public companies	NONE

Details of Directors seeking Appointment at the Annual General Meeting

Particulars Date of Birth & Age Date of Appointment as an Additional Director	Mr. Trinadh Kiran Vemuri 14/08/1977 (34 years) 28/08/2010
Qualifications Expertise in specific functional area	BA Hons (MBA) 10 years experience in capital market spanning over different companies
Directorship held in other Public Companies (excluding foreign and private companies)	NONE
Memberships/Chairmanships of committees in public companies	NONE

Details of Directors seeking Appointment at the Annual General Meeting

Particulars Date of Birth & Age Date of Appointment as Director	Mr. Mukesh Jain 16/05/1969 (41 years) 29/09/2006
Qualifications	B. Com
Expertise in specific functional area	He has vast experience in trading of commodities
Directorship held in other Public Companies (excluding foreign and private companies)	NONE
Memberships/Chairmanships of committees in public companies	NONE

FinancialEyes(India)Limited

CERTIFICATE

To,
The Members
Financial Eyes (India) Limited
F-58/1,Okhla Industrial Area-1
New Delhi-110020

Sir,

We have examined the compliance of conditions of Corporate Governance by Financial Eyes (India) Limited, for the year ended on 30/06/2010, 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 implementations thereof adopted by the Company for ensuring compliance with the conditions of the Certificate of 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 and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the guidance Note issue by the Institute of Chartered Accountants of India, we state that the Shareholders Investors Grievance Committee has maintained records to show the investors grievance and certify that as at 30th June 2010 there were no investor grievance 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.

Place: New Delhi

Date: 28/08/2010

For Nangia & Company

sd/-

Rakesh Nangia

Chartered Accountants

FCA,Partner

FinancialEyes(India)Limited

Certification by Managing Director/Wholetime Director and Chief Financial Officer to the Board

We, A. Agarwal , Whole Time Director and P. Chowdhary , Chief Financial Officer of the Company, Financial Eyes (India) Limited, certify that:

1. We have reviewed the financial statements for the year and that to the best of knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
 - b) These statements present a true and fair view of state of affairs of the Company and of the results of operations and cash flows. The Financial Statements have been prepared in conformity , in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
2. There are , to the best of our knowledge and belief, no transactions entered in to by the Company during the year which are fraudulent, illegal or violative of Company's code of conduct.
3. We accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting which encompasses the examination and evaluation of adequacy and effectiveness. Internal audit works with all levels of management and statutory auditors, and reports significant issues to Audit committee of the Board. The Auditors and Audit Committee are appraised of any corrective action taken with regard to significant deficiencies and material weaknesses.
4. We indicate to the auditors and Audit Committee :
 - a) significant changes in internal control over financial reporting during the year;
 - b) significant changes in acoounting policies during the year.
 - c) instances of significant fraud of which we have become aware of which involve management or other employees who have significant role in Company's internal control system over financial reporting.

However , during the year there were no such changes or instances.

Date: 28/08/2010
Place: New Delhi

sd/-
A. Agarwal
Whole time Director

sd/-
P. Chowdhary
Chief Financial Officer

FinancialEyes(India)Limited

Auditor Report

To The Members of Financial Eyes (India) Limited, New Delhi.

1. We have audited the attached Balance Sheet of Financial Eyes (India) Limited, New Delhi as at June 30, 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.
 - (b) 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 the 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 requirements of Accounting Standards referred to in sub-section (3C) of Section 211 of the Act, to the extent applicable.
 - (e) On the basis of written representations received from the Directors of the Company and taken on record by the Board of Directors, none of the Directors is disqualified as on June 30, 2010 from being appointed as a Director of the Company in terms of clause (g) of sub-section (1) of Section 274 of the Act.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with 'Significant Accounting Policies & Notes to Accounts' in Schedule '15', give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i). in the case of the Balance Sheet, of the state of affairs of the Company as at June 30, 2010;
 - (ii). in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - (iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.
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 by management, as well as evaluating the overall financial presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) (Amendment) Order, 2004, issued by the Central Government in terms of sub-section 4A of section 227 of the Companies Act, 1956, (hereinafter referred to as the 'Act') we give in an annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order, to the extent applicable.
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;

FinancialEyes(India)Limited

- (ii). In the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
- (iii). In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Sd/-
Rakesh Nangia
Partner

For & on behalf of
Nangia & Company
Chartered Accountants

Signed at New Delhi on 28th Aug., 2010



FinancialEyes(India)Limited

To The Members of Financial Eyes (India) Limited, New Delhi.

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON JUNE 30, 2010

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

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) As explained to us, all the fixed assets have been physically verified by the management according to a regular program of verification which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies between book records and the physical inventory have been noticed on such verification.
(c) In our opinion and according to the information and explanations given to us, the Company has not been disposed off any assets during the year.
2. (a) As explained to us, the inventory of the Company has been physically verified by the management at regular intervals during the year. In our opinion, the frequency of verification is reasonable.
(b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of the inventory followed by the management is reasonable and adequate in relation to the nature and size of the company and the nature of its business.
(c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. Discrepancies noticed on verification of inventory as compared to book records were not material and these have been properly dealt with in the books of accounts.
3. (a) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956, hence the provisions of Clause 4(iii) (a); (b); (c) and (d) of the Companies (Auditors' Report) (Amendment) Order, 2004 are not applicable.
(b) In our opinion and according to the information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956, hence the provisions of Clause 4(iii) (e) and (f) of the Companies (Auditors' Report) (Amendment) Order, 2004 are not applicable.
4. 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 for purchase and sale of fixed assets. Further, on the basis of our examination and according to the explanations given to us, we have neither come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control system of the Company.
5. (a) All the transactions which are required to be entered in register maintained in pursuance of section 301 of the Companies Act, 1956 have been duly entered.
(b) All the transactions have been made at a price which is reasonable having regard to the nature of transaction and prevailing market price at the time of transaction.
6. In our opinion and according to information given to us, the Company has not accepted deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and rules framed there under.
7. In our opinion, the Company has an internal audit system, which is commensurate

- with the size and nature of its business.
8. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956, for any of the products manufactured by the Company.
9. (a) In our opinion and according to the information and explanations given to us and according to the books and records as produced and examined by us, the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Em-

ployees' State Insurance, Income-Tax, Wealth Tax, Service Tax, Cess and any other statutory dues as applicable with the appropriate authorities.

(b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Wealth Tax, Service Tax, Cess and any other statutory dues as applicable, outstanding as at the last day of the financial year concerned for a period of more than six months from the date they became payable except for the following –

Name of Statute	Nature of Dues	Amount	Period to which the amount related	Due date	Date of payment
Finance Act	Service Tax in terms of Section 66A of the Act	906,092	FY 2008-09	31/03/09	Not Paid till date
Wealth Tax Act	Wealth Tax	134,373	FY 2008-09	30/09/09	Paid on August 28,2010

- (c) According to the records of the Company, there are no dues of Provident Fund, Employees' State Insurance, Income-tax, Service Tax, Cess and any other statutory dues as applicable to it, which have not been deposited on account of any dispute.
10. The Company does not have accumulated losses more than fifty percent of its net worth. The company has not incurred cash losses in the current financial year and immediately preceding previous financial year.
11. Based on our audit procedures and according to the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of its dues of any financial institution or bank during the year.
12. Not applicable, as the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
14. (xi) Based on our examination of the records and documents of the Company, and according to the information and explanation given to us, we are of the opinion that the Company is not dealing or trading in shares, securities, debentures and other investments, and therefore Clause 4 (xiv) of the Companies (Auditors' Report) (Amendment) Order, 2004 is not applicable.
15. Based on our examination of the records of the Company and according to the information

FinancialEyes(India)Limited

- and explanation given to us, we are of the opinion that the Company has not given guarantee for loans taken by others from banks or financial institutions.
16. The Company has not obtained any term loans that were not applied for the purposes for which these were raised.
 17. Based on the information and according to the information and explanations given to us and on an overall examination of the balance sheet of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment or vice versa.
 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.
 19. The Company has not issued any debentures during the year.
 20. The Company has not raised any money by public issue during the year.
 21. Based upon audit procedures performed and information and explanations given by the management of the Company, we report no fraud on or by the Company has been noticed or reported during the course of our audit.

Sd/-
Rakesh Nangia
Partner

For & on behalf of
Nangia & Company
Chartered Accountants
Firm Registration # 002391C

Signed at New Delhi on 28th August, 2010

FinancialEyes(India)Limited

Balance Sheet As At June 30, 2010

PARTICULARS	SCH NO.	As at June 30, 2010 Amount (Rs.)	As at March 31, 2009 Amount (Rs.)
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	30,000,700	30,000,700
Reserves & Surplus	2	109,865,881	74,165,973
Share Application Money		137,500,000	-
		277,366,581	104,166,673
LOAN FUNDS			
Secured Loans	3	495,454,049	200,727,084
Unsecured Loans		50,000,000	50,000,000
		545,454,049	250,727,084
DEFERRED TAX LIABILITY			
Net		50,600	566,143
		822,871,230	355,459,900
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	4	45,897,750	27,603,469
Less : Accumulated Depreciation		9,174,519	2,678,584
Net Block		36,723,231	24,924,885
INVESTMENTS			
	5	2,580,898	4,080,898
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	6	264,763,550	115,439,549
Sundry Debtors		685,755,880	587,750,768
Cash and Bank Balances		248,961,541	69,281,743
Loans and Advances		134,169,403	55,519,542
		1,333,650,374	827,991,602
Less: CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	7	530,631,981	488,453,447
Provisions		19,451,292	13,084,038
		550,083,273	501,537,485
NET CURRENT ASSETS			
		783,567,101	326,454,117
		822,871,230	355,459,900
Significant Accounting Policies and Notes to the Accounts			
Schedule 1 to 15 form an integral part of Accounts.			
Auditors' Report			
As per our report of even date attached			
FOR NANGIA AND Co.		For and on behalf of the Board of Directors	
CHARTERED ACCOUNTANTS			
Sd/-	Sd/-	Sd/-	Sd/-
(RAKESH NANGIA)	SHIKHA SHARMA	RAVI JOSHI	MUKESH JAIN
FCA, PARTNER, Membership # 070776	(COMPANY SECRETARY)	(DIRECTOR)	(DIRECTOR)
Signed at New Delhi on August 28, 2010			

FinancialEyes(India)Limited

Profit and Loss account for the period ended on June 30, 2010

PARTICULARS	SCH No	For the Year ended on June 30 2010 Amount (Rs.)	For the Year ended on March 31, 2009 Amount (Rs.)
INCOME			
Sales		3,731,154,713	2,462,564,062
Export Incentives	8	2,553,024	42,267,641
Other Income	8	18,055,019	1,588,409
Accretion / (Decretion) in Inventory	9	149,324,001	(150,143,199)
		3,901,086,757	2,356,276,914
EXPENDITURE			
Purchases		3,710,096,667	2,122,270,385
Personnel Expenses	10	5,960,839	4,838,673
Direct Expenses	11	9,393,461	3,184,608
Administrative Expenses	12	22,200,747	18,271,099
Selling & Distribution Expenses	13	25,839,552	136,065,532
Financial Expenses	14	66,263,610	29,054,841
Exchange Loss		-	5,015,623
Depreciation	4	6,495,934	2,408,515
		3,846,250,810	2,321,109,276
PROFIT BEFORE TAX		54,835,947	35,167,638
TAX EXPENSE			
Prior Period Tax Adjustment		719,376	631,680
Provision for Income tax		18,720,872	12,301,291
Provision for Wealth Tax		211,334	134,373
Fringe Benefits Tax		-	406,674
Deferred tax for the year		(515,543)	696,023
Net		19,136,039	14,170,041
PROFIT CARRIED FORWARD TO THE BALANCE SHEET		35,699,908	20,997,597
Earnings Per Share (Re. per equity share of ' 10/- each)			
-Basic		11.90	7.00
-Diluted		11.90	7.00
Number of Shares used in computing earnings per share			
-Basic		3,000,070	3,000,070
-Diluted		3,000,070	3,000,070

Significant Accounting Policies and Notes to the Accounts 15

Schedule 1 to 15 form an integral part of Accounts.

Auditors' Report

As per our report of even date attached

**FOR NANGIA AND Co.
CHARTERED ACCOUNTANTS**

For and on behalf of the Board of Directors

Sd/-
(RAKESH NANGIA)
FCA, PARTNER, Membership # 070776
Signed at New Delhi on August 28, 2010

Sd/-
SHIKHA SHARMA
(COMPANY SECRETARY)

Sd/-
RAVI JOSHI
(DIRECTOR)

Sd/-
MUKESH JAIN
(DIRECTOR)

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FinancialEyes(India)Limited

Cash Flow Statement for the period Ended June 30, 2010

PARTICULARS	For the period ended 30/06/2010 Amount (Rs)	For the period ended 31/03/2009 Amount (Rs)
Cash Flow arising from operations		
Net profit after tax and extraordinary items	35,699,908	20,997,597
Add:		
-Depreciation	6,495,934	2,408,515
-Loss on sale of Investments	65,635	-
-Deferred Tax	(515,543)	696,023
Operating Profit/(Loss) before working capital charges	41,745,934	24,102,135
Add:		
-Decrease in Stock In Trade	-	150,143,199
-Increase in Current Liabilities	48,545,788	443,380,768
-Interest Expenditures	42,838,330	24,406,682
	133,130,052	642,032,784
Less:		
-Increase in Stock In Trade	149,324,001	-
-Increase in debtors	98,005,112	527,618,962
-Profit on sale of investment	-	5,000
-Increase In loans & advances	78,649,861	24,824,098
-Interest Income	-	511,961
-Dividend Income	25,065	-
Net Cash inflow/(outflow) in course of operational activities (A)	(192,873,987)	89,072,764
Cash Flow arising from Investment activities		
-Decrease/(increase) in fixed assets	(18,294,281)	(13,608,089)
-Interest Income	-	511,961
-Dividend Income	25,065	-
-Sale of investment	1,434,365	105,000
Net Cash Flow arising from Investment activities (B)	(16,834,851)	(12,991,128)
Cash Flow arising from financing activities		
-Interest Expenditures	(42,838,330)	(24,406,682)
-Share Application Money	137,500,000	-
-Loans	294,726,965	(12,474,359)
Net Cash Flow arising from financing activities (C)	389,388,635	(36,881,041)
Net increase/(decrease) in cash/cash equivalents (A+B+C)	179,679,798	39,200,595
Cash and Cash Equivalents As At March 31, 2009	69,281,743	30,081,148
Cash and Cash Equivalents As At June 30, 2010	248,961,541	69,281,743

Notes

- The above Cash Flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
- Cash and Cash Equivalents at the end of the year consist of Cash, Cheques in Hand, Fixed Deposits and Balances with Banks.

Schedule	As at June 30, 2010 (Rs.)	As at March 31, 2009 (Rs.)
Cash in Hand	2,144,693	37,341
Cheques in Hand	127,500,000	2,377,913
Fixed Deposits	100,442,000	-
Balances with Banks	18,874,848	7,015,955
	248,961,541	9,431,209

Significant Accounting Policies and Notes to the Accounts 15

Schedule 1 to 15 form an integral part of Accounts.

Auditors' Report

As per our report of even date attached
FOR NANGIA AND Co.

CHARTERED ACCOUNTANTS

Sd/-
(RAKESH NANGIA)

FCA, PARTNER, Membership # 070776
Signed at New Delhi on August 28, 2010

Sd/-
SHIKHA SHARMA
(COMPANY SECRETARY)

For and on behalf of the Board of Directors

Sd/-
RAVI JOSHI
(DIRECTOR)

Sd/-
MUKESH JAIN
(DIRECTOR)

FinancialEyes(India)Limited

AUDITORS' CERTIFICATE

We have examined the above Cash Flow Statement of Financial Eyes (India) Ltd. for the period ended on 30th June, 2010. The Statement has been prepared by the Company in accordance with the requirements of Clause-32 of the Listing Agreements with the Stock Exchange and is based on and in agreement with corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report dated 28th Aug., 2010 to the members of the Company.

Date: 28th Aug., 2010
Place: New Delhi

For and on behalf of Nangia & Company
Sd/-
RAKESH NANGIA
FCA PARTNER



FinancialEyes(India)Limited

Schedules Annexed to and Forming Part of the Accounts

SCHEDULE 1 : SHARE CAPITAL

PARTICULARS	As at June 30, 2010 Amount (Rs.)	As at March 31, 2009 Amount (Rs.)
Authorised Capital 10,000,000 Equity Shares of Rs. 10/- each (Previous year 10,000,000 Equity Shares of Rs. 10/- each)	100,000,000	100,000,000
	100,000,000	100,000,000
Issued, Subscribed and Paid Up: 3,000,070 Equity Shares of Rs. 10/- each fully paid up (Previous year 3,000,070 Equity Shares of Rs. 10/- fully paid up)	30,000,700	30,000,700
Total	30,000,700	30,000,700

SCHEDULE 2 : RESERVE & SURPLUS

PARTICULARS	As at June30, 2010 Amount (Rs.)	As at March 31, 2009 Amount (Rs.)
General Reserve Balance as per last balance sheet	7,606,000	7,606,000
	7,606,000	7,606,000
Profit & Loss Account Balance as per last Balance Sheet	66,559,973	45,562,376
Add : Balance profit for the year	35,699,908	20,997,597
	102,259,881	66,559,973
	109,865,881	74,165,973

FinancialEyes(India)Limited

Schedules Annexed to and Forming Part of the Accounts

SCHEDULE 3 : LOAN FUNDS

PARTICULARS	As at June30, 2010 Amount (Rs.)	As at March 31, 2009 Amount (Rs.)
SECURED LOANS		
Loans From Banks ¹		
- Cash Credit Limits	329,548,892	84,405,927
- Buyers Credit	144,329,018	23,606,342
- Packing Credit	-	84,348,776
Vehicle Loan ²	21,576,139	8,366,038
(Secured against charge hypothecation of vehicles)		
	495,454,049	200,727,084
Note:		
1. Loans from Punjab National Bank, Shalimar Bagh, New Delhi are secured against Hypothecation of Stocks, Book Debts and movable fixed assets of the company both present and future		
2. Vehicle Loan are secured against Hypothecation of Vehicles		

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Schedules Annexed to and Forming Part of the Accounts

SCHEDULE 4 : FIXED ASSETS

PARTICULARS	G R O S S B L O C K			D E P R E C I A T I O N				N E T B L O C K		
	As at April 1, 09 Amount (Rs.)	Additions Amount (Rs.)	Deletions	As at June 30, 10 Amount (Rs.)	As at April 1, 09 Amount (Rs.)	For the Period Amount (Rs.)	Deletion	As at June 30, 10 Amount (Rs.)	As at June 30, 10 Amount (Rs.)	As at March 31, 09 Amount (Rs.)
Computer	1,028,620	468,341	-	1,496,961	197,973	223,380	-	421,353	1,075,608	830,647
Electric Equipment	68,000	-	-	68,000	6,835	6,006	-	12,841	55,159	61,165
Furniture & Fixture	1,778,143	-	-	1,778,143	35,482	140,618	-	176,100	1,602,043	1,742,661
Leasehold Improvement	4,973,222	4,060,066	-	9,033,288	678,167	3,258,711	-	3,936,878	5,096,410	4,295,055
Office Equipment	2,561,091	50,772	-	2,611,863	44,848	228,741	-	273,589	2,338,274	2,516,243
Plant & Machinery	-	137,375	-	137,375	-	1,128	-	1,128	136,247	-
Vehicles	17,194,393	13,577,727	-	30,772,120	1,715,280	2,637,350	-	4,352,630	26,419,490	15,479,113
TOTAL	27,603,469	18,294,281	-	45,897,750	2,678,584	6,495,934	-	9,174,519	36,723,231	24,924,885
Previous Year	13,995,380	13,608,089	-	27,603,469	270,069	2,408,515	-	2,678,584	24,924,885	13,725,311

FinancialEyes(India)Limited

Schedules Annexed to and Forming Part of the Accounts

SCHEDULE 5 : INVESTMENTS

PARTICULARS	As at June 30, 2010 Amount (Rs.)	As at March 31, 2009 Amount (Rs.)
Trade Investments, (Quoted), at cost (Refer Note of Schedule 15 and Note 1(f)) Equity Shares (At Cost) (Aggregate market value of quoted shares Rs. 1,131,233/-; Previous Year Rs. 748,450/-)	2,080,898	2,080,898
	2,080,898	2,080,898
Long Term-Trade, (Unquoted), at cost Mutual Funds (At Cost) (Aggregate Market value of quoted shares Rs. 5,05,826/- previous year Rs. 9,42,000/-)	500,000	2,000,000
	500,000	2,000,000
	2,580,898	4,080,898

SCHEDULE 6 : CURRENT ASSETS, LOANS AND ADVANCES

PARTICULARS	As at June 30, 2010 Amount (Rs.)	As at March 31, 2009 Amount (Rs.)
Inventories (At lower of cost or market value, as verified by the management) Stock in Hand	264,763,550	115,439,549
	264,763,550	115,439,549
Sundry Debtors (Unsecured, Considered Good) Debts exceeding six months Other Debts	36,949,168 648,806,712	- 587,750,768
	685,755,880	587,750,768
Cash and Bank Balances Cash in Hand Cheques in Hand Balances with Scheduled Banks - In Current Accounts - In Fixed Deposit Accounts	2,144,693 127,500,000 18,874,848 100,442,000	1,320,837 - 454,906 67,506,000
	248,961,541	69,281,743
Loans and Advances (Unsecured, Considered Good) Advances Recoverable In Cash or in Kind or For Value to be received Advances to staff Interest Receivable Prepaid Expenses Security Deposits Other Receivables Income Tax Receivable	87,205,292 2,104,500 3,363,096 582,647 12,263,050 21,767,029 6,883,789	12,563,563 880,600 505,241 240,778 11,871,250 28,436,832 1,021,278
	134,169,403	55,519,542
	1,333,650,374	827,991,602

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Schedules Annexed to and Forming Part of the Accounts

SCHEDULE 7 : CURRENT LIABILITIES AND PROVISIONS

PARTICULARS	As at June 30, 2010 Amount (Rs.)	As at March 31, 2009 Amount (Rs.)
Current Liabilities		
Sundry Creditors ¹		
- Micro Small & Medium Enterprises	-	-
- Others	454,657,667	470,828,436
Other Liabilities	2,271,547	1,382,011
Advances from Customers	73,702,767	16,243,000
	530,631,981	488,453,447
Provisions		
Provision for Income Tax	18,720,872	12,301,291
Provision for Wealth Tax	345,707	134,373
Provision for Fringe Benefit Tax	-	406,674
Provision for Gratuity	342,992	199,796
Provision for Leave Encashment	41,721	41,903
	19,451,292	13,084,038
	550,083,273	501,537,485

Note:

1. There are no dues to creditors under the definition of micro enterprises and small enterprises as at June 30, 2010

SCHEDULE 8 : OTHER INCOME

PARTICULARS	For the year ended on June 30, 2010 Amount (Rs.)	For the year ended on March 31, 09 Amount (Rs.)
Export Incentives		
Duty Draw Back Received	888,412	3,663,729
DEPB Income	378,866	12,422,370
FMS Income	995,299	539,247
FPS Income	-	8,335,916
Focus Market Incentive Income	178,319	-
VKGUY Income	112,128	17,306,379
	2,553,024	42,267,641
Other Income		
Despatch & Dummerage	-	483,341
Discount on Purchase	-	67,608
Dividend Income	25,065	2,050
Exchange Gain / Loss	6,600,924	-
Interest Income*	4,890,954	511,961
Profit on sale of Subsidiary	-	5,000
Quality Claim Against Sales	4,433,660	-
Sundry Balances W/off	2,104,416	518,449
	18,055,019	1,588,409
	20,608,043	43,856,050

* Tax Deducted at Source Rs. 1,003,788 (Previous Year Rs. 219,376)

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Schedules Annexed to and Forming Part of the Accounts

SCHEDULE 9 : ACCRETION / (DECRETION) IN STOCK

PARTICULARS	For the year ended on June 30, 2010 Amount (Rs.)	For the year ended on March 31, 09 Amount (Rs.)
Closing Stock	264,763,550	115,439,549
Less: Opening Stock	115,439,549	265,582,747
	149,324,001	(150,143,199)

SCHEDULE 10 : PERSONNEL EXPENSES

PARTICULARS	For the year ended on June 30,2010 Amount (Rs.)	For the year ended on March 31, 09 Amount (Rs.)
Salaries and allowances	3,807,407	3,682,467
Directors Remuneration	1,437,700	545,323
Staff Welfare	572,718	489,758
Gratuity	143,196	105,865
Leave Encashment	(182)	15,260
	5,960,839	4,838,673

SCHEDULE 11 : DIRECT EXPENSES

PARTICULARS	For the year ended on June 30, 2010 Amount (Rs.)	For the year ended on March 31, 09 Amount (Rs.)
Brokerage & Commission	2,054,561	1,932,825
Clearing & Forwarding - Import	5,715,008	1,045,080
Labour Loading Charges	1,358,108	206,703
Packing Material / Consumable Goods	265,784	-
	9,393,461	3,184,608

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Schedules Annexed to and Forming Part of the Accounts

SCHEDULE 12 : SELLING & DISTRIBUTION EXPENSES

PARTICULARS	For the year ended on June 30, 2010 Amount (Rs.)	For the year ended on March31, 09 Amount (Rs.)
Clearing & Forwarding	7,909,226	45,419,017
Brokerage & Commission	-	7,548,959
Overseas Freight	6,269,620	83,015,737
Rebate & Discount	11,660,706	81,819
	25,839,552	136,065,532

SCHEDULE 13 : ADMINISTRATIVE EXPENSES

PARTICULARS	For the year ended on June 30, 2010 Amount (Rs.)	For the year ended on March31, 09 Amount (Rs.)
Auditor's Remuneration		
- Audit Fees	248,175	165,450
- Tax Audit Fees	82,725	82,725
- Other Matters	82,725	82,725
Business Promotion	287,882	684,112
Composition of Tax	-	93,394
Demand and Penalty	442,868	18,985
Donations	1,200	34,842
Electricity Charges	557,406	427,740
Festival Exp	-	89,203
General Exp	61,467	192,722
Insurance	845,702	1,414,889
Legal & Professional Charges	3,179,282	1,550,017
Fumigation Expenses	46,721	493,895
Vehicle running Maintenance	575,502	502,530
Notices and Advertisement	685,645	38,171
Office Expenses	104,870	145,414
Postage & Courier	132,234	136,707
Printing and Stationery	220,389	158,552
Prior Period Expenses	-	22,160
Rent	6,067,498	4,067,542
Repair & Maintenance	534,197	313,758
Subscription, Fees & Taxes	777,874	627,053
Telephone, Telex, etc.	575,782	504,280
Travel & Conveyance	3,548,066	4,581,629
Insurance Claim Receivables W. Off	-	424,200
Sampling & Supervision	379,366	1,380,304
Profit & Loss on Mutual Fund	65,635	-
Profit & Loss on Trading Derivatives	2,659,085	-
Sundry Balances W/off	11,561	-
Watch & Ward	-	38,100
Miscellaneous Expenses	26,890	-
	22,200,747	18,271,099

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Schedules Annexed to and Forming Part of the Accounts

SCHEDULE 14 : FINANCIAL EXPENSES

PARTICULARS	For the year ended on June 30, 10 Amount (Rs.)	For the year ended on March 31, 09 Amount (Rs.)
Interest	42,838,330	24,406,682
Bank Charges	23,425,280	4,648,159
	66,263,610	29,054,841



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SCHEDULE 15: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

I. SIGNIFICANT ACCOUNTING POLICIES:

a) Nature Operations

Financial Eyes (India) Limited ('the Company') is engaged in the business of trading in Agri Commodities.

b) Accounting basis and convention

The financial statements are prepared to comply in all material respects with the mandatory Accounting Standard issued by the Institute of Chartered Accountants of India ('ICAI') and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on a going concern basis under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

c) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

In case of outright sales, the revenue is recognized on dispatch of goods to customers which is incidental to transfer of significant risks and rewards of ownership. Sales are stated net of discounts, rebates and returns.

Export sales are recognized on the basis of bill of lading dates and are accounted for at exchange rates as specified in the bill of lading documents.

Export incentives have been accounted for on accrual basis.

d) Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Financing costs relating to acquisition of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.

e) Depreciation

Depreciation on fixed assets is provided on Straight Line Method based at the rates specified in Schedule XIV to the Companies Act, 1956 or the rates determined as per the useful lives of the respective assets, whichever is higher. Individual assets costing less than Rs. 5,000/- are depreciated at the rate of 100%.

f) Investments

Investments are stated in accordance with Accounting Standard-13 issued by the Institute of Chartered Accountants of India. Short Term Investments are stated at cost or market value which ever is less.

Long Term Investments are stated at cost.

g) Stock In Trade

Inventories are valued lower of cost or net realizable value. Cost is determined on the basis of first-in-first-out method.

h) Foreign Currency Transactions

i.) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii.) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.

iii.) Exchange Differences

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported

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in previous financial statements, are recognized as income or as expense in the year in which they arise.

i) **Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

j) **Taxes on Income**

Income tax expense comprises current tax as per Income Tax Act, 1961, fringe benefit tax and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain, as the case may be, to be realized.

k) **Employees Benefits**

Pursuant to the requirements of AS 15 (revised 2005) on "Employee Benefits", issued by the Institute of Chartered Accountants of India (the standard),

which has become effective from April 1, 2007, the Company provided for employee benefits as per the revised requirements of the standard for the current quarter. In respect of the employee benefits up to June 30, 2010, the actuarial valuation is being carried out by the management for the recognition of gratuity and leave encashment liability.

Gratuity has been provided on the basis of provisions of gratuity act 1972 and actuarial assumption used by the actuary and leave encashment has been provided on the basis of company policy and actuarial assumption used by the actuary in this regard.

l) **Segment Reporting**

i.) **Segment Revenue & Expenses:**

Revenue and Expenses have been identified to a segment on the basis of relationship of the operating activities of the segment. Revenue & Expenses which are not allocable to a segment on a reasonable basis have been disclosed as "Unallocable".

ii.) **Segment Assets and Liabilities:**

Segment assets and segment liabilities represent assets and liabilities in respective segments. Assets and liabilities which cannot be allocated on the reasonable basis have been disclosed as "Unallocable".

m) **Provisions & Contingencies**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

II. **NOTESTO ACCOUNTS**

1. **Accounting Year and Previous Year Comparatives**

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The Current Year refers to the period 1st April, 2009 to 30th June, 2010. (Previous year refers to 1st April, 2008 to 31st March, 2009). In a Board meeting held on 29th March 2010 the Directors of the Company extended the financial year of the Company until June 30, 2010.

The previous year figures have been regrouped, rearranged and reclassified wherever necessary to conform to this year's classification. Previous years are not comparable with the current year figures due to change in accounting year.

2. Share Application Money

The Company has received share application money aggregating to ` 137,500,000/- from Andaz Mercantile Pvt.

Ltd. for allotment of 2,750,000 Warrants on Preferential Basis, which are convertible into equivalent numbers of Equity Shares, at a price of ` 50/- each (including premium of ` 40/- each), with in a period of 18 Months from the allotment thereof.

3. Deferred tax Assets (Liability)

As per the requirement of the Accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the net deferred tax liability debited to Profit during the year is ` 515,543/- [Previous Year – Deferred Tax Assets credited ` 696,023/-]. The year-end position of Deferred Tax Liability and Asset is given below:

Amount (in Rs.)

PARTICULARS	AS AT JUNE 30, 2010		AS AT MARCH 31, 2009	
a) Deferred Tax Liability				
-Related to Fixed Assets	1,310,629	445,483	2,172,315	738,370
-Disallowance under the Income Tax Act	-	-	-	-
Total (a)	1,310,629	445,483	2,172,315	738,370
b) Deferred Tax Assets				
Disallowance U/S 40a (ia)	14,000	4,759	265,000	90,074
Disallowance U/S 43B	906,062	307,970	-	-
-Provision disallowed	241,699	82,153	241,699	82,153
Total (b)	1,161,761	394,883	506,699	172,227
Net deferred tax asset / (liability) – {(b) – (a) }	(148,868)	(50,600)	(1,665,616)	(566,143)

4. Contingent Liabilities not provided for in respect of:

PARTICULARS	Current Year	Previous Year
	Amount (in Rs.)	Amount (in Rs.)
a) Claims against the company not acknowledged as debits	NIL	NIL
b) Corporate guarantees given / securities provided to banks / financial institutions against credit facilities extended to other bodies corporate	NIL	NIL
c) Bills purchased and discounted	NIL	NIL
d) Other matters	NIL	NIL

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5. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances): Rs Nil (Previous Year Rs. NIL).
6. There are no outstanding dues in respect of small-scale industrial undertakings as defined under clause (j) of section 3 of Industries (Development and Regulation) Act, 1951. (Previous year: Nil).
7. The accounts of certain Sundry Debtors and Creditors, Advances for supplies and are subject to confirmation /

reconciliation and adjustment, if any. The Management does not expect any material difference affecting the current year's financial statements.

In the opinion of the management, the current assets, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the books of accounts.

8. Earning & Expenditure in Foreign Exchange

PARTICULARS	Current Year Rs. (In lacs)	Previous Year Rs. (In lacs)
Import of Goods (CIF)	14,305.25	3,626.28
Export of Goods (FOB) (Realized Amount)	10,149.69	8,964.72

9. Amount paid / payable to Auditors

PARTICULARS	Current Year (In Rs.)	Previous Year (In Rs.)
Audit Fees	225,000	150,000
Tax Audit Fees	75,000	75,000
Other Matters	75,000	75,000

10. Earning per share

The computation of earnings per share is set out below :

PARTICULARS	Current Year (Amount in Rs.)	Previous Year (Amount in Rs.)
Profit after tax and extraordinary items as reported	35,699,908	20,997,597
Exceptional Item :		
Loss on insurance claim (net of tax)	-	-
Profit before exceptional items	35,699,908	20,997,597
Shares :		
Weighted average number of equity shares outstanding during the year	3,000,070	3,000,070
Earnings per share (before exceptional items (net of tax))	11.90	7.00
Earnings per share (after exceptional items (net of tax))	11.90	7.00
	No of Shares	No of Share
At the beginning of the year at 01 April, 2009	3,000,070	3,000,070
Shares issued during the year	-	-
Bonus shares issued during the year	-	-
Weighted average number of equity shares at 30 June, 2010	3,000,070	3,000,070

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11 Managerial Remuneration

PARTICULARS	Current Year Rs. (In lacs)	Previous Year Rs. (In lacs)
Salary	14.38	5.45
Other benefits	-	NIL

- 12. Related Party Disclosure**
- As per accounting standard 18 on "Related party Disclosure" issued by the Institute of Chartered Accountants of India the disclosure of transactions with the related party is as under
- a) Related Party where control exists
- Mrs. A. Agarwal – (Whole Time Director)
 - Andaz Mercantile Pvt. Ltd. – (Associate Company)
 - b) Key Managerial Personnel
 - Mr. Ravi Kant Joshi – (Director)
 - Mr. P. Chowdhary – (Chief Financial Officer)
 - Mr. Raja Ram Chandghotia – (Chief Executive - Operations)
 - Mr. Pradeep Sharma – (General Manager)
- Rs. (in lacs)

c) Transaction with Related Party

Nature of Transaction	Related Party where control exists	Key Managerial Personnel
Expenses :		
Remuneration	11.13	20.78
Advances Received :		
Share Application Money Received	1,375.00	-

13. Information pursuant to the provisions of Part II of Schedule VI of the Companies Act, 1956

Particulars	Current Year		Previous Year	
	Quantity	Rs. (In Lacs)	Quantity	Rs. (In Lacs)
Opening Stock	2623.830 Mts.	1,154.40	28367.279 Mts.	2,655.83
Purchase	122266.310 Mts.	36,691.22		
	136 Nos	11.61	99,875.420 Mts	21,222.70
	597196.430 Mts.	398.14		
Sales	119084.590 Mts.	36,903.22		
	136 Nos	21.06	125,320.310 Mts.	24,625.64
	597196.430 Mts.	387.27		
Adjustments	11.43 Mts	-	298.559 Mts	-
Closing Stock	5805.550 Mts.	2,647.63	2623.830 Mts	1,154.39

14. Information pursuant to the provisions of Section 22 of Micro, Small and Medium Enterprises Development Act, 2006
- During the year company has not paid any interest in terms of the section 18 of the above mentioned act.
- No principal amount or interest amount are due at the end of this accounting year which is payable to any Micro, Small or Medium enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

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15. Segment Reporting

a) Geographical Segment

The Company has considered Geographical segment as the primary segment for disclosure. The segments considered are Domestic and Overseas

b) Business Segment

The Company has considered business segment as secondary segment for disclosure. Company has identified two segments agriculture product and other products as business segments for reporting and disclosure purpose as per the accounting standard 17.

Segment Information							
Primary Segment						Rupees	
Particulars		Domestic		Overseas		Total	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
a)	Segment Revenue from						
	Income from External customers	2,795,685,000	1,490,208,714	935,469,713	972,355,348	3,731,154,713	2,462,564,062
	Other Income	-	-	2,553,024	42,267,641	2,553,024	42,267,641
	Total Segment Revenue	2,795,685,000	1,490,208,714	938,002,737	1,014,622,989	3,733,707,737	2,504,831,704
	Add: Unallocated Income	-	-	-	-	18,055,019	1,588,409
	Total Segment Revenue	-	-	-	-	3,751,762,756	2,506,420,113
b)	Segment Results	41,059,463	20,922,412	13,776,484	14,245,226	54,835,947	35,167,638
	Add: Unallocated Income	-	-	-	-	-	-
	Tax Expense (Including Provision for Deferred Tax Liabilities)	14,328,475	8,430,235	4,807,564	5,739,807	19,136,039	14,170,041
	Net Profit after tax	26,730,988	12,492,178	8,968,920	8,505,420	35,699,908	20,997,597
c)	Carrying Amount of Segment Asset	36,723,231	24,924,885	-	-	36,723,231	24,924,885
	Add: Unallocated Assets	-	-	-	-	-	-
	Total Assets (Fixed)	36,723,231	24,924,885	-	-	36,723,231	24,924,885

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Segment Information							
Primary Segment						Rupees	
Particulars		Domestic		Overseas		Total	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
d)	Segment Liabilities	259,586,186	298,381,536	290,497,087	203,155,949	505,083,273	501,537,485
	Add: Unallocated Liabilities	-	-	-	-	-	-
	Total Liabilities	259,586,186	298,381,536	290,497,087	203,155,949	550,083,273	501,537,485
e)	Cost to Acquire Tangibles and Intangible Fixed Assets	18,294,281	13,608,089	-	-	18,294,281	13,608,089
f)	Depreciation and Amortisation Expenses	6,495,934	2,408,515	-	-	6,495,934	2,408,515

Secondary Segment						Amount (in Rs.)	
Particulars		Agriculture Products		Other Products		Total	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
a)	Revenue from External customer	3,434,937,593	2,490,831,040	298,770,144	14,000,664	3,733,707,737	2,504,831,704
b)	Carrying amount of the assets	36,723,231	24,924,885	-	-	36,723,231	24,924,885
c)	Cost incurred during the period for acquisition of assets	18,294,281	13,608,089	-	-	18,294,281	13,608,089

FinancialEyes(India)Limited

16. Employee Benefits

Defined Benefit Plans

The Company has adopted Accounting Standard, AS-15 (revised 2005), on employee benefits with effect from April 1, 2007.

The following table sets out disclosures in respect of defined benefit plans

	Gratuity Amount (in Rs.)	Leave Encashment Amount (in Rs.)
Reconciliation of opening and closing balances of the present value of the defined benefit obligation:		
Obligations as at April 1, 2009	1,95,276	41,903
Service Cost	147,548	19,326
Interest cost	18,307	3,928
Benefits settled	-	-
Actuarial (gain)/loss	(22,659)	(23,436)
Obligations as at June 30,2010	338,472	41,721
Defined benefit obligation liability as at the balance sheet date is wholly funded by the Company		
Change in plan assets		
Plan assets as at April 1, 2009, at fair value	-	-
Expected return on plan assets	-	-
Actuarial gain/(loss)	-	-
Contributions	-	-
Benefits paid	-	-
Plan assets as at June 30, 2010, at fair value	-	-
Reconciliation of present value of the obligation and the fair value of the plan assets:		
Fair value of plan assets, as at June 30, 2010	-	-
Present value of the defined benefit obligations, as at June 30, 2010	338,472	41,721
(Asset)/Liability recognized in the balance sheet	338,472	41,721
Costs for the year		
Current service cost	147,548	19,326
Interest cost	18,307	3,928
Expected return on plan assets	-	-
Actuarial (gain)/loss	(22,659)	(23,436)
Net costs	143,196	(182)

FinancialEyes(India)Limited

SCHEDULE 15: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

Assumptions		
Interest rate	7.5%	7.5%
Discount factor	7.5%	7.5%
Estimated rate of return on plan assets	0%	0%
Salary Increase	10%	10%
Attrition rate	-	-
Leave availment in the service	-	-
Retirement age	60	60

**For Nangia & Co.
Chartered Accountants**

For and on the behalf of Board of Directors

**sd/-
Rakesh Nangia
F. C. A Partner**

**sd/-
Shikha Sharma
Company Secretary**

**sd/-
Ravi Joshi
Director**

**sd/-
Mukesh Jain
Director**

**Membership # 70776
Signed at New Delhi on August 28,2010**

FinancialEyes(India)Limited

ADDITIONAL INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE :

I. Registration Details

Registration No. State Code :

Balance Sheet Date

Date Month Year

II. Capital raised during the Year (Amount in Rs. Thousands)

Public Issues	Rights Issue
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Bonus Issues	Private Placement
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

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

Total Liabilities (including share capital)	Total Assets
<input type="text" value=""/> <input type="text" value="8"/> <input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="1"/>	<input type="text" value=""/> <input type="text" value="8"/> <input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="1"/>
Source of Funds	
Paid Up Capital	Reserves and Surplus
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="1"/>	<input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="9"/> <input type="text" value="8"/> <input type="text" value="6"/> <input type="text" value="6"/>
Secured Loans	Unsecured Loans
<input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="9"/> <input type="text" value="5"/> <input type="text" value="4"/> <input type="text" value="5"/> <input type="text" value="4"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/>
Share Application Money	Deferred tax Liability
<input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="5"/> <input type="text" value="0"/> <input type="text" value="0"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="1"/>
Application of Funds	
Net Fixed Assets	Investments
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="6"/> <input type="text" value="7"/> <input type="text" value="2"/> <input type="text" value="3"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value="8"/> <input type="text" value="1"/>
Net Current Assets	Miscellaneous Expenditure
<input type="text" value=""/> <input type="text" value="7"/> <input type="text" value="8"/> <input type="text" value="3"/> <input type="text" value="5"/> <input type="text" value="6"/> <input type="text" value="7"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

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

Turnover	Net Current Assets
<input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="9"/> <input type="text" value="0"/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="8"/> <input type="text" value="7"/>	<input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="8"/> <input type="text" value="4"/> <input type="text" value="6"/> <input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value="1"/>
Profit / Loss Before Tax	Profit / Loss After Tax
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="4"/> <input type="text" value="8"/> <input type="text" value="3"/> <input type="text" value="6"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="5"/> <input type="text" value="7"/> <input type="text" value="0"/> <input type="text" value="0"/>
Basic Earning per share in Rs	Dividend Rate %
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="."/> <input type="text" value="9"/> <input type="text" value="0"/>	Not Applicable
Diluted Earning per share in Rs.	
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="."/> <input type="text" value="9"/> <input type="text" value="0"/>	

V Name of three principal products / services of the company.

Item Code Number	Not Applicable	Product description	Leasing of Estates
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Sd/- (RAKESH NANGIA) FCA, PARTNER, Membership # 070776 Signed at New Delhi on August 28, 2010	Sd/- SHIKHA SHARMA (COMPANY SECRETARY)	Sd/- RAVI JOSHI (DIRECTOR)	Sd/- MUKESH JAIN (DIRECTOR)
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FinancialEyes(India)Limited

Financial Eyes(India)Limited

F-58/1, Okhla Industrial Area, Phase-I
New Delhi-110020

PROXY

I/We _____ of

being member/ members of Financial Eyes (India) Limited, hereby appoint _____

of _____

_____ or failing him

of _____

as my/ our proxy to attend and vote for me/ us on my/ our behalf at the Sixteenth Annual General Meeting of the Company to be held on Thursday, 30th Sep., 2010 at 9.00 a.m. at Hotel Royal Castle Grand D-616, Chittaranjan Park, New Delhi-110019 and at any adjournment(s) thereof.

As witness my/ our hand(s) this _____ day of _____ 2010.

DP ID No.* _____

Client ID No.* _____

Folio No. _____

No. of shares held _____

Affix a
Revenue
Stamp

*Applicable for shares held in electronic form.

Signature

Note: The proxy must reach the Registered Office of the Company not later than Forty Eight Hours before the time for holding the aforesaid meeting.

FINANCIAL EYES (INDIA) LIMITED
F-58/1, Okhla Industrial Area, Phase-I
New Delhi-110020

ATTENDANCE SLIP

I hereby record my presence at the Sixteenth Annual General Meeting of the Company to be held on Thursday, 30th September, 2010 at 9.00 a.m. at 'Hotel Royal Castle Grand D-616, Chitiaranjan Park, New Delhi-110019 and at any adjournment(s) thereof.

Full name of Shareholder/ Proxy _____

(in block letters)

DP ID No.* _____

Client ID No.* _____

Folio No. _____

No. of shares held _____

*Applicable for shares held in electronic form.

Signature of the Shareholder/ Proxy

FinancialEyes(India)Limited

FORM 2B

(See rules 4 CCC and 5 D)

NOMINATION FORM

(To be filled in by individual applying singly or jointly)

I/We, _____ the holder (s) of Shares / Debentures / Deposits bearing Folio / Receipt Number _____ and accruals thereon of _____
(Name of the Company)

wish to make a nomination and do hereby nominate the following person in whom all rights of transfer and /or amount payable in respect of shares / debentures / deposits shall vest in the event of my / our death.

Name and Address of Nominee

Name : _____

Address : _____

_____ Pincode : _____

*Date of Birth : _____

(to be furnished in case
the nominee is minor)

**Signature of Nominee
(Optional)**

*The nominee is a minor whose Guardian is -
Name and Address of Guardian _____

Signature (s) of Holder (s)

Signature : _____ Signature : _____
(Ist Holder) (Ist Holder, if any)

Name : _____ Name : _____

Address : _____ Address : _____

Date : _____ Date : _____

Signature of Two Witnesses

_____ -

Name and Address

Signature with Date

1

2

_____ -

FinancialEyes(India)Limited

INSTRUCTIONS:

1. The Nomination can be made only by individuals applying / holding shares / debentures / deposits on their own behalf singly. Non-individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of Power of attorney cannot nominate. If the securities are held jointly, all joint holders will sign the Nomination Form.
2. A minor can be nominated by holder (s) of shares / debentures /deposits and in that event the name and address of the Guardian shall be given by the holder(s).
3. The nominee shall not be a Trust , Society, Body Corporate, Partnership Firm, Karta of Hindu Undivided Family or a Power of Attorney holder. A Non-resident Indian can be a nominee on repatriable basis provided RBI approval granted to the nominee is registered with the Company.
4. Nomination shall stand rescinded upon transfer of shares / debentures.
5. Transfer of shares /debentures in favour of a nominee and repayment of amount of deposit to nominee shall be valid discharge by a Company against the legal heir.