

Date: 2nd September, 2020

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Dear Sir,



Sub: Annual Report

Ref: MUNOTH CAPITAL MARKET LIMITED (Security Id/Code: MUNCAPM /511200)

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the 38th Annual General Meeting of the Company to be held on Monday, 28th September, 2020 at 9:00 AM at the Registered Office of the Company.

Kindly take on record and oblige us.

For, **MUNOTH CAPITAL MARKET LIMITED**



BHAGYASHREE SUTARIA
COMPANY SECRETARY

CC:

1. National Securities Depository Limited
2. Purva Sharegistry India Private Limited



**MUNOTH CAPITAL MARKET
LIMITED**

38TH ANNUAL REPORT

2019-20

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Company Information

Board of Directors	:	Siddharth Jain : Non Executive Director Shantilal Jain : Non-Executive Director Sumit Khanna : Independent Director Varsha Gulecha : Independent Director
Audit Committee	:	Siddharth Jain : Chairman Sumit Khanna : Member Varsha Gulecha : Member
Nomination and Remuneration Committee	:	Shantilal Jain : Chairman Sumit Khanna : Member Varsha Gulecha : Member
Stakeholders' Relationship Committee	:	Siddharth Jain : Chairman Sumit Khanna : Member Varsha Gulecha : Member
Key Managerial Personnel	:	Siddharth Jain : CEO Bhagyashree Sutaria : Company Secretary Mr. Shantilal Jain : CFO
Statutory Auditor	:	M/s. B. Maheshwari & Co., Chartered Accountants, Mumbai
Secretarial Auditor	:	Gaurav Bachani & Associates, Company Secretaries, Ahmedabad
Share Transfer Agent	:	Purva Shareregistry (India) Private Limited Shiv Shakti Industrial Estates, Unit No.9 7-B,J.R. Boricha Marg, Sitaram Mill Compound, Mumbai – 400 011
Registered Office	:	Shanti Nivas, Opposite Shapath V, Near Karnavati Club, S.G Road, Ahmedabad – 380 058
Website	:	www.munoth.com

NOTICE OF THE 38TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 38th Annual General Meeting of the Shareholders of **Munoth Capital Market Limited** will be held on Monday, 28th September, 2020 at Shanti Nivas, Opposite Shapath V, Near Karnavati Club, S. G Road, Ahmedabad – 380 058 at 9:00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended on 31st March, 2020 and Statement of Profit and Loss account together with the notes & schedules forming part thereof and Cash Flow Statement for the financial year ended on that date, and the reports of the Board of Directors (“The Board”) and Auditor thereon.
2. To appoint a director in place of Mr. Shantilal Jain (DIN: 00370624), who retires by rotation and being eligible, offers himself for re-appointment.

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

“**RESOLVED THAT** Mr. Shantilal Jain (DIN: 00370624), who retires by rotation from the Board of Directors pursuant to the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, and being eligible offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company.”

SPECIAL BUSINESS:

3. Re-appointment of Mr. Sumit Khanna as an Independent Director of the Company

To consider and, if thought fit, to pass with or without modification(s) the following Resolution as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT**, pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and as approved by Board of Directors, Mr. Sumit Khanna (DIN: 01180220), whose term will be expired on 29th September, 2020 and who has submitted a declaration that he meets the criteria for independence, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 30th September, 2020 to 29th September, 2025.”

“**RESOLVED FURTHER THAT**, the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

4. Re-appointment of Ms. Varsha Gulecha as an Independent Woman Director of the Company

To consider and, if thought fit, to pass with or without modification(s) the following Resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT, pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and as approved by Board of Directors, Ms. Varsha Gulecha (DIN: 07283903), whose term will be expired on 29th September, 2020 and who has submitted a declaration that she meets the criteria for independence, be and is hereby re-appointed as an Independent Woman Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 30th September, 2020 to 29th September, 2025.”

“RESOLVED FURTHER THAT, the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

Registered Office:

Shanti Nivas, Opposite Shapath V,
Near Karnavati Club, S.G Road,
Ahmedabad – 380 058

**By the Order of the Board of
MUNOTH CAPITAL MARKET LIMITED**

**Sd/-
Bhagyashree Sutaria
Company Secretary**

Date: 1st September, 2020

Place: Ahmedabad

Notes:

1. PURSUANT TO SECTION 105 OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE THIRTY EIGHTH ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIM/HER AND THE PROXY NEED NOT BE A SHAREHOLDER OF THE COMPANY. A person can act as a proxy on behalf of maximum of 50 shareholders and holding in aggregate not more than 10% of the total share capital of the Company. A shareholder holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other shareholder. Proxies submitted on behalf of limited Companies, Societies, etc., must be supported by an appropriate resolution / authority, as applicable.
2. Every shareholder entitled to vote at a meeting of the company, or on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention to inspect is given to the company.
3. A proxy form is enclosed herewith. In case a shareholder wants to appoint a proxy, a duly completed and stamped proxy form must reach the Registered Office of the Company not later than 48 hours before the time of the aforesaid meeting.

4. Corporate shareholders/Institutional Investors intending to send their authorized representatives to attend the meeting are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Thirty Eighth Annual General Meeting.
5. Shareholders who have not registered their email addresses so far are requested to register their email address in respect of their electronic holding with the Depository through their concerned Depository Participants and shareholders are further requested to register their email addresses with the Share Transfer and Registrar Agent of Company i.e. Purva Sharegistry (I) Pvt. Ltd. Shiv Shakti Industrial Estate, Unit No. 9, 7 - B. J.R. Boricha Marg, Sitaram Mill Compound, Mumbai - 400 011, Maharashtra, Tel: 022 - 2301 2518.
6. Shareholders/ Proxies attending the meeting are requested to bring the duly completed attendance slip (which has been enclosed herewith) to the Thirty Eighth Annual General Meeting.
7. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours.
8. As per SEBI Circular dated 12th May, 2020, Physical Copy of the Annual Report for the 38th AGM inter-alia is not required to be sent; therefore Annual Report is being sent only through electronic mode to those Members as on 21st August, 2020, whose email addresses are registered with the Company / Depositories. Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at info@munoth.com/bhagyashree@munoth.com or Purva Sharegistry (India) Private Limited at support@purvashare.com. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.munoth.com, websites of the Stock Exchange, i.e., BSE Limited at www.bseindia.com.
9. Pursuant to the provisions of section 108 of the Companies Act, 2013 and Rules 20 and 21 of Companies (Management and Administration) (Rules), 2014 as amended from time to time and pursuant to Regulation 44 of SEBI (LODR), 2015 the Company is pleased to provide the shareholders of the company facility to exercise their right to vote by electronic means for the resolution set forth in this notice through remote E- voting services provided by National Securities Depository Limited (NSDL). The detail instructions for E -Voting are annexed to this Notice separately.
10. Shareholders are also informed that voting shall be by both the means i.e. polling paper and E - voting. Shareholders who could not vote through remote E-Voting can exercise their voting rights at the Thirty Eighth Annual General Meeting. The Company will make arrangements of polling papers in this regard at the Meeting's Venue. The shareholders attending the meeting who have not cast their vote by remote E-Voting shall be able to exercise their right to vote at the meeting.
11. However, the shareholders who have cast their vote by remote E-Voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. In case the shareholders have cast their vote, through E - Voting and Polling Papers, then voting through E-voting shall prevail and voting done by Polling Papers shall be treated as invalid.
12. The Company has set 21st September, 2020 as the "Cut-off Date" for taking record of the shareholders of the Company who will be eligible for casting their vote on the resolution to be passed in the ensuing Thirty Eighth Annual General Meeting, for both E- Voting and Voting by Physical Mode through polling papers.
13. The Board of Directors of the Company has appointed NSJD & Associates, Chartered Accountants, Ahmedabad as the Scrutinizer, for conducting the E- Voting and Poll paper Voting process for the Thirty Eighth Annual General Meeting in a fair and transparent manner.
14. The Resolution will be taken as passed effectively on the date of announcement of the result by the Chairman of the Company, if the result of the E-voting & Paper Poll Votes indicates that the requisite majority of the Shareholders had assented to the Resolution.

15. The scrutinizer shall, immediately after the conclusion of voting at the Thirty Eighth Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, within a period not exceeding 48 hours from the conclusion of Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the result of the voting forthwith. After declaration, the result of the E-voting and Paper Poll Votes will also be posted on the Company's website www.munoth.com besides communicating the same to NSDL and Purva Sharegistry (I) Pvt Ltd., Registrar and Share transfer Agents on the said date and also to BSE Limited, where the shares of the Company are listed.
16. Shareholders may note that the Notice of this meeting has been hosted under the Investor's Tab of Company's Website www.munoth.com
17. In case of joint-holding, the Voting Poll Paper Form must be completed and signed (as per the specimen signature registered with the Company) by the first named Shareholder and in his/her absence, by the next named Shareholder.
18. Unsigned or incomplete and improperly or incorrectly ticked Voting Poll Papers shall be rejected.
19. A person who acquires shares and becomes shareholder of the Company after the dispatch of the Notice and remains a Shareholder as on 21st September, 2020 (the "Cut-off" date) can exercise remote E-Voting by obtaining the Login Id and Password by sending an email to evoting@nsdl.co.in by mentioning their Folio No./ DP ID/ and Client ID No. However, if such shareholder is already registered with NSDL for remote E-Voting then the existing user ID and password can be used for casting their vote.
20. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members are therefore requested to submit their PAN to their depository participant(s).
21. The route map showing directions to reach the venue of the Thirty Eighth Annual General Meeting is annexed.
22. Details of Directors retiring by rotation / seeking appointment / re-appointment at this Meeting are provided in the "Annexure" to the Notice as per Regulation 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India.
23. In terms of the provisions of Section 152 of the Act, Mr. Shantilal Jain, Director of the Company, who retires by rotation at this Annual General Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company re-recommend his re-appointment.
24. Mr. Shantilal Jain is interested in the Ordinary Resolutions set out at Item No. 2, of the Notice with regard to his re-appointment. Mr. Siddharth Jain, Non- Executive Director, is relative of Mr. Shantilal Jain, may be deemed to be interested in the resolution set out at Item No. 2 of the Notice. The other relatives of Mr. Shantilal Jain being shareholders of the Company may be deemed to be interested in the resolutions set out at Item No 2 of the Notice, to the extent of their shareholding interest, if any, in the Company.
25. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item Nos. 2 of the Notice
26. The Register of Members and Share Transfer Books will remain closed from 22nd September, 2020 to 28th September, 2020 (both days inclusive) for the purpose of Annual General Meeting (AGM).
27. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc, to their Depository Participant (DP). These changes will be automatically reflected in the Company's records, which will help the Company to provide efficient and better

service to the Members. Members holding shares in physical form are requested to intimate the changes to the Registrar & Share Transfer Agents of the Company (RTA) at its following address :
Purva Sharegistry (India) Private Limited, Shiv Shakti Industrial Estates, Unit No.9, 7-B, J.R. Boricha Marg, Sitaram Mill Compound, Mumbai – 400 011

28. General information on E- Voting: -

- i. Date wise info: 25th September, 2020 (9.00 AM) till 27th September, 2020 (5.00 PM)
- ii. The Voting rights of the shareholders will be in proportion of their shares as on 21st September, 2020 to the paid up share capital of the Company.
- iii. The scrutinizer shall count the votes cast at the Meeting and thereafter unblock the votes cast through remote E-Voting in the presence of at least two witnesses not in the employment of the Company and make a consolidated scrutinizer's report of the votes cast in favour or against, in not later than three days of the conclusion of the meeting. And shall forthwith forward the same to the Chairman who shall countersign the same.
- iv. The Voting results of the Thirty Eighth Annual General Meeting so declared shall be immediately placed on the Company's website i.e. www.munoth.com and will also be available on the website of NSDL i.e. www.evoting.nsdl.com

The Instructions for shareholders voting electronically are as under:

1. Open the attached PDF file “**e-Voting.pdf**” giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your “User ID” and “Password for e-voting”. Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting
2. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
3. Click on “Shareholder - Login”.
4. Put User ID and password as initial password noted in step (1) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com
5. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
6. Home page of remote “e-Voting” opens. Click on e-Voting: Active Voting Cycles.
7. Select “EVEN” of Munoth Capital Market Limited. Members can cast their vote online from **25th September, 2020 (9:00 am) till 27th September, 2020 (5:00 pm)**.
Note: e-Voting shall not be allowed beyond said time.
8. Now you are ready for “e-Voting” as “Cast Vote” page opens.
9. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm”, when prompted.
10. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail info@nsjdassociates.com with a copy marked to evoting@nsdl.co.in.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No: 3

Mr. Sumit Khanna was appointed as an Independent Director of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the Annual General Meeting held on 30th September, 2015 to hold office upto 29th September, 2020.

After the the performance evaluation of the Mr. Sumit Khanna, and considering his knowledge, expertise and experience in the field of Management, the Board has considered to re-appoint Mr. Sumit Khanna as an Independent Director for further five years starting from 30th September, 2020 to 29th September, 2025.

Brief profile of Mr. Sumit Khanna is attached as annexure to the notice along with the names of the Companies in which he holds directorships and memberships / chairperson of the Board / Committees and shareholding are provided in the annexure to the explanatory statement attached herewith.

Save and except Mr. Sumit Khanna and his relatives to the extent their shareholding in the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 3.

Item No: 4

Ms. Varsha Gulecha was appointed as an Independent Director of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the Annual General Meeting held on 14th September, 2016 to hold office upto 29th September, 2020.

After the the performance evaluation of the Ms. Varsha Gulecha, and considering her knowledge, expertise and experience in the field of Management, the Board has considered to re-appoint Ms. Varsha Gulecha as an Independent Woman Director for further five years starting from 30th September, 2020 to 29th September, 2025.

Brief profile of Ms. Varsha Gulecha is attached as annexure to the notice along with the names of the Companies in which she holds directorships and memberships / chairperson of the Board / Committees and shareholding are provided in the annexure to the explanatory statement attached herewith.

Save and except Ms. Varsha Gulecha and her relatives to the extent their shareholding in the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 4.

Annexure to the Explanatory Statement

1. Relevant details as stipulated under Regulation 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings (“SS-2”) issued by Institute of Company Secretaries of India, in respect of directors seeking appointment / reappointment as director under Resolution No. 2, 3 & 4, is as under:

Name of the Director	Mr. Shantilal Jain
Date of Birth	18/08/1943
Date of first Appointment on the Board	04/09/1986
Qualifications	B.Com
Experience/Brief Resume/ Nature of expertise in specific functional areas;	Finance
Terms and Conditions of Appointment along with remuneration sought to be paid	0.00
Remuneration last drawn by such person, if any	0.00
No. of Shares held in the Company as on 31 st March, 2020	7,75,422
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company/ Disclosure of relationships between directors inter-se;	Siddharth Jain
Number of Meetings of the Board attended during the year	4
Directorship / Designated Partner in other Companies / LLPs	1. Munoth Retail Private Limited 2. Munoth Investment And Finance Company Private Limited 3. Munoth Finance And Leasing Limited 4. Silvercroft Investments Private Limited 5. Anima Investments Limited 6. Symphony Investments Pvt Ltd 7. Scapolite Holdings Private Limited 8. Serpentine Holdings Private Limited 9. Gujarat-Karnavati Land And Estate Limited
Chairman/Member of the Committees of Board of other Companies/ Names of listed entities in which the person also holds the directorship and the membership of the Committees of the board	0

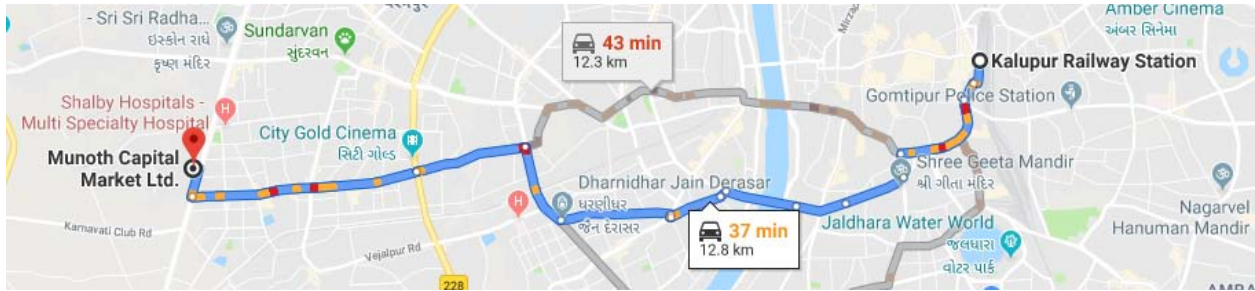
Name of the Director	Mr. Sumit Khanna
Date of Birth	02/08/1977
Date of first Appointment on the Board	30/09/2015
Qualifications	B.Com
Experience/Brief Resume/ Nature of expertise in specific functional areas;	Management

Terms and Conditions of Appointment along with remuneration sought to be paid	0.00
Remuneration last drawn by such person, if any	0.00
No. of Shares held in the Company as on 31 st March, 2020	0
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company/ Disclosure of relationships between directors inter-se;	N.A
Number of Meetings of the Board attended during the year	4
Directorship / Designated Partner in other Companies / LLPs	1. Princeton Projects Private Limited 2. A S Creations Private Limited 3. Sivanta Infra Projects LLP 4. Nihon Warehousing LLP 5. Rhoma Infracon LLP
Chairman/Member of the Committees of Board of other Companies/ Names of listed entities in which the person also holds the directorship and the membership of the Committees of the board	0

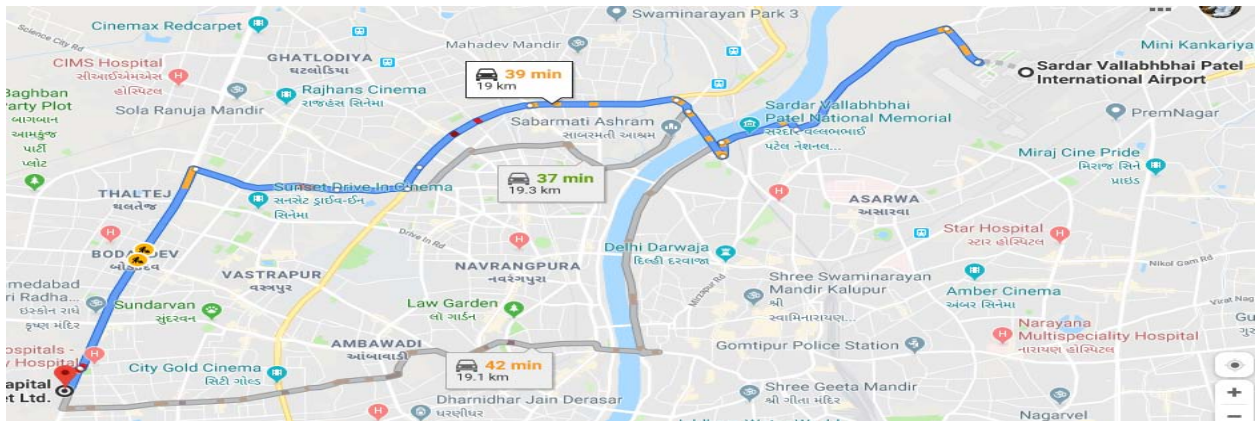
Name of the Director	Ms. Varsha Gulecha
Date of Birth	31/12/1983
Date of first Apointment on the Board	30/09/2016
Qualifications	B.com
Experience/Brief Resume/ Nature of expertise in specific functional areas;	Management
Terms and Conditions of Appointment along with remuneration sought to be paid	0.00
Remuneration last drawn by such person, if any	0.00
No. of Shares held in the Company as on 31 st March, 2020	88,200
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company/ Disclosure of relationships between directors inter-se;	N.A
Number of Meetings of the Board attended during the year	4
Directorship / Designated Partner in other Companies / LLPs	0
Chairman/Member of the Committees of Board of other Companies/ Names of listed entities in which the person also holds the directorship and the membership of the Committees of the board	0

Route Map to the venue of the 38th Annual General Meeting as per Secretarial Standard-2 Prominent Land Mark of the Venue

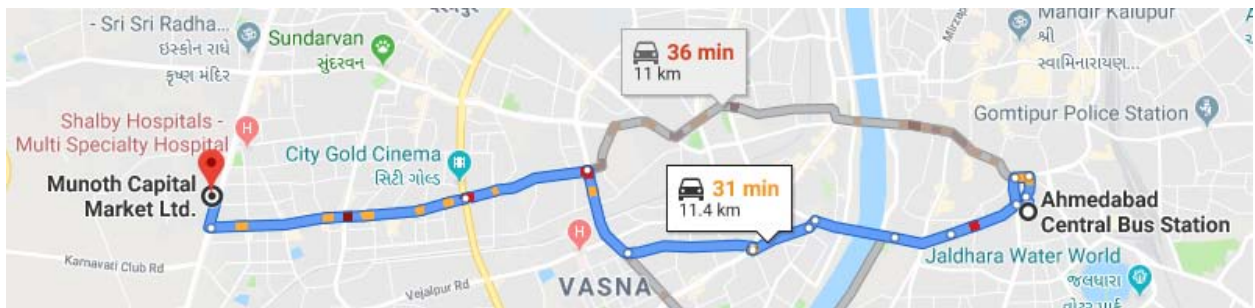
A. From Kalupur Railway Station



B. From Ahmedabad Airport



C. From Ahmedabad Central Bus Station



BOARD'S REPORT

To,
The Members,

Your Directors present the 38th Annual Report of the Company along with the Audited Statement of Accounts for the Financial Year ended on 31st March, 2020.

1. FINANCIAL RESULT

The financial performance of the Company for the Financial Year ended on 31st March, 2020 and for the previous financial year ended on 31st March, 2019 is given below:

(Amount in Rs.)

Particulars	2019-2020	2018-2019
Revenue from Operations	15,94,326	16,16,196
Other Income	22,15,566	17,47,071
Total Income	38,09,892	33,63,267
Total Expenses	32,73,671	40,91,257
Profit / (Loss) Before Tax	5,36,221	(19,08,345)
Current Tax	(7,208)	--
Deferred Tax	-	60,515
Profit / (Loss) for the Period	5,29,013	(18,47,830)

2. OPERATIONS

Total Income for FY 2019-20 was Rs. 38,09,892/- compared to the Total Income of Rs. 33,63,267/- of previous year. The profit before tax of the Company for the financial year 2019-20 stood at Rs. 5,36,221/- as against loss before tax of Rs. 19,08,345/- of previous year making profit after tax for the financial year 2019-20 of Rs. 5,29,013/- as against loss after tax of Rs. 18,47,830/- of Previous year.

3. CHANGE IN NATURE OF BUSINESS, IF ANY

There were no changes in the nature of business of the Company during the year under review.

4. ANNUAL RETURN

The extract of the Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in Form No. MGT - 9 is enclosed herewith as **Annexure 1** and the same has been placed at the Company's website under Section Investors - Annual Report.

5. BOARD MEETINGS AND ATTENDANCE

The Directors of the Company met at regular intervals at least once in a quarter with the gap between two meetings not exceeding 120 days to take a view of the Company's policies and strategies apart from the Board Matters.

During the year under the review, the Board of Directors met 4 (Four) times viz. 30th May, 2019; 14th August, 2019; 14th November, 2019; 14th February, 2020.

6. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134 (3)(c) and Section 134(5) of the Companies Act, 2013, to the best of their knowledge and belief the Board of Directors hereby submit that:

- a. In the preparation of the Annual Accounts, for the year ended on March 31, 2020 the applicable accounting standards have been followed and there are no material departure from the same,
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year and of the profit of the company for the financial year ended on March 31, 2020,
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,
- d. The directors had prepared the Annual Accounts on a going concern basis,
- e. The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

7. COMMENT ON AUDITORS' REPORT

There were no qualifications, reservations, adverse remarks or disclaimer made by the Auditors in their report on the financial statement of the Company for the financial year ended on March 31, 2020.

Maintenance of cost records as specified under Companies Act, 2013 is not applicable to the Company.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The details of loans, investment, guarantees and securities covered under the provisions of section 186 of the Companies Act, 2013 are provided in the financial statement.

9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the year the Company has not entered into any materially significant related party transactions which may have potential conflict with the interest of the Company at large. Suitable disclosures as required are provided in AS-18 which is forming the part of the notes to financial statement.

10. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has its Internal Financial Control systems commensurate with operations of the Company. The management regularly monitors the safeguarding of its assets, prevention and detection of frauds and errors, and the accuracy and completeness of the accounting records including timely preparation of reliable financial information.

The Head of Internal Audit together with External Audit consults and reviews the effectiveness and efficiency of these systems and procedures to ensure that all assets are protected against loss and that the financial and operational information is accurate and complete in all respects.

11. RESERVES

The Company has a Closing Balance of Rs. 13,55,533/- as Reserve and Surplus as on 31.03.2020.

The Closing Balance of Reserves and Surplus is bifurcated as follows:

Sr. No.	Particulars	Amount (in Rs.)
1.	Balance at the beginning of the year	9,06,978
2.	Current Year's Profit / (Loss)	5,29,013
3.	Movement in OCI (Net) during the year	(80,458)
3.	Amount of Securities Premium	0
Total		13,55,533

12. DIVIDEND

To conserve resources for future prospect and growth of the Company, your Directors regret to declare Dividend for the Financial Year 2019-20 (Previous year - Nil).

13. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATES AND THE DATE OF THE REPORT

Apart from the change as mentioned below, no material changes and commitments, affecting the financial position of the Company occurred between the end of the Financial Year to which this financial statement relates and up till the date of Report.

14. TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund ("IEPF"). During the year under review, there was no unpaid or unclaimed dividend in the "Unpaid Dividend Account" lying for a period of seven years from the date of transfer of such unpaid dividend to the said account. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund.

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

The details of conservation of energy, technology absorption etc. as required to be given under section 134(3)(m) of the Companies Act 2013 read with the Companies (Accounts) Rules, 2014, is not given as the Company has not taken any major step to conserve the energy etc. Further, there was no foreign exchange earnings and outgo during the financial year 2019-20 (Previous Year - Nil).

16. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF THE RISK MANAGEMENT POLICY OF THE COMPANY

The Company has in place, a mechanism to identify, assess, monitor and mitigate various risks towards the key business objectives of the Company. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.

17. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Directors and Key Managerial Personnel of the Company are summarized below:

Sr. No.	Name	Designation	DIN
1.	Siddharth Jain	Non-Executive Director	00370650
2.	Shantilal Jain	Non-Executive Director	00370624
3.	Sumit Khanna	Independent Director	01180220
4.	Varsha Gulecha	Independent Director	07283903
5.	Siddharth Jain	CEO	-
6.	Bhagyashree Sutaria	Company Secretary	-
7.	Shantilal Jain	CFO	-

There was no change in the composition of the Board of Directors of the Company during the financial year 2019-20.

18. DECLARATION BY INDEPENDENT DIRECTORS

Mr. Sumit Khanna and Ms. Varsha Gulecha, Independent Directors of the Company have confirmed to the Board that they meet the criteria of Independence as specified under Section 149 (6) of the Companies Act, 2013 and they qualify to be Independent Directors. They have also confirmed that they meet the requirements of Independent Director as mentioned under Regulation 16 (1) (b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The confirmations were noted by the Board.

19. CORPORATE GOVERNANCE

Since the paid up Capital of Company is less than Rs. 10 Crores and Turnover is less than Rs. 25 Crores therefore by virtue of Regulation 15 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the Company. Hence Corporate Governance does not form part of this Board's Report.

20. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary Company, Joint Venture Company or Associate Company

21. DEPOSITS

As per Section 73 of the Companies Act, 2013 the Company has neither accepted nor renewed any deposits during the financial year. Hence the Company has not defaulted in repayment of deposits or payment of interest during the financial year.

22. STATUTORY AUDITOR

M/s. B. Maheshwari & Co., Chartered Accountants, Mumbai were appointed as the Statutory Auditors of the Company for a period of 5 (five) years. The Auditor's report for the financial year ended March 31, 2020 has been issued with an unmodified opinion, by the Statutory Auditors.

23. SECRETARIAL AUDITOR

The Board appointed M/s Gaurav Bachani & Associates, Practicing Company Secretaries, Ahmedabad to conduct Secretarial Audit for the Financial Year 2019-20. The Secretarial Audit Report for the financial year ended 31st March, 2020 is annexed herewith marked as **Annexure-2** to this Report.

24. DISCLOSURES

A. Composition of Audit Committee:

During the year under review, meeting of members of the Audit committee as tabulated below, was held 30th May, 2019; 14th August, 2019; 14th November, 2019; 14th February, 2020 and the attendance records of the members of the Committee are as follows:

Name	Designation	No. of the Committee Meeting entitled	No. of Committee Meeting attended
Siddharth Jain	Chairman	4	4
SumitKhanna	Member	4	4
VarshaGulecha	Member	4	4

(The details of Committee members are as on the date of closure of the Financial Year i.e. 31st March, 2020.)

During the year all the recommendations made by the Audit Committee were accepted by the Board.

B. Composition of Nomination and Remuneration Committee:

During the year under review, meeting of the members of the Nomination and Remuneration committee, as tabulated below, was held on 14th August, 2019; and the attendance records of the members of the Committee are as follows:

Name	Designation	No. of the Committee Meeting entitled	No. of Committee Meeting attended
Shantilal Jain	Chairman	1	1
SumitKhanna	Member	1	1
Varsha Gulecha	Member	1	1

(The details of Committee members are as on the date of closure of the Financial Year i.e. 31st March, 2020.)

C. Composition of Stakeholders' Relationship Committee:

During the year under review, meeting of members of Stakeholders' Relationship committee as tabulated below, was held on 30th May, 2019; 14th August, 2019; 14th November, 2019; 14th February, 2020 and the attendance records of the members of the Committee are as follows:

Name	Designation	No. of the Committee Meeting entitled	No. of Committee Meeting attended
Siddharth Jain	Chairman	4	4
Sumit Khanna	Member	4	4
Varsha Gulecha	Member	4	4

(The details of Committee members are as on the date of closure of the Financial Year i.e. 31st March, 2020.)

25. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has always been committed to provide a safe and conducive work environment to its employees. Your Directors further state that during the year under review there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as confirmed by the Internal Complaints Committee as constituted by the Company.

26. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report as required under Regulation 34 and Schedule V of the SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report, and provides the Company's current working and future outlook as per **Annexure - 3**.

27. ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Bankers, Regulatory Bodies, Stakeholders including Financial Institutions, Suppliers, Customers and other business associates who have extended their valuable sustained support and encouragement during the year under review.

Your Directors take this opportunity to recognize and place on record their gratitude and appreciation for the commitment displayed by all executives, officers and staff at all levels of the Company. We look forward for the continued support of every stakeholder in the future.

Registered Office:

Shanti Nivas, Opposite Shapath V,
Near Karnavati Club, S.G Road,
Ahmedabad – 380 058

Date: 1st September, 2020

Place: Ahmedabad

**By the Order of the Board of
MUNOTH CAPITAL MARKET LIMITED
Sd/-**

Siddharth Jain
Director
DIN: 00370650

Shantilal Jain
Director
DIN: 00370624

**FORM No. MGT 9
EXTRACT OF ANNUAL RETURN
As on Financial Year ended on 31.03.2020
Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management & Administration) Rules, 2014**

I. REGISTRATION & OTHER DETAILS

CIN	L99999GJ1986PLC083614
Registration Date	04/09/1986
Name of the Company	Munoth Capital Market Limited
Category/Sub-category of the Company	Company Limited By Share / Indian Non-Government Company
Address of the Registered Office & Contact Details	Shanti Nivas, Opp.Shapath-V, Nr.Karnavati Club, S.G.Road, Ahmedabad - 380058 Tel. No: 079-26937954 Email: munoth@gmail.com
Whether Listed Company	Yes (Listed In BSE)
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Purva Sharegistry (India) Pvt. Ltd. (CIN:U67120MH1993PTC074079) Shiv Shakti Industrial Estates, Unit No.9 7-B,J.R. Boricha Marg, Sitaram Mill Compound, Mumbai-400011

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the Total Turnover of the Company shall be stated:-

Sr. No.	Name and Description of the Main Products / Service	NIC Code of the Product/Service	% to Total Turnover of the Company
1	Securities Brokerage Service	99715210	100 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	NIL				

(i) SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	16,78,572	0	16,78,572	18.67	16,78,572	0	16,78,572	18.67	--
b) Central Govt	0	0	0	0.00	0	0	0	0.00	
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	--
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	--
f) Any Other..	0	0	0	0.00	0	0	0	0.00	--
Sub-total (A)	48,45,600		48,45,600	53.89	48,45,600		48,45,600	53.89	
(1):-	65,24,172	0	65,24,172	72.56	65,24,172	0	65,24,172	72.56	
(2) Foreign									
a)NRIs	0	0	0	0.00	0	0	0	0.00	--
Individuals									--
b)Other	0	0	0	0.00	0	0	0	0.00	--
Individuals									--
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	--
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	
e) Any Other....	0	0	0	0.00	0	0	0	0.00	--
Sub-total (A)	0	0	0	0.00	0	0	0	0.00	--
(2):-									
Total shareholding of Promoter (A) = (A)(1)+(A) (2)	65,24,172	0	65,24,172	72.56	65,24,172	0	65,24,172	72.56	--
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	--
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	--
c) Central Govt	0	0	0	0.00	0	0	0	0.00	--
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	--
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	--
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	--
g) FII's	0	0	0	0.00	0	0	0	0.00	--
h)Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	--

i)Any Others (specify)	0	0	0	0.00	0	0	0	0.00	--
Sub-total (B)(1):-	0	0	0	0.00	0	0	0	0.00	--
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	186	0	186	0.00	186	0	186	0.00	--
ii) Overseas	0	0	0	0.00	0	0	0	0.00	--
b) Individuals									--
i)Individual shareholders holding nominal share capital upto Rs. 1 lakh	44,783	0	44,783	0.50	22,354	0	22,354	0.25	--
ii)Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)	11,62,100	12,57,758	24,19,858	26.91	11,86,530	12,57,758	11,86,530	27.19	
Sub-total (B)(2):-	2001	0	2001	0.02	0	0	0	0	
Total Public Shareholding (B) = (B)(1) + (B)(2)	12,09,070	12,57,758	24,66,828	27.44	12,09,070	12,57,758	24,66,828	27.44	
	0	0	0	0.00	0	0	0	0.00	--
Grand Total (A+B+C)	7733242	1257758	8991000	100	7733242	1257758	8991000	100	

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	Munoth Investment And Finance Company	25,26,750	28.10	-	25,26,750	28.10	-	--
2	Anima Investments Ltd	15,40,350	17.13	-	15,40,350	17.13	-	--
3	Silver Croft Investment Pvt Ltd	6,34,500	7.06	-	6,34,500	7.06	-	--
4	Symphony Investment Pvt Ltd	1,44,000	1.60	-	1,44,000	1.60	-	--

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
5	Siddharth Shantibhai Jain	1,35,000	1.50	-	1,35,000	1.50	-	--
6	Shantilal Misrimal Jain	7,75,422	8.62	-	7,75,422	8.62	-	--
7	Bhavridevi Shantilal Jain	6,40,350	7.12	-	6,40,350	7.12	-	--
8	Jain Shantilal Misrimal	1,27,800	1.42	-	1,27,800	1.42	-	--
	Total	65,24,172	72.56	-	65,24,172	72.56	-	--

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

There is no change in Promoters' holding during the FY 2019-20.

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name of Shareholder	Shareholding at the end of the year	
		No. of shares	% of total shares of the company
1	Sumermal Surajmal Gulecha	88,650	0.99
2	Kanakraj Surajmal Gulecha	88,200	0.98
3	Vidhi Vinay Kankaria	88,200	0.98
4	Varsha Aakesh Gulecha	88,200	0.98
5	Sanjay Sumermal Gulecha	87,750	0.98
6	Shakuntaladevi Kanakraj Gulecha	87,390	0.97
7	Vivek Vinay Kankaria	85,500	0.95
8	Vinay Kankaria	83,700	0.93
9	Manish Sumermal Gulecha	83,340	0.93
10	Jinesh Kanakraj Gulecha	82,800	0.92

(v) Shareholding of Directors and Key Managerial Personnel

S. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shantilal Misrimal Jain	7,75,422	8.62	7,75,422	8.62
2	Siddharth Shantibhai Jain	1,35,000	1.50	1,35,000	1.50
3	Sumit Khanna	NIL	NIL	NIL	NIL
4	Varsha Aakesh Gulecha	88,200	0.98	88,200	0.98
5	Bhagyashree Sutaria	NIL	NIL	NIL	NIL

(vi) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
Principal Amount	1,58,327	--	--	1,58,327
Interest due but not paid				
Interest accrued but not due				
Total (i+ii+iii)	1,58,327	--	--	1,58,327
Change in Indebtedness during the financial year				
Addition	4,35,764	--	--	4,35,764
Reduction	--	63,263	--	63,263
Net Change	4,35,764	63,263	--	4,99,027
Indebtedness at the end of the financial year				
Principal Amount	5,94,091	63,263	--	6,57,354
Interest due but not paid	--	--	--	--
Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	5,94,091	63,263	--	6,57,354

(vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

There is no remuneration paid to any Managing Director, Whole-time Director and/or Manager.

B. Remuneration to Other Directors

There is no remuneration paid to any Director.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD.

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	COMPANY SECRETARY	CFO	TOTAL
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	324000		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	As % of Profit	-	-	-	-
	Others, specify:	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	324000		

(viii) PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

Registered Office:

Shanti Nivas, Opposite Shapath V,
Near Karnavati Club, S.G Road,
Ahmedabad – 380 058

Date: 1st September, 2020

Place: Ahmedabad

**By the Order of the Board of
MUNOTH CAPITAL MARKET LIMITED**

Sd/-

Siddharth Jain
Director
DIN: 00370650

Shantilal Jain
Director
DIN: 00370624

Annexure '2' to Board's Report

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members of
Munoth Capital Market Limited
Shanti Nivas, Opp. Shapath -V,
Nr. Karnavati Club, S G Road,
Ahmedabad, Gujarat, 380058

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Munoth Capital Market Limited** (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **Munoth Capital Market Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Munoth Capital Market Limited** ("the Company") for the financial year ended on 31st March, 2020, according to the provisions of:-

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period).
 4. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 5. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period).
 6. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I have also examined compliance with the applicable clauses of the following: (i) Secretarial Standards issued by The Institute of Company Secretaries of India;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**FOR, GAURAV BACHANI & ASSOCIATES,
COMPANY SECRETARIES**

**GAURAV V. BACHANI
PROPREITOR**

ACS: 61110

COP: 22830

FRN: S2020GJ718800

UDIN: A061110B000645628

Date: 1st September, 2020

Place: Ahmedabad

This report is to be read with our letter of even date which is annexed as Annexure - 1 and forms an integral part of this report.

To,
The Members
Munoth Capital Market Limited
Ahmedabad

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**FOR, GAURAV BACHANI & ASSOCIATES,
COMPANY SECRETARIES**

**GAURAV V. BACHANI
PROPREITOR**

ACS: 61110

COP: 22830

FRN: S2020GJ718800

UDIN: A061110B000645628

Date: 1st September, 2020

Place: Ahmedabad

Management Discussion and Analysis Report

A. Industry structure and developments

In the last six years, Indian markets have witnessed a spurt in volumes at 34.4% Compound Annual Growth Rate (CAGR) from F.Y. 2013 to F.Y. 2019. The industry volumes Average Daily Turnover (excluding proprietary) was up by 55% YoY. In this, while the gross equity ADTO increased by 11%, delivery ADTO contribution decreased to 24%. There was a substantial growth in the number of new retail investors entering the equity market, as witnessed through the number of NSDL and CDSL Demat Accounts being opened in F.Y. 2020, which was up by 25% as compared to F.Y.2019. The volatility in market is expected to encourage trading turnover, the recent corrections in valuations on account of the COVID-19 impact, coupled with the cautious investor stance, would have a bearing on industry revenues in F.Y. 2020. On account of the COVID-19 impact, brokerage companies are expected to report a marginal reduction in revenue and profitability across businesses.

B. Opportunities and Threats

Opportunities:-

Securities businesses are expected to benefit from the structural shift in the financial savings environment as well as the improving technology infrastructure of India. Some of the broad macro trends that underline the opportunities are:

1. Despite the short-term impact of COVID-19, India is expected to be a relatively high growth economy in the medium to longer term and this augurs well for the capital markets
2. India has been and is expected to remain a high savings economy. The young working population is expected to increasingly channel a higher share of their savings into financial assets. The growing preference for equity among retail investors, as an asset class coupled with and the relative under-penetration in terms of both market capitalisation to GDP ratio or ratio of investments in shares and debentures to GDP, signify a positive outlook for equity-based businesses in India.

Threats:-

Worsening of macro-economic factors and low economic growth can negatively impact the capital market sector thereby affecting business. Movement in crude oil prices is one of the key determinants of the direction of financial markets. It can be bundled with rising account deficits, inflation, depreciating currency, slowdown in foreign investment flows etc thereby posing threat to the business. Uncertainty in the global markets, owing to the increased strain in the advanced economies and emerging economies due to the COVID 19 impact result in volatile capital inflows and currency fluctuations.

C. Segment-wise or product-wise performance.

The Company is operating in only one segment. Therefore there is no requirement of Segment wise reporting.

D. Outlook

The outlook for the industry is dependent upon key factors such as domestic and global economic growth, buoyancy in primary markets, lack of alternative investment opportunities and technological up-gradation.

A broad-based macro-economic recovery will lead to improved corporate profits, thus supporting higher stock prices and positive equity market sentiments. While FIIs have sold lately, India's structural long-term attractiveness will attract foreign investors.

E. Risks and concerns.

The capital market industry is mainly dependent on economic growth of country and capital market is also further affected by number of issues arising out of International policies of foreign government as well any change in international business environment. The industrial growth is very sensitive which is dependent on many factors which may be social, financial, economical or political and also natural climatic conditions in the country. However, with the positive attitude of country which can mitigate the avoidable risks. Geopolitical tensions, raising crude oil prices, rising US bond yields, scams in the banking sector are some of the affecting factors that the country witnessed during the year under review. The country faced the said concerns with positive measures by way of making amendments or introducing new laws that can assist to grow the economy. Foreign investors are very positive for India and trust its policies which are very much investor friendly. It is expected that the said efforts shall continue during the coming years irrespective of the Government which is in power.

F. Internal control systems and their adequacy.

The company has implemented proper system for safeguarding the operations/business of the company, through which the assets are verified and frauds, errors are reduced and accounts, information connected to it are maintained such, so as to timely completion of the statements.

The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information. The company has internal audit and verification at regular intervals.

The requirement of having internal auditor compulsory by statute in case of listed and other classes of companies as prescribed shall further strengthen the internal control measures of company.

G. Discussion on financial performance with respect to operational performance.

The financial performance of the Company for the financial year 2019-20 is described in the report of Board of Directors' of the Company.

H. Material developments in Human Resources / Industrial Relations front including number of people employed.

The cordial employer- employee relationship also continued during the year under the review. The company has continued to give special attention to human resources.

Registered Office:

Shanti Nivas, Opposite Shapath V,
Near Karnavati Club, S.G Road,
Ahmedabad – 380 058

Date: 1st September, 2020

Place: Ahmedabad

**By the Order of the Board of
MUNOTH CAPITAL MARKET LIMITED
Sd/-**

**Siddharth Jain
Director
DIN: 00370650**

**Shantilal Jain
Director
DIN: 00370624**

B. MAHESHWARI & CO

Chartered Accountants

B-302, Citi Point, Nr. Kohinoor Hotel, Andheri Kurla Road, Andheri (E), Mumbai- 400 059

Tel. no. 022- 28218282 / 9820817039 e-mail: surendraheda@gmail.com

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MUNOTH CAPITAL MARKET LIMITED

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **MUNOTH CAPITAL MARKET LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit & Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (collectively referred to as 'Standalone Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit (financial performance) and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of our standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as whole, and in forming the opinion thereon, and we do not provide a separate opinion these matters.

We are determining that there are no Key Audit Matters to be communicated in our audit report.

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Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and

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are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by section 143(3) of the Act, we report that :
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion the aforesaid Standalone Financial Statement comply with the IND AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
The Company has not paid/provided any managerial remuneration in the current year and hence provisions of Section 197 of the Act are not applicable to the Company.
 - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report that:
 - i) The Company does not have any pending litigations which would impact its financial position other than those mentioned in notes to accounts.

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ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.

For **B. Maheshwari & Co.**
Chartered Accountants
Firm Registration No. 105839W

Place: Mumbai
Date: 30/07/2020
UDIN : 20102316AAAABI3603

(Surendra Heda)
Partner
M.No.102316

B. MAHESHWARI & CO

Chartered Accountants

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MUNOTH CAPITAL MARKET LIMITED **ANNEXURE-A TO INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to in paragraph 1 under the 'Report on Other Legal and Regulatory Requirements' our report to the members of **MUNOTH CAPITAL MARKET LIMITED**, ('the Company') for the year ended on March 31, 2020. We report that:-

- i. In respect of its fixed assets:
 - a) The Company has maintained proper records to show full particulars including quantitative details and situations of its fixed assets.
 - b) As Explained to us during the year fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification
 - c) Since the company does not have any immovable property hence the provisions of clause i(c) of paragraph 3 of said order are not applicable to the company.
- ii. In respect of its inventories:

The nature of business of the Company does not require it to have any inventory hence provisions of Clause 3(ii) of the said Order is not applicable to the Company.
- iii. According to the information and explanations given to us the Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act during the year and hence provisions of Clause3(iii) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantee or security to the parties covered under Section 185 and 186 and hence provisions of Clause 3(iv) of the aforesaid Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company
- vii (a) According to the information and explanation given to us and as per the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and service tax, custom duty, cess and other statutory dues applicable to it. No undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

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- vii (b) According to the information and explanation given to us and as per the records of the Company no dues of income tax, sales tax, service tax, duty of custom, duty of excise, value added tax or cess etc. that have not been deposited on account of any disputes.
- viii Based on our audit procedures and according to the information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and bank.
- ix The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans and hence provisions of Clause 3(ix) of the aforesaid Order are not applicable to the Company.
- x During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- xi The Company has not paid/provided any managerial remuneration in the current year and hence provisions of Clause 3(xi) of the aforesaid Order are not applicable to the Company.
- xii The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to the Company and hence provisions of Clause 3(xii) of the aforesaid Order are not applicable to the Company.
- xiii Based on our audit procedures and according to the information and explanations given to us by the management, the Company has not entered into any transaction with the related parties as referred in the provisions of the Section 177 and 188 of the Act and hence provisions of Clause 3(xiii) of the aforesaid Order are not applicable to the Company.
- xiv The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence provisions of Clause 3(xiv) of the aforesaid Order are not applicable to the Company.
- xv In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B. Maheshwari & Co.**
Chartered Accountants
Firm Registration No. 105839W

(Surendra Heda)

Partner

Place: Mumbai

Date: 30/07/2020

UDIN : 20102316AAAABI3603

M.No.102316

B. MAHESHWARI & CO

Chartered Accountants

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Tel. no. 022- 28218282 / 9820817039 e-mail: surendraheda@gmail.com

MUNOTH CAPITAL MARKET LIMITED **ANNEXURE-B TO INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to in paragraph 2(g) under the 'Report on Other Legal and Regulatory Requirements' our report to the members of **MUNOTH CAPITAL MARKET LIMITED**, ('the Company') for the year ended on March 31, 2020.

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Act

We have audited internal financial controls over financial reporting of **MUNOTH CAPITAL MARKET LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year then ended on that date.

Management's Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities includes design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of business, including adherence to Company's policies, the safeguarding of the assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and Guidance note require that we comply with ethical requirements and plan and perform audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedure to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a

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Chartered Accountants

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basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide a reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. Provide reasonable assurance that the transactions are recorded as necessary to permit preparation of financial statements in accordance with the generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial control over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material aspects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B. Maheshwari & Co.**
Chartered Accountants
Firm Registration No. 105839W

(Surendra Heda)

Partner

M.No.102316

Place: Mumbai

Date: 30/07/2020

UDIN : 20102316AAAABI3603

MUNOTH CAPITAL MARKET LIMITED**CIN:- L99999GJ1986PLC083614****Balance Sheet as at 31st March, 2020****(In Rupees)**

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
(1) ASSETS			
i) Non-current assets			
a) Property, Plant and Equipment	2	3,64,683	3,25,723
b) <u>Financial Assets</u>			
(i) Investments	3	26,67,629	-
(iii) Others	4	3,89,11,172	3,86,22,967
ii) Current assets			
a) <u>Financial Assets</u>			
(i) Cash and cash equivalents	5	8,47,047	13,70,371
(iii) Loans	6	27,12,915	29,26,213
(iv) Others	7	20,000	-
b) Current Tax Assets (Net)	8	19,78,239	33,50,166
Total Assets		4,75,01,686	4,65,95,440
(2) EQUITY AND LIABILITIES			
1) Equity			
a) Equity Share capital	9	4,49,55,000	4,49,55,000
b) Other Equity	10	13,55,533	9,06,978
2) LIABILITIES			
(i) Non-current liabilities			
a) <u>Financial Liabilities</u>			
(i) Borrowings	11	5,94,091	1,58,327
b) Deferred tax liabilities (Net)	12	-	-
(ii) Current liabilities			
a) <u>Financial Liabilities</u>			
(i) Borrowings - Directors Loan		63,263	-
(ii) Trade payables	13	1,52,391	2,47,477
b) Provisions	14	3,81,408	2,85,073
c) Current Tax Liabilities (Net)	15	-	42,585
Total Equity and Liabilities		4,75,01,686	4,65,95,440

See accompanying notes to the financial statements

Significant Accounting Policies

1

Other Notes on accounts from Nos 21 to 31

are an integral part of the Financial Statements

This is the Balance Sheet referred to in our Report of even date.

For B. Maheshwari & Co
Chartered Accountants
Firm Reg. No.: 105839W

For and on behalf of the Board
Munoth Capital Market Limited

Surendra Heda
Partner
(M.No.102316)
Place :Mumbai
Date: 30/07/2020
UDIN : 20102316AAAABI3603

Siddharth S Jain
Director
DIN: 00370650

Shantilal M Jain
Director
DIN:00370624

Siddharth S Jain
CEO

Shantilal M Jain
CFO

Bhagyashree Sutaria
Company Secretary

Place: Ahmedabad
Date: 30/07/2020

MUNOTH CAPITAL MARKET LIMITED
CIN:- L99999GJ1986PLC083614

Statement of Profit and Loss for the period ended 31st March, 2020

(In Rupees)

	Particulars	Note No.	2019-20	2018-19
I	Revenue From Operations	16	15,94,326	16,16,196
II	Other Income	17	22,15,566	17,47,071
III	Total Income (I+II)		38,09,892	33,63,267
IV	EXPENSES			
	Employee benefits expense	18	11,50,416	11,58,310
	Finance costs	19	19,347	1,01,835
	Depreciation and amortization expense	2	1,36,539	93,660
	Other expenses	20	17,30,888	27,37,452
	Loss on sale of Derivatives		2,36,482	-
	Total expenses (IV)		32,73,671	40,91,257
V	Profit/(loss) before exceptional items and tax (I- IV)		5,36,221	(7,27,989)
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		5,36,221	(7,27,989)
	Prior Period Expenses		-	11,80,356
			5,36,221	(19,08,345)
	Tax expense:			
VIII	(1) Current tax		(7,208)	-
	(2) Deferred tax		-	60,515
IX	Profit (Loss) for the period (VII-VIII)		5,29,013	(18,47,830)
X	Tax for earlier years		-	-
XI	Profit/(loss) for the period (IX-X)		5,29,013	(18,47,830)
XII	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		(80,457)	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XIII	Total Comprehensive Income for the period (XI+XII)(Comprising Profit / (Loss) and Other Comprehensive Income for the period)		4,48,556	(18,47,830)
XIV	Earnings per equity share:			
	(1) Basic		0.06	-0.21
	(2) Diluted		0.06	-0.21

See accompanying notes to the financial statements

Significant Accounting Policies

1

Other Notes on accounts from Nos 21 to 31

are an integral part of the Financial Statements

For B. Maheshwari & Co
Chartered Accountants
Firm Reg. No.: 105839W

For and on behalf of the Board
Munoth Capital Market Limited

Surendra Heda
Partner
(M.No.102316)
Place :Mumbai
Date: 30/07/2020
UDIN : 20102316AAAABI3603

Siddharth S Jain
Director
DIN: 00370650

Shantilal M Jain
Director
DIN:00370624

Siddharth S Jain
CEO

Shantilal M Jain
CFO

Bhagyashree Sutaria
Company Secretary

Place: Ahmedabad
Date: 30/07/2020

MUNOTH CAPITAL MARKET LIMITED
CIN:- L99999GJ1986PLC083614
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2020

Particulars	YEAR ENDED ON 31.03.2020		YEAR ENDED ON 31.03.2019	
	RUPEES	RUPEES	RUPEES	RUPEES
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax		5,36,221		(7,27,989)
Adjustments for :				
Depreciation	1,36,539		93,660	
Interest received	(16,64,611)		(14,23,180)	
Interest on IT refund	(3,70,246)	(18,98,318)		(13,29,520)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(13,62,098)		(20,57,510)
Increase/(Decrease) in Short-term Borrowings	63,263		-	
Increase/(Decrease) in Trade Payables	(95,086)		81,910	
Increase/(Decrease) in Other Current Liabilities	96,334		(3,86,805)	
(Increase)/Decrease in Other Current Assets	20,000		58,184	
(Increase)/Decrease in short-term Loans and Advances	(2,13,298)		5,31,831	
		(1,28,786)		2,85,119
CASH GENERATED FROM OPERATIONS		(14,90,884)		(17,72,391)
Direct Taxes Paid	16,86,193		(1,42,318)	
NET CASH (USED IN)/FROM OPERATING ACTIVITIES		1,95,308		(19,14,710)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(1,75,500)		(75,900)	
Sale of Non Current Investment	-		-	
Purchase of non-current investments	(26,67,629)		-	
Interest received	16,64,611		14,23,180	
Movement in Long term Loans & advances	-		1,98,009	
NET CASH (USED IN)/FROM INVESTING ACTIVITIES		(11,78,518)		15,45,289
C. CASH FLOW FROM FINANCING ACTIVITIES				
Movement in Long Term Borrowings	4,35,764		(32,52,912)	
NET CASH (USED IN)/ FROM FINANCING ACTIVITIES		4,35,764		(32,52,912)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		(5,47,447)		(36,22,334)
CASH AND CASH EQUIVALENTS (OPENING BALANCE)		2,21,17,262		2,57,39,596
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)		2,15,69,815		2,21,17,262

Notes:

- 1) The above Cash Flow statement has been prepared under Indirect Method set out in AS-3 issued by the Institute of Chartered Accountants of India.
- 2) The balance with the bank for unpaid dividend is not available for use by the company and the money remaining unpaid will be deposited in Investors Protection and Education Fund after the expiry of seven years from the date of
- 3) Figures in brackets indicates out go.
- 4) Previous year figures have been regrouped and recast wherever necessary.

As per our report of even date attached

For B. Maheshwari & Co
Chartered Accountants
Firm Reg. No.: 105839W

For and on behalf of the Board
Munoth Capital Market Limited

Surendra Heda
Partner
(M.No.102316)
Place :Mumbai
Date: 30/07/2020

Siddharth S Jain
Director
DIN: 00370650

Shantilal M Jain
Director
DIN:00370624

Siddharth S Jain
CEO

Shantilal M Jain
CFO

Bhagyashree Sutaria
Company Secretary

Place: Ahmedabad
Date: 30/07/2020

MUNOTH CAPITAL MARKET LIMITED

CIN:- L99999GJ1986PLC083614

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2020

3	Particulars	As at March 31, 2020		As at March 31, 2019	
		Qty (in units)	Rs.	Qty (in units)	Rs.
3	Investments measured at fair value through OCI				
	Valued at Market value				
	Embassy Office (2400 units @ 9,41,718/-)	2,400	8,41,776	-	-
	India Grid Trust (20412 units @ 17,89,817/-)	20,412	18,25,853	-	-
	(Cost price = Rs. 27,31,535.00)	22,812	26,67,629	-	-
		As at March 31, 2020		As at March 31, 2019	
		Rs.		Rs.	
4	Others - Non Current				
	Unsecured, considered good Deposits*		1,78,76,076		1,78,76,076
	Bank Deposits & Accrued Interest With More than 12 Months maturity		2,10,35,096		2,07,46,891
		A	<u>3,89,11,172</u>	A	<u>3,86,22,967</u>
	*The deposits being refundable, however the refundable time period not being defined hence there is no need for discounting.				
		As at March 31, 2020		As at March 31, 2019	
5	CASH AND CASH EQUIVALENTS				
	Cash on Hand		6,13,252		6,14,395
	Balance with Banks :				
	- On Current Accounts		2,33,795		7,55,976
	Total		<u>8,47,047</u>		<u>13,70,371</u>
		As at March 31, 2020		As at March 31, 2019	
6	Loans - Current				
	Other Loans and Advances (Unsecured, considered good)		27,12,915		29,26,213
			<u>27,12,915</u>		<u>29,26,213</u>
		As at March 31, 2020		As at March 31, 2019	
7	Others - Current				
	Advance recoverable in cash or kind		20,000		-
	Total		<u>20,000</u>		<u>-</u>
		As at March 31, 2020		As at March 31, 2019	
8	Current Tax Assets				
	Income Tax Receivable		83,124		22,90,732
	MAT credit		18,95,116		10,59,434
	Total		<u>19,78,239</u>		<u>33,50,166</u>

9	SHARE CAPITAL	As at March 31, 2020		As at March 31, 2019	
		Quantity Nos.	Rs.	Quantity Nos.	Rs.
	Authorised share capital 18000000 (1,80,00,000) Equity Shares of Rs. 5/- each.	1,80,00,000	9,00,00,000	1,80,00,000	9,00,00,000
	Issued Subscribed and Full Paid Up Capital : 89,91,000 Equity Shares of Rs. 5/- each	89,91,000	4,49,55,000	89,91,000	4,49,55,000
			9,00,00,000		9,00,00,000
			4,49,55,000		4,49,55,000
9.1	Reconciliation of Equity Shares outstanding at the beginning and at the end of the year :				
	Particulars	As at 31st March, 2020		As at 31st March, 2019	
		No.of Shares	Rs.	No.of Shares	Rs.
	Shares outstanding at the beginning of the year	89,91,000	4,49,55,000	89,91,000	4,49,55,000
	Add: Shares issued during the year	-	-	-	-
	Less: Shares bought back during the year	-	-	-	-
	Shares Outstanding at the end of the year	89,91,000	4,49,55,000	89,91,000	4,49,55,000
9.2	Terms/Rights attached to equity shares: The company has only one class of equity share having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. During the year ended 31st March 2020, the amount of per share dividend recognized as distributions to equity shareholders was Rs. Nil (31st March 2019 Rs. Nil)				
9.3	Details of Equity shareholders holding more than 5 % shares in the Company				
	Name of Equity shareholders	As at 31st March, 2020		As at 31st March, 2019	
		No.of Shares held	% of holding	No.of Shares held	% of holding
	Munoth Investment and Finance Company Private Limited	25,26,750	28.10	25,26,750	28.10
	Anima Investments Limited	15,40,350	17.13	15,40,350	17.13
	Shantilal Misrimal Jain	7,75,422	8.62	7,75,422	8.62
	Bhavridevi Shantilal Jain	6,40,350	7.12	6,40,350	7.12
	Silver Croft Investment Pvt Ltd	6,34,500	7.06	6,34,500	7.06
10	OTHER EQUITIES	As at March 31, 2020		As at March 31, 2019	
		Rs.		Rs.	
	<u>General Reserve</u>				
	As Per last Balance Sheet		3,30,35,000		3,30,35,000
	Add / (Less) : Profit/(Loss) for the year		-		-
	Balance at end of the reporting period		3,30,35,000		3,30,35,000
	<u>Retained Earnings</u>				
	As Per last Balance Sheet		(3,21,28,023)		(3,02,80,192)
	Add : Reservers & Surplus of MRPL		-		-
	Add / (Less) : Profit/(Loss) for the year		5,29,013		(18,47,830)
	Balance at end of the reporting period		(3,15,99,010)		(3,21,28,022)
	Equity instruments through other comprehensive				
	As Per last Balance Sheet		-		-
	Add / (Less) : Movement in OCI (Net) during the year		(80,457)		-
	Balance at end of the reporting period		(80,457)		-
	Total		13,55,533		9,06,978

11	Borrowings - Non Current Secured	As at March 31, 2020	As at March 31, 2019
		Rs.	Rs.
	Hdfc Bank Ltd (Secured against Fixed Deposit of Rs 50 lac(PY 1.20 Cr)	5,65,556	1,29,792
	Others	28,535	28,535
	Total	5,94,091	1,58,327
12	Deferred Tax Liability (net) - Non Current	As at March 31, 2020	As at March 31, 2019
		Rs.	Rs.
	Break up of Deferred Tax Asset and Deferred Tax Liability arising out of timing differences		
	Deferred Tax Liability:- Opening	-	60,515
	Add: (Deferred Tax Assets) / Deferred Tax Liability for timing difference on Depreciation [refer note (a) below]		
	Net (deferred Tax Assets) / Deferred Tax Liability	-	(60,515)
		-	-
(a) Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognised unless there is a virtual certainty with respect to the reversal of the same in future.			
13	Trade Payables - Current	As at March 31, 2020	As at March 31, 2019
		Rs.	Rs.
	Sundry Creditors for Expenses [Refer note (a) below]	1,52,391	2,47,477
		1,52,391	2,47,477
The disclosure under Section 22 of Micro, Small and Medium Enterprises Development Act, 2006 is not applicable to the company as it is neither a trading nor a manufacturing company and accordingly do not have any such suppliers			
14	Provisions - Current	As at March 31, 2020	As at March 31, 2019
		Rs.	Rs.
	Statutory Dues	3,81,408	2,85,073
		3,81,408	2,85,073
15	Current Tax Liabilities (Net) - Current	As at March 31, 2020	As at March 31, 2019
		Rs.	Rs.
	Provision for MAT Tax	-	42,585
		-	42,585

For B. Maheshwari & Co
Chartered Accountants
Firm Reg. No.: 105839W

For and on behalf of the Board
Munoth Capital Market Limited

Surendra Heda
Partner
(M.No.102316)
Place :Mumbai
Date: 30/07/2020
UDIN : 20102316AAAABI3603

Siddharth S Jain
Director
DIN: 00370650

Shantilal M Jain
Director
DIN:00370624

Siddharth S Jain
CEO

Shantilal M Jain
CFO

Bhagyashree Sutaria
Company Secretary

Place: Ahmedabad
Date: 30/07/2020

MUNOTH CAPITAL MARKET LIMITED

CIN:- L99999GJ1986PLC083614

NOTES ANNEXED TO AND FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE PERIOD

Note : 16 Revenue from Operations

Sr. No	Particulars	For the year 2019-20	For the year 2018-19
	<u>FEE BASED FINANCIAL SERVICES</u>		
1	Brokerage	13,43,851	10,34,981
2	D.P. Income	2,19,373	1,74,889
3	Profit on Derivative Transactions	-	4,06,326
4	Profit on sale of Investment	31,103	-
	Total in `	15,94,326	16,16,196

Note : 17 Other Income

1	<u>Interest Received on</u>		
	a) Fixed Deposits	16,64,611	14,23,180
	b) Interest on Income Tax refund	3,70,246	
2	<u>Other Non Operating Income</u>		
	a) Dividend	1,22,472	-
	b) Miscellaneous Income	58,237	3,23,891
	Total in `	22,15,566	17,47,071

Note : 18 Employment Benefit Expenses

1	Salaries & Allowances	11,50,416	11,58,310
	Total in `	11,50,416	11,58,310

Note :19 Finance Cost

1	Interest Paid	17,717	85,785
2	Bank Charges	1,630	16,049
	Total in `	19,347	1,01,835

MUNOTH CAPITAL MARKET LIMITED

CIN:- L99999GJ1986PLC083614

NOTES ANNEXED TO AND FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE PERIOD

Note : 20 Other Administrative Expenses

1	Advertisement Expenses	32,467	-
2	Auditors Remuneration :		
	a) Statutory Audit Fees	50,000	50,000
3	Sundry Debit Balance Written off	1,79,500	1,01,459
4	Courier & Postage Charges	17,979	17,774
5	Custodial Charges	20,969	-
6	Demat charges	1,04,038	1,17,684
7	Donation	-	11,00,000
8	Insurance Expenses	1,129	1,185
9	Internet Charges	52,041	76,946
10	Listing Fees	3,00,000	2,50,000
11	Leased Line Charges	14,500	23,500
12	Miscellaneous Expenses	23,726	15,758
13	NSDL Charges	-	2,000
14	BSE Charges	97,763	66,151
15	CDSL Charges	99,584	97,986
16	Office expenses	1,05,019	85,258
17	Printing & Stationery	33,588	21,010
18	Legal & Professional Fees	2,10,599	2,48,392
19	ROC Fees	5,400	2,200
20	Repairs and Maintenance		
	(a) Computer and Software	90,000	1,78,600
	(b) Others	1,29,209	1,13,045
21	Other Charges	15,187	64,566
22	Membership & Subscription	60,000	1,01,918
23	Telephone charges	3,911	2,020
24	Travelling expenses	13,015	-
25	Non Settlement Charges	46,263	-
26	Sales Tax	25,000	-
	Total in `	17,30,888	27,37,452

Note :21 Prior Period Expenses

1	Prior Period Expense		
2	Prior Period Interest Income		
	Total in `	-	-

For **B. Maheshwari & Co**
Chart
Firm Reg. No.: 105839W

For and on behalf of the Board
Munoth Capital Market Limited

Surendra Heda
Partner
(M.No.102316)
Place :Mumbai
Date: 30/07/2020
UDIN : 20102316AAAABI3603

Siddharth S Jain
Director
DIN: 00370650

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DIN:00370624

Siddharth S Jain
CEO

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CFO

Bhagyashree Sutaria
Company Secretary

Place: Ahmedabad
Date: 30/07/2020

MUNOTH CAPITAL MARKET LIMITED
CIN:- L99999GJ1986PLC083614

2 PROPERTY, PLANT & EQUIPMENT

Description	GROSS BLOCK				DEPRECIATION/ AMORTIZATION/ DEPLETION				NET BLOCK	
	As at 01/04/2019	Adjustments / Additions	Adjustments /Deductions	As at 31/03/2020	As at 01/04/2019	For the Year	Adjustments / Deductions	As at 31/03/2020	As at 31/03/2020	As at 31/03/2019
Tangible Assets:										
Own Assets:										
Air Conditioner	56,719	-	-	56,719	30,264	4,789	-	35,053	21,665	26,455
CTS Camera	1,35,660	-	-	1,35,660	92,640	19,390	-	1,12,030	23,630	43,020
Computer	3,75,751	-	-	3,75,751	3,10,600	32,177	-	3,42,777	32,974	65,151
Furniture & Fixtures	2,29,762	-	-	2,29,762	1,73,424	14,780	-	1,88,204	41,558	56,338
Two Wheller	42,000	-	-	42,000	27,853	3,662	-	31,515	10,485	14,147
Motor Car	12,42,480	-	-	12,42,480	11,80,356	-	-	11,80,356	62,124	62,124
Sub-Total										
Amortisation										
Software	10,14,970	1,75,500	-	11,90,470	9,56,482	61,741	-	10,18,223	1,72,247	58,488
Total (A)	30,97,342	1,75,500	-	32,72,842	27,71,619	1,36,539	-	29,08,158	3,64,683	3,25,723

For B. Maheshwari & Co
Chartered Accountants
Firm Reg. No.: 105839W

For and on behalf of the Board
Munoth Capital Market Limited

Surendra Heda
Partner
(M.No.102316)
Place :Mumbai
Date: 30/07/2020

Siddharth S Jain
Director
DIN: 00370650

Shantilal M Jain
Director
DIN:00370624

Siddharth S Jain
CEO

Shantilal M Jain
CFO

Bhagyashree Sutaria
Company Secretary

Place: Ahmedabad
Date: 30/07/2020

MUNOTH CAPITAL MARKET LIMITED
CIN: - L99999GJ1986PLC083614

Notes to the Ind AS Financial Statements for the Year Ended 31st March, 2020

Corporate information

Munoth Capital Market Limited (the Company) is domiciled in India and is incorporated under the provisions of the Companies Act, 2013 applicable in India. The registered office of the Company is located at Shanti Niwas, Opp. Shappath-V, Near Karnavati Club, S.G. Road, Ahmedabad, Gujarat-380058, India.

Basis of Preparation of Financial Statements

These financial statements of the Company have been prepared in accordance with Ind AS prescribed under section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017.

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, which have been measured at fair value as described below:

Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- 1) In the principal market for the asset or liability, or
- 2) In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value for measurement and /or disclosure purpose in these financial statements is determined on such basis, except for share based payment transactions that are within the scope of IndAS 102, leasing transactions that are within the scope of IndAS 17, and measurements that have some similarities to fair value, such as net realisable value in IndAS 2 or value in use in IndAS 36.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

For other fair value related disclosures refer note no 33.

1. Significant Accounting Policies

(i) Property, Plant and Equipment

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(ii) Capital work in progress

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Revenue generated from production during the trial period is credited to capital work in progress.

(iii) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Brokerage income is recognized as per contracted rates at the execution of transactions on behalf of the customers on the trade date and is inclusive of service tax.

Transaction of dealing in shares & securities are booked in the accounts based on contract notes issued by the brokers and the account statements received. Transactions of derivatives are recognized under respective heads of accounts as and when the settlement takes place in accordance with the terms of respective contracts.

Income from arbitrage in securities comprises profit/loss on sale of securities held as stock-in-trade.

All incomes and expenditure are accounted for on accrual basis unless otherwise stated.

Interest income is recognized on accrual basis, while dividend on shares and securities is recognized when the right to receive the dividend is established

(iv) Taxation

Current Tax

A provision for current income tax is made on the taxable income using the applicable tax rates and tax laws.

Deferred Tax

Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods is recognized using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognized unless there is a virtual certainty with respect to the reversal of the same in future.

(v) Impairment of Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely

independent of those from other assets or Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and is written down to its recoverable amount

Impairment losses are recognised in the statement of profit and loss.

(vi) Provisions and Contingencies

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

(vii) Employee Benefits

The company has not provided for Gratuity and Leave encashment benefits till 31.03.2020. The retirement benefits will be debited as and when paid.

(viii) Foreign Currency Transactions

a) Transactions in Foreign Currency are accounted at the exchange rate prevailing on the date of Transactions. Exchange fluctuations between the transaction date and the settlement date in respect of Revenue Transactions are recognized in Profit & Loss Account.

b) All export proceeds not realised at the yearend are restated at the rate prevailing at the year end. The exchange difference arising there from has been recognised as income / expenses in the Current Year's Profit & Loss A/c along with underlying transaction.

c) The premium or discount arising at the inception of forward exchange contract is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or as expense for the year. None of the forward exchange contracts are taken for trading or speculation purpose.

(ix) Segment information

Operating Segment Reporting as defined in IndAS108 is not applicable as the company is primarily engaged only in Broking services in capital market.

(x) Borrowing Costs

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue.

(xi) Earnings Per Share(EPS)

Basic and diluted EPS is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

MUNOTH CAPITAL MARKET LIMITED

CIN: - L99999GJ1986PLC083614

FINANCIAL YEAR 2019-20

NOTES ON ACCOUNTS:

21. Contingent Liabilities Not Provided For

(Rs. in Lacs)

31.03.2020 31.03.2019

a) Estimated amount of contracts remaining to be

Executed on capital account

NIL

NIL

b) Claims against company not acknowledge as debts

NIL

NIL

22. Foreign Exchange earnings and out-go is Rs.

NIL

NIL

23. Operating Segment

Operating Segment Reporting as defined in IndAS108 is not applicable as the company is primarily engaged only in Broking services in capital market.

24. Disclosure requirements as per IndAS 24 “Related Party Disclosures” issued by the Institute of Chartered Accountants of India

I. List of Related Parties with whom transaction have taken place during the year

a) Key management Personnel

- (i) Shantilal M Jain
- (ii) Siddharth S Jain
- (iii) Sumit Khanna
- (iv) Varsha Aakesh Gulecha

II. Particulars of transactions during the year with Related Parties

(Rs. in Lacs)

Name of the Party	Nature of transaction	31.03.2020	31.03.2019
Shantilal M Jain	Loan Taken	33.91	10.39
	Loan Repayment	33.28	10.39
Siddharth S Jain	Loan Taken	NIL	17.50
	Loan Repayment	NIL	17.50

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

Name of the Party	Nature	(Rs. in Lacs)	
		31.03.2020	31.03.2019
Shantilal M Jain	Advance for Expenses	0.63	1.79

25. Managerial Remuneration

Salary and other benefits include remuneration paid to Director, as under:-

Nature of transaction	31.03.2020	31.03.2019
Remuneration Paid	NIL	NIL

26. In the absence of confirmation from parties and pending reconciliation the debit and credit balances with regard to recoverable and payable have been taken as reflected in the books. In the opinion of the Directors, short term or long term Loans and Advances, Current or Non-current Assets, if realized in the ordinary course of business, have the value at which they are stated in the Balance Sheet.

27. EARNING PER SHARE

Earnings per share EPS Calculation (basic and diluted)

Particulars	Unit	31.03.2020	31.03.2019
a) Net Profit / (loss) attributable to equity shareholders	Rs.	5,29,013	-18,47,830
b) Weighted average number of equity shares	No.	89,91,000	89,91,000
c) Nominal Value Per share	Rs.	5	5
d) Earnings per share	Rs.	0.06	(0.21)

28. AUDITORS' REMUNERATION

Particulars	31.3.2020	31.3.2019
As Auditor		
Audit Fees	50,000	50,000
GST/Service Tax	<u>9,000</u>	<u>9,000</u>
Total	59,000/-	59,000/-

29. Financial Risk Management Objective & Policies

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets and financial liabilities are disclosed.

I. Financial Instruments by Category

Particulars	Carrying Value		Fair Value	
	31/03/2020	31/03/2019	31/03/2020	31/03/2019
At Amortised Cost				
FINANCIAL ASSETS				
Investments	28,16,004	84,469	27,35,548	84,469
Other – Non Current Assets	3,89,11,172	3,86,22,967	3,89,11,172	3,86,22,967
Cash & Cash Equivalents	8,47,047	13,70,371	8,47,047	13,70,371
Loans	26,44,997	28,41,744	26,44,997	28,41,744
TOTAL	4,52,39,220	4,29,19,551	4,51,58,764	4,29,19,551
FINANCIAL LIABILITIES				
Long Term Borrowings	5,94,091	1,58,327	5,94,091	1,58,327
Short Term Borrowings	63,263	NIL	63,263	NIL
Trade Payables	1,52,391	2,47,477	1,52,391	2,47,477
TOTAL	8,09,745	4,05,804	8,09,745	4,05,804

The management has assessed that the fair value of Trade receivables, cash & cash equivalent, current loan and advances, other non-current and current asset, borrowings and trade payables approximate their carrying amounts largely due to the short term maturities of these instruments.

Fair Value Hierarchy

The different levels have been defined below:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Although, all Financial Asset and Financial Liabilities were valued at amortised cost and therefore there are no asset which are valued at Level III hierarchy.

30. COVID-19 PANDEMIC

The Outbreak of COVID -19 virus continues to spread across the globe including India, resulting in significant volatility in financial markets and a significant decrease in global and India's activities. On March 11, 2020, this outbreak was declared a global pandemic by the World Health Organization. On March 24, 2020, The Government of India has announced a 21 days lockdown which is continued at present across the nation to control the spread of the virus.

In preparing the accompanying financial statements, the Company management has been required to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, equity, income and expenses. These estimates and associated assumptions, especially for determining of the Company's investments, are based on historical experience and various other factors including the possible effects that may result from pandemic, that are believed

to be reasonable under the current circumstances. The Company has used internal and external sources of information including credit ratings, economic forecasts, valuation report from third party valuer and consensus estimates from market on the expected future performance of the underlying investment in developing the estimates and assumptions to assess without undue cost and efforts, the fair value of the investments as at March 31, 2020.

Given the dynamic nature of pandemic situation, in the event the impacts are more severe or prolonged than anticipated, this may have a corresponding impact on the carrying value of the investments, the financial position and performance of the Company.

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

For B. Maheshwari & Co.
Chartered Accountants
FRN: 105839W

For and on behalf of the Board

Surendra Heda
Partner
(M. No: 102316)
UDIN: 20102316AAAABI3603
Place: Mumbai
Date: 30/07/2020

Siddharth S. Jain (Director) DIN: 00370650	Shantilal M Jain (Director) DIN: 00370624
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Siddharth S.Jain CEO	Shantilal M Jain CFO
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Bhagyashree Sutaria
Company Secretary

Place: Ahmedabad
Date: 30/07/2020

MUNOTH CAPITAL MARKET LIMITED

CIN: L99999GJ1986PLC083614

Regd. Office: Shanti Nivas – Office Building, Opposite Shapath V, Near Karnavati Club, S.G Road, Ahmedabad–380 058

Phone: +91 79 26937954

Email: info@munoth.com

Website: www.munoth.com

ATTENDANCE SLIP

Regd. Folio No./DP Id No.*/Client Id No.*	
No. of Shares held	
Name and Address of the First Shareholder (IN BLOCK LETTERS)	
Name of the Joint holder (if any)	

*Applicable for investor holding shares in electronic form.

I/we hereby record my/our presence at the 38th Annual General Meeting of the Members of Munoth Capital Market Limited will be held on Monday, 28th September, 2020 at 9:00 A.M. at the Registered Office of the Company situated at Shanti Nivas, Opp. Shapath - V, Nr. Karnavati Club, S. G. Road, Ahmedabad -380 058.

Member's/Proxy's Name in Block Letters

Member's/Proxy's Signature

Notes:

1. A Member/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the Meeting and handover at the entrance duly signed.
2. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.

MUNOTH CAPITAL MARKET LIMITED

CIN: L99999GJ1986PLC083614

Regd. Office: Shanti Nivas – Office Building, Opposite Shapath V, Near Karnavati Club, S.G Road, Ahmedabad-380 058
Phone: +91 79 26937954 **Email:** info@munoth.com **Website:** www.munoth.com

PROXY FORM

(Form No. MGT-11 - Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s)	
Registered Address	
E-mail Id	
Folio No/Client Id	

I/We, being the member (s) of.....shares of the above named company, hereby appoint

1. Name:

Address:

E-mail Id: _____ Signature: _____ or
failing him

2. Name:

Address:

E-mail Id: _____ Signature: _____ or
failing him

3. Name:

Address:

E-mail Id: _____ Signature: _____ or
failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the Members of Munoth Capital Market Limited will be held on Monday, 28th September, 2020 at 9:00 A.M. at the Registered Office of the Company situated at Shanti Nivas, Opp. Shapath - V, Nr. Karnavati Club, S.G.Road, Ahmedabad -380 058 any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Businesses:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended on 31st March, 2020 and Statement of Profit and Loss account together with the notes & schedules forming part thereof and Cash Flow Statement for the financial year ended on that date, and the reports of the Board of Directors ("The Board") and Auditor thereon
2. To appoint a director in place of Mr. Shantilal Jain (DIN: 00370624), who retires by rotation and being eligible, offers himself for re-appointment.

Special Businesses:

3. Re-appointment of Mr. Sumit Khanna as an Independent Director of the Company
4. Re-appointment of Ms. Varsha Gulecha as an Independent Woman Director of the Company

Signed this.....day of.....2020

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp
(Rs. 1)

Note: This form of proxy in order to be effective should be duly completed, signed, stamped and be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the 38th Annual General Meeting.

MUNOTH CAPITAL MARKET LIMITED

CIN: L99999GJ1986PLC083614

Regd. Office: Shanti Nivas – Office Building, Opposite Shapath V, Near Karnavati Club, S.G Road, Ahmedabad–380 058

Phone: +91 79 26937954

Email: info@munoth.com

Website: www.munoth.com

Form No. MGT- 12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

38th Annual General Meeting

Date: 28th September, 2020; Time: 9.00 A.M

NAME OF THE COMPANY:	Munoth Capital Market Limited
REGISTERED OFFICE:	Shanti Nivas, Opp.Shapath-V, Nr.Karnavati Club, S.G.Road, Ahmedabad – 380058
CIN:	L99999GJ1986PLC083614

BALLOT PAPER

Sr. No.	Particulars	Details
1.	Name of the first named Shareholder (In Block Letters)	
2.	Postal address	
3.	Registered Folio No. /*Client ID No. (*applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity Share of Rs. 5/- Each

I hereby exercise my vote in respect of Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

Sr. No.	Item No.	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
	ORDINARY BUSINESS			
1.	To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended on 31 st March, 2020 and Statement of Profit and Loss account together with the notes & schedules forming part thereof and Cash Flow Statement for the financial year ended on that date, and the reports of the Board of Directors ("The Board") and Auditor thereon			
2.	To appoint a director in place of Mr. Shantilal Jain (DIN: 00370624), who retires by rotation and being eligible, offers himself for re-appointment			
	SPECIAL BUSINESS			
3.	Re-appointment of Mr. Sumit Khanna as an Independent Director of the Company			
4.	Re-appointment of Ms. Varsha Gulecha as an Independent Woman Director of the Company.			

Place: Ahmedabad

Date: 28th September, 2020

(Signature of the Shareholder/Proxy Holder)

Notes:

- Signature of Shareholder / Proxy holder should be as per specimen registered / recorded with the Company / Depository.
- Any cutting / overwriting in this ballot paper should be signed by the shareholder / proxy holder.
- Shareholder / Proxy holder may exercise their votes either by putting a ✓ and indicating number of shares in appropriate column against the resolution indicated in the box.
- Number of shares held will be reckoned as on the cut-off date i.e. 21st September, 2020.