



**MUNOTH CAPITAL MARKET
LIMITED**

38TH ANNUAL REPORT

2019-20

INDEX

Sr. No.	Particulars	Page No.
1.	Company Information	3
2.	Notice of Annual General Meeting	4 to 12
3.	Board's Report	13 to 18
4.	Annexure to the Board's Report	19 to 29
5.	Independent Auditor's Report	30 to 38
6.	Financial Statements for the Financial Year 2019-20	
	Balance Sheet	39
	Statement of Profit and Loss	40
	Cash Flow Statement	41
	Notes to Financial Statement	42 to 55
7.	Attendance Slip	56
8.	Proxy Form	57
9.	Ballot PaperL8	58

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