

BOARD OF DIRECTORS

MR. BEDA NAND CHOUDHARY - Director
MR. RAM KUMAR DALMIA - Director
MR. JITENDRA PATNAIK - Director
MR. ATUL KAUSHIK - Director

AUDITORS

Bhandari B. C. & Co.
Chartered Accountants
Kolkata

BANKERS

HDFC Bank Ltd
ING Vysya Bank Ltd

REGD. OFFICE

"Rajkamal Building"
128, Rash Behari Avenue,
1st Floor, Office - S-4
Kolkata - 700 029
Tel No. (033) 2464 7022/4066 0354
e-mail: mers.ltd@gmail.com

SHARE DEPARTMENT

"Rajkamal Building"
128, Rash Behari Avenue,
1st Floor, Office - S-4
Kolkata - 700 029
Tel No. (033) 2464 7022/4066 0354
e-mail: mers.ltd@gmail.com

MATHEW EASOW RESEARCH SECURITIES LIMITED

NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of the Company will be held at 432, Prince Anwar Shah Road, Kolkata - 700068 on Wednesday, the 28th September, 2011 at 9.30 A.M. to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2011 and Profit and Loss Account for the year ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Ram Kumar Dalmia, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint the Statutory Auditors and fix their remuneration and for the purpose to consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:-
"RESOLVED THAT pursuant to the provisions of section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Bhandari B. C. & Co., Chartered Accountants, Firm Registration No. 311082E, Kolkata, be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at such remuneration as may be determined by the Board of Directors in consultation with the Auditors."

By order of the Board
For **Mathew Easow Research
Securities Limited**

Place: Kolkata
Date: 30th August, 2011

Beda Nand Choudhary
Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the commencement of the Meeting.
3. The register of Members and share transfer books of the Company shall remain closed from 16th September, 2011 to 28th September, 2011 (both days inclusive).
4. Members are requested to notify immediately any change of address & e-mail id to their Depository Participant (DPs) in respect of the electronic share accounts and to the Registrar and Share Transfer Agent/Share Department of the Company in respect of physical share accounts. In case the mailing address mentioned on the attendance slip is without the PIN CODE, Members are requested to kindly inform the PIN CODE immediately.
5. Shareholders are requested to bring the attendance slip alongwith copy of Annual Report at the Annual

General Meeting.

6. Members who are holding shares in the demat form are requested to bring their Depository ID Number and Client ID Number to facilitate easier identification for attendance at the meeting.
7. As required by Securities and Exchange Board of India (SEBI) vide its Circular no. MRD/DoP/Cir-05/2009 dated 20th May, 2009, shareholders are requested to furnish a copy of the PAN card to the Company/Registrar & Share Transfer Agents while sending the shares for transfer in physical form.
8. Shareholders desiring any information as regards the Accounts are requested to write to the Company at least ten days before the date of AGM so as to enable the Management to keep the information ready.
9. A copy of Balance Sheet as on 31st March, 2011, Profit and Loss Account for the year ended on that date, the Auditors' Report, the Directors' Report and all other documents required by law to be annexed or attached to the Balance Sheet shall be available for inspection at the Registered Office of the Company on all working days during business hours between 11.00 a.m. and 1.00 p.m. for a period of 21 days before the date of Annual General Meeting.
10. As required under clause 49 of the Listing Agreement executed with the Stock Exchange(s), a brief profile of Director seeking re-appointment at the Annual General Meeting is given below.

Details of Director seeking re-appointment at the forthcoming Annual General Meeting

(In pursuance of Clause 49 VIA
of the Listing Agreement)

Name of the Director	Mr. Ram Kumar Dalmia
Date of Birth	05.10.1957
Date of Appointment	14.01.2010
Qualification	B. Com (Hons.)
Expertise in specific functional areas	He has varied experience inter alia in the field of accounting and financing for the last 23 years.
Directorship held in other public Companies	Mathew Easow Fiscal Services Ltd
Committee Membership	Audit Committee, Remuneration Committee & Shareholders' Grievance Committee.

Shareholding in the Company Nil

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the government in full measures, members who have not registered their e-mail addresses, so far, are requested to register e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants.

MATHEW EASOW RESEARCH SECURITIES LIMITED

DIRECTORS' REPORT

To
The Members

Your Directors take pleasure in presenting the 17th Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2011.

1. FINANCIAL HIGHLIGHTS

The financial results of the Company are summarized below:

	(In Rupees)	
	2010-11	2009-10
Profit before Depreciation	7,68,256	25,06,524
Less: Depreciation	2,38,336	2,22,789
Provision for Taxation:		
Current Tax	1,66,576	3,50,000
Deferred Tax	6,691	(39,665)
Profit after tax	3,56,653	19,73,400
Add: Balance brought forward from previous year	23,96,407	4,23,007
Profit carried forward to Balance Sheet	27,53,060	23,96,407

2. PERFORMANCE REVIEW

In spite of the economic slowdown, particularly in the financial sector, your company performed reasonably during the year under review and achieved a turnover of Rs. 87,70,739 as compared to Rs. 84,272,934 during the previous year. Your company made a moderate profit of Rs. 3,56,653 as compared to last year profit of Rs. 19,73,400.

3. SHARE CAPITAL

In term of the special resolution passed in the last Annual General Meeting of the Company held on 10th September, 2010, the Company has issued 36,50,000 share warrants on preferential basis on 12th October, 2010. Subsequently the company allotted 36,50,000 equity shares of Rs. 10/- each at a premium of Rs. 10/- per share on 21.03.2011 upon exercise of conversion rights by the warrant holders. The said equity shares are locked in for a period of one year from 21.03.2011 to 20.03.2012. Consequent upon allotment of above equity shares, the paid-up Share Capital of the Company is increased to Rs. 6,65,00,000/-. The new equity shares issued as aforesaid rank pari passu with the existing equity shares of your Company.

4. DIVIDEND

In order to plough back the profits for future requirements of the company, no dividend is being declared for the year under review.

5. DIRECTORS

In accordance with the requirements of the Companies Act, 1956 and Articles of Association of the Company, Shri Ram Kumar Dalmia, Director of the Company, retires by rotation at the ensuing annual general meeting and being eligible, offers himself for re-appointment.

6. STATUTORY DISCLOSURES

None of the Directors of the Company are disqualified as per the provisions of Section 274(1)(g) of the Companies Act, 1956. All the Directors have made the necessary disclosures as required by the various provisions of the Act and clause 49 of the Listing Agreement.

7. AUDITORS

M/s. Bhandari B. C. & Co., Chartered Accountants, the Statutory Auditors of the Company are retiring at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. As required under the provisions of Section 224(1B) of the Companies Act, 1956, the Company has received written confirmation from them, that their re-appointment as Auditors, if made, would be in conformity with the limits prescribed in the said section and that they are not disqualified from being appointed as the Auditors of the Company within the meaning of Section 226 of the said Act.

8. AUDITORS' REPORT

The Auditors' Report and the notes forming part of the accounts are self-explanatory and hence do not require any further explanation from the Directors of the Company on the same.

9. DIRECTORS' RESPONSIBILITY STATEMENTS

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm:

- that in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- that 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 as at 31st March, 2011 and of the profit for the year ended as on that date;
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities and
- that the directors had prepared the Annual Accounts on a going concern basis.

10. PARTICULARS OF EMPLOYEES

During the year under review no employee of the Company was in receipt of remuneration for the whole or part of the year exceeding the limits, prescribed under Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

11. CONSERVATION OF ENERGY, TECNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars required under Section 217(1)(e) of the Act, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 relating to conservation of energy and technology absorption, are not applicable to the Company. There was no foreign exchange earnings and outgo during the year under review.

12. CORPORATE GOVERNANCE

Your Company is committed to good Corporate Governance practices. The Company's Corporate Governance practices are in accordance with Companies Act, 1956 and the relevant clauses of the Listing Agreement. A separate section on Corporate Governance is included in the Annual Report and the certificate from the Auditors of the Company regarding the compliances of the conditions of the Corporate Governance is given in annexure attached to and forming part of the Corporate Governance Report.

13. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed review of the progress and future outlook of the Industry and the Company and its business, as stipulated under Clause 49 of the Listing Agreement with the stock exchanges, is presented in a separate section forming part of the Annual Report.

14. ACKNOWLEDGEMENT

The Board wishes to place on record their gratitude for the co-operation and assistance received from the banks, shareholders and employees and thank them for their continued support.

Your Directors take this opportunity to place on record their deep appreciation for the whole -hearted and sincere co-operation the Company has received from all concerned.

By order of the Board

Beda Nand Choudhary Ram Kumar Dalma
Director Director

Registered Office:

Raj Kamal Building, 1st Floor
128, Rash Behari Avenue
Kolkata - 700029

Date : 30th August, 2011

**MANAGEMENT DISCUSSION & ANALYSIS REPORT
INDUSTRY STRUCTURE & DEVELOPMENTS**

India is today rated as one of the most attractive investment destinations across the globe. The Indian economy is back on track and has recovered smartly from the aftermath of the global crisis of 2007-2009. The UNCTAD World Investment Report (WIR) 2010, in its analysis of the global trends and sustained growth of Foreign Direct Investment (FDI) inflows, has reported India to be the second most attractive location for FDI for 2010-2012. Service sector growth and improved agricultural output has supported the strengthening of the growth process. Industrial growth was robust, however with greater volatility. GDP grew by 8.5% in FY'11 from 6.8% in FY'09 and 8.0% in FY'10. Strong recovery in agricultural sector, which rose by 6.6% in FY'11 against negligible growth (0.4%) in FY'10, has been the key underlying driver of higher GDP growth. Overall growth in the Index of Industrial Production (IIP) was 3.6 per cent during February, 2011. During April-February 2010-11, IIP growth was 7.8 per cent.

The global economy is moving to slightly lower growth and slightly higher inflation trajectories. However the transaction has become more turbulent because of the increasingly unsettled conditions around the world triggered by the convergence of a variety of cyclical and structural economic problems in many regions, recurring sovereign debt strains and ongoing geopolitical problems. The world economy can expect another strong year of growth in 2011.

As far as Indian market is concerned, Bloomberg data shows that foreign institutional investors (FIIs) have purchased domestic equities worth \$ 13.7 billion in 2010 till date making it the only Asian market to have received more than \$10 Billion of investment this year. It is 56% higher than the corresponding period of last year. The past 18 to 20 months have seen a frenzied action in the interest rate scenario even with the RBI trying to fight inflation tooth and nail by increasing rates on one front, on another front every bank and financial institution has been passing on the burden of this interest hike almost directly to the borrower.

OVERVIEW AND FUTURE OUTLOOK

After maintaining a strong growth cycle the Indian GDP growth has shown some signs of moderation. Some experts believe the Indian GDP to perform below its projected growth rate of 8.2% for financial year 2011-12. With the inflationary pressure mounting on the Indian economy the Government of India is compelled to take some stringent controlling measures which has a direct bearing on the financial market. The stock market of the Company has been very volatile during the last financial year and is expected to perform in a range bound manner in the near future. Besides the above there is a economy slowdown in the world, particularly the US. In view of the overall economic and financial scenario the management is having a cautious approach for the financial year 2011-12. However this trend appears to be temporary and the outlook for the industry looks promising in future.

OPPORTUNITIES & THREATS**Opportunities**

- a. Low retail penetration of financial services/products in India.
- b. Promising per-capita GDP.
- c. Young population and attractive demographic profile.

Threats

- a. Competition from local and multinational players.
- b. Execution risk.
- c. Regulatory changes.
- d. Attrition and retention of Human Capital.

RISK AND CONCERNS

Your Company is exposed to specific risks that are particular to its business and the environment within which it operates, including, inter alia market risk, interest rate volatility, human resource risk, and any significant downturn in the economic cycle.

Economic Cycle:

The Indian economy has shown sustained growth over the last several years. Any slowdown in economic growth could adversely affect the Company's business.

Market Risk:

The Company has significant quoted investments, which are exposed to fluctuations in stock prices. These investments represent a material portion of the Company's business and are vulnerable to fluctuations in the stock markets. Any decline in the prices of the Company's quoted investments may affect its financial position and the results of its operations. Your Company has a well-diversified portfolio of stocks to mitigate any stock specific risk. It also continuously monitors market exposure and uses derivative instruments as a hedging mechanism, wherever appropriate, to limit volatility in its asset returns.

Competition Risk:

The financial sector industry is becoming increasingly competitive and the Company's growth will depend on its ability to compete effectively.

Human Resource Risk:

The Company's success depends largely upon its management team and key personnel and its ability to attract and retain such persons. Any failure to attract and retain talented professionals may have an adverse impact on the Company's business and its future financial performance.

Operational Risk:

The rapid development and establishment of financial services business in new markets may raise unanticipated operational or control risks, that may have an adverse affect on the Company's financial position and the results of its operations. Your company manages all these risks by maintaining a conservative financial profile and by following prudent business and risk management practices.

COMPANY'S PERFORMANCE

Please refer the Directors' Report on performance review.

INTERNAL CONTROL SYSTEM

An extensive system of internal controls is practiced by the company to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly. The Audit Committee of Directors reviews the adequacy of internal controls.

HUMAN RESOURCES

In line with the corporate philosophy, the Human Resource is considered as the most valuable resource in the Company. The focus is on developing a performance culture with high standards of efficiency and innovation. The employees worked together as a team to achieve both Company's and personal goals.

FORWARD-LOOKING STATEMENT

This Report contains forward-looking statements that involve risks and uncertainties. When used in this Report the words "anticipate", "believe", "estimate", "expect", "intend", "will" and other similar expressions as they relate to the Company and/or its business are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. This report should be read in conjunction with the financial statements included herein and the notes thereto.

By order of the Board
Beda Nand Choudhary Ram Kumar Dalmia
Director Director

Place : Kolkata
Date : 30th August, 2011

MATHEW EASOW RESEARCH SECURITIES LIMITED

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself to increasing long-term shareholders value, keeping in view the needs and interest of all its stake holders. The Company is committed to transparency in all its dealings and places emphasis on business ethics.

CORPORATE GOVERNANCE

Your company has been practicing the principles of good Corporate Governance, which comprise all activities that result in the control of the Company in a regulated manner, aiming to achieve transparent, accountable and fair management. The details of the Corporate Governance compliance by the Company as per Clause 49 of the Listing Agreement with Stock exchanges are as under:

The following Corporate Governance Practices have been adopted by the Board of Directors to assist the exercise of its responsibilities. These practices are subject to future amendments or changes as may be necessary in the light of the amendments in various regulations governing governance requirements.

2. BOARD OF DIRECTORS

COMPOSITION OF THE BOARD

The composition of Board of Directors is in conformity with Clause 49 of the Listing Agreement with the Stock Exchanges. The Company's Board consists of four Non Executive Directors, out of which three are independent.

The details of the directors with regard to the other Indian Directorships (other than Section 25 Companies, Foreign Companies and Private Companies), positions held in any Committees of Board of Directors are as follows:

Name of the Director	Category	No. of Directorships held in other Companies	No of Membership(s) of Board Committees** of other Companies as Member Chairperson		Shares held
Mr. Beda Nand Choudhary	Non Executive	3	1	Nil	Nil
Mr. Ram Kumar Dalmia	Non Executive Independent	1	Nil	Nil	Nil
Mr. Jitendra Patnaik	Non Executive Independent	2	Nil	Nil	Nil
Mr. Atul Kaushik	Non Executive Independent	1	Nil	Nil	Nil

**Only positions held in three Committees viz. the Audit Committee, Remuneration Committee and Investor Grievance Committee in Indian Public Limited Companies have been considered.

ATTENDANCE OF DIRECTORS PRESENT IN THE MEETINGS HELD DURING THE YEAR 2010-11

Seven Board meetings were held during the financial year ended 31st March, 2011 on 29th May, 2010, 30th July, 2010, 11th August, 2010, 12th October, 2010, 12th November, 2010, 11th February, 2011 and 21st March, 2011.

The attendance of each Director at these meetings are as follows:

Name of Directors	No. of Board Meeting Attended	AGM held on 10.09.2010 Attended
Mr. Beda Nand Choudhary	7	Yes
Mr. Ram Kumar Dalmia	7	Yes
Mr. Jitendra Patnaik	7	Yes
Mr. Atul Kaushik	5	Yes

CODE OF CONDUCT

The Company has a code of Conduct for all its Board members and Senior Management personnel for avoidance of conflict of interest. It has received the necessary declarations affirming compliance with it from all of them during the period from 01.04.2010 to 31.03.2011.

3. BOARD COMMITTEES

A. AUDIT COMMITTEE

TERMS OF REFERENCE

The Audit Committee has been mandated with the same terms of reference as specified in the Clause 49 of the Listing Agreement with Stock exchanges and covers all the aspects stipulated by the SEBI Guidelines. The terms of reference also fully confirm to the requirements of Section 292A of the Companies Act, 1956.

COMPOSITION, NAME OF MEMBERS AND CHAIRMAN

The Audit Committee comprises of two Independent Directors and one Non-Executive Director. During the year, the Audit Committee met 6 times to deliberate on various matters on 29th May, 2010, 30th July, 2010, 11th August, 2010, 12th November, 2010, 11th February, 2011 & 30th March, 2011.

The Composition of the Audit Committee and the attendance of each member at these meetings are as follows:

Name of Directors	Position Held Meeting	No. of Meetings Attended
Mr. Ram Kumar Dalmia	Chairman	6
Mr. Beda Nand Choudhary	Member	6
Mr. Jitendra Patnaik	Member	6

The Chairman of the Committee is an Independent Non-Executive Director nominated by the Board.

INVITEES: The Statutory Auditors of the Company are permanent invitees to the meeting.

MATHEW EASOW RESEARCH SECURITIES LIMITED

The Chairman of the Audit Committee attended the Annual General Meeting of the Company held on 10th September, 2010 and he ensured that necessary clarifications and explanations were provided to the Members of the Company on issues regarding accounts and finance.

The Quarterly Un-audited Financial Results as well as the Annual Financial Statements were reviewed and examined by the members of the Audit Committee before recommendation of the same to the Board of Directors of the Company for their perusal and approval. The Audit Committee ensures an effective internal control system.

B. REMUNERATION COMMITTEE

The Company has a Remuneration Committee comprising of two Independent Directors and one Non-Executive Director. The Chairman of the Committee - Mr. Ram Kumar Dalmia is an Independent Director. No meeting of Remuneration Committee was held during the period under review.

The Composition of Remuneration Committee is given below:

Name of Directors	Position Held	Status
1. Mr. Ram Kumar Dalmia	Chairman	Non-Executive, Independent
2. Mr. Jitendra Patnaik	Member	Non-Executive, Independent
3. Mr. Beda Nand Choudhary	Member	Non-Executive

BRIEF DESCRIPTION OF TERMS OF REFERENCE:

The Remuneration Committee is entrusted with the responsibility of finalizing the remuneration of executive directors. Remuneration Committee considers the remuneration after taking into consideration, inter alia, various factors such as qualification, experience, expertise of the director, prevailing remuneration in the corporate world and financial position of the Company etc. The remuneration and terms of the Managing Director is recommended by the remuneration Committee after considering all elements of remuneration viz. Salary, Bonus, Commission, Stock Option, Pension, Service Contract, Notice period etc. The remuneration Committee has also the responsibility for administering the Employees Stock Option Scheme (ESOP) & Employees Stock Purchase Scheme (ESPS).

The Non-Executive Directors do not draw any remuneration from the Company.

COMPENSATION TO NON-EXECUTIVE DIRECTOR

No sitting fee has been paid to the Non-Executives Directors during the period under review for attending the meetings of the Board and its Committees.

C. SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE

The Company constituted the Committee to oversee the

investor grievances in relation to transfer of shares, non-receipt of annual report, dividend and other grievances. It is the policy of the Company to promptly attend to and resolve the complaints received from the shareholders. The Board has designated Mr. Beda Nand Choudhary as the Compliance Officer of the Company.

COMPOSITION

The composition of the Shareholders'/Investors' Grievance Committee is as follows :

Name of Directors	Positions held	No. of Meetings held	No. of Meetings attended
Mr. Ram Kumar Dalmia	Chairman	2	2
Mr. Beda Nand Choudhary	Member	2	2
Mr. Jitendra Patnaik	Member	2	2

The Board of Directors of the Company has delegated the power of transfer and transmission of shares to M/s. MCS Limited, the Registrar and Share Transfer Agents of the Company who are attending these transfer formalities fortnightly, under the overall supervision of the Company's Secretarial Department.

During the financial year ended 31st March, 2011, two meetings of the Committee was held on 30th July, 2010 and 12th November, 2010 which was attended by all the members of the Committee.

POSITION AS ON 31ST MARCH, 2011 OF THE SHAREHOLDERS'/INVESTORS' COMPLAINTS RECEIVED & REDRESSED DURING THE FINANCIAL YEAR:

Grievances	Complaints received from			
	Investors	Stock Exchanges	SEBI	ROC
Stop Transfer	Nil	Nil	Nil	Nil
Change of Address	Nil	Nil	Nil	Nil
Demat Related	Nil	Nil	Nil	Nil
Non-receipt of Annual Reports	Nil	Nil	Nil	Nil
Non receipt of certificates	One	Nil	Nil	Nil
Duplicate Certificates	Nil	Nil	Nil	Nil
Non-receipt of Dividend	Nil	Nil	Nil	Nil
Complaints received from: SEBI/ROC/Stock Exchange	Nil	Nil	One	Nil

POSITION AS ON 31ST MARCH, 2011 OF THE SHAREHOLDERS' COMPLAINTS RECEIVED & REDRESSED DURING THE FINANCIAL YEAR:

Total Complaints received during the year	Total redressed during the year	No. of grievances outstanding as on 31.03.2011
Two	Two	Nil

MATHEW EASOW RESEARCH SECURITIES LIMITED

NUMBER OF PENDING COMPLAINTS AS AT 31.03.2011:
NIL

4. NOTES ON DIRECTORS SEEKING RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 IV (G) OF THE LISTING AGREEMENT:

Details of director seeking re-appointment in the Annual General Meeting has been provided in the Annual General Meeting Notice attached with the Annual Report.

5. GENERAL BODY MEETING:

i. THE DETAILS OF ANNUAL GENERAL MEETINGS IN LAST 3 YEARS ARE AS UNDER:

AGM	Date	Venue	Time	No. of Special Resolutions
16th	10th September, 2010	432, Prince Anwar Shah Road Kolkata - 700068	9.30 a.m.	Two
15th	23rd September, 2009	432, Prince Anwar Shah Road Kolkata - 700068	9.30 a.m.	None
14th	22nd September, 2008	432, Prince Anwar Shah Road Kolkata - 700068	9.00 a.m.	None

At the above-mentioned meetings, all the Resolutions were passed on show of hands.

No Resolution was passed during the financial year ended 31st March, 2011 through Postal Ballot.

(ii) DISCLOSURES

- (a) Details of transactions with related parties during the year have been set out under Note (i) of Schedule 11 of Annual Accounts. However these are not materially significant and do not have any potential conflict with the interests of the Company at large.
- (b) No penalty has been imposed or stricture has been made by SEBI, Stock Exchanges or any Statutory Authorities on matters relating to Capital Markets during the last three years.
- (c) Your company has been complying with the non-mandatory requirement of the Listing Agreement with respect to Remuneration Committee only.

(d) MEANS OF COMMUNICATION

FINANCIAL RESULTS & ANNUAL REPORTS ETC:

The Quarterly Unaudited Financial Results and the Annual Financial Results as taken on record and approved respectively by the Board of Directors of the Company are published in leading newspapers, i.e. The Financial Express (English), Kalanter (Bengali) and are also sent immediately to all the Stock Exchanges with which the shares of the Company are listed.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report as reviewed by Audit Committee are set out in a composite

and comprehensive manner in a separate section forming part of the Annual Report.

(iii) GENERAL SHAREHOLDER INFORMATION

(a) ANNUAL GENERAL MEETING DETAILS:

Day & Date Wednesday, 28th September, 2011
 Venue 432, Prince Anwar Shah Road
 Kolkata-700068
 Time 9.30 a.m.
 Book Closure Dates 16th September, 2011
 to 28th September, 2011
 (both days inclusive)

(b) The financial year of the Company covers 1st April, 2010 to 31st March, 2011.

(c) DIVIDEND PAYMENT DATE: N.A.

(iv) LISTING OF SHARES ON STOCK EXCHANGES WITH STOCK CODE

STOCK EXCHANGE	STOCK CODE
Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001 Telephone nos.: 022-2272 1233/34 Facsimile no. : 022-2272 1919 website : www.bseindia.com	511688
The Calcutta Stock Exchange Ltd. 7 Lyons Range, Kolkata - 700001 Telephone nos.: 033-2210 4470/77 Facsimile no. : 033-2210 4500 website : www.cse-india.com	023052

The annual listing fees for the financial year 2011-12 have been paid to the aforesaid Stock Exchanges.

(a) ISIN No. for the Company's ordinary shares in demat form: INE963B01019

(b) Depository Connectivity: NSDL and CDSL.

(v) MONTHLY HIGH AND LOW STOCK MARKET PRICE DATA (in Rs.)

BSE Months	Company's Share Price		BSE Sensex High	BSE Sensex Low
	BSE High	BSE Low		
April, 2010	14.26	11.26	18047.86	17276.80
May, 2010	18.36	12.55	17536.86	15960.15
June, 2010	16.38	13.11	17919.62	16318.39
July, 2010	18.74	13.50	18237.56	17395.58
August, 2010	21.95	17.40	18475.27	17819.99
September, 2010	21.90	17.30	20267.98	18027.12
October, 2010	26.60	15.30	20854.55	19768.96
November, 2010	30.55	23.30	21108.64	18954.82
December, 2010	36.00	29.00	20552.03	19074.57
January, 2011	30.35	26.50	20664.80	18038.48
February, 2011	35.20	28.20	18690.97	17295.62
March, 2011	32.00	27.05	19575.16	17792.17

There has been no transaction in CSE during the year 2010-2011.

MATHEW EASOW RESEARCH SECURITIES LIMITED

REGISTRAR AND SHARE TRANSFER AGENT

MCS Limited
77/2A, Hazra Road, Kolkata-700029
(Contact: Mr. Tapas Roy).
Phone nos.: (033) 2454 1892/1893
Facsimile no.: (033) 2454 1961
E Mail: mcskol@rediffmail.com

(vi) SHARE TRANSFER SYSTEM

MCS Limited the existing Registrar and Share Transfer Agents looks after the share transfers (for both physical and dematerialized shares) and redressal of investor complaints. In addition the Director cum Compliance officer oversees the work of MCS Limited to ensure that the queries of the investors are replied within a reasonable period.

All requests for dematerialization of shares, which are found to be in order, are generally processed within twenty one days and the confirmation is given to the respective depositories i.e., National Securities Depositories Limited (NSDL) and Central Depositories Securities Limited (CDSL).

(vii) DISTRIBUTION OF SHARE HOLDING AS ON 31ST MARCH 2011:

(a) ACCORDING TO CATEGORY OF HOLDING:

Category of Shareholders	No. of shares held	% of holding
Promoters		
Persons acting in concert	2080343	31.28
Non - Promoters		
Institutional Investors	Nil	Nil
Mutual Funds & UTI	Nil	Nil
Banks, FIs, Insurance Companies FIs'	Nil	Nil
Others		
Private Corporate Bodies	158333	2.38
Indian Public	4398520	66.14
NRIs/OCB	12804	0.20
Total	6650000	100

(b) ACCORDING TO NUMBER OF ORDINARY SHARES HELD:

Shareholding	Number of Share holders	% to total Shareholders	Number of shares	% to total Shares
1 - 500	3190	92.87	427188	6.42
501 - 1000	139	4.05	117697	1.77
1001 - 2000	52	1.51	81395	1.23
2001 - 3000	11	0.32	29354	0.44
3001 - 4000	6	0.17	22732	0.34
4001 - 5000	5	0.15	23651	0.36
5001 - 10000	5	0.15	36729	0.55
10001 - 50000	8	0.23	179647	2.70
50001 - 100000	4	0.11	311264	4.68
100001 and above	15	0.44	5420343	81.51
TOTAL	3435	100	6650000	100

(viii) DEMATERIALISATION OF SHAREHOLDING AND LIQUIDITY:

As per SEBI's Guidelines, Company's Ordinary Shares are compulsorily traded in Dematerialized form for all the investors with effect from 31st May, 1999.

As on 31st March, 2011, 29.85% of the Company's total Ordinary Shares representing 1985158 Shares were held in dematerialized form and 1014842 shares representing 15.26% of paid-up share capital were held in physical form. The 3650000 equity shares allotted on 21st March, 2011 representing 54.89% of the paid-up capital were issued in demat form and the same were credited to the investors D-mat account on 2nd July, 2011. The investors have an option to dematerialize their Ordinary Shares with either of the Depositories.

(ix) OUTSTANDING GDRS/ADRS/WARRANT OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY: NIL

(x) PLANT LOCATION:

The Company is engaged in the business of financial services and has no plant.

(xi) INSIDER TRADING

The Code of internal procedure & conduct under The SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, is in force since 28.04.2002.

(xii) ADDRESS FOR CORRESPONDENCE

(a) FOR ROUTINE MATTERS:

Any assistance regarding share transfer and transmissions, change of address, non-receipt of dividends, duplicate/missing share certificates, demat and other matters, please write to the Share Department of the Company or contact to the Registrar & Share Transfer Agent at the address given below:

Registrar & Share Transfer Agent:
MCS Limited
77/2A, Hazra Road, Kolkata-700029
(Contact: Mr. Tapas Roy)
Phone nos.: (033) 2454 1892/1893
Facsimile no.: (033) 2454 1961
E Mail: mcskol@rediffmail.com

(b) FOR REDRESSAL COMPLAINTS & GRIEVANCES

The Compliance Officer
Mathew Easow Research Securities Limited
"Rajkamal Building", 1st Floor
128, Rash Behari Avenue
Kolkata-700 029
Phone Nos. (033) 2464 7022/4066 0354
Facsimile: (033) 4066 0354
Email : mers.ltd@gmail.com

MATHEW EASOW RESEARCH SECURITIES LIMITED

(xiii) MECHANISM FOR EVALUATING NON-EXECUTIVE BOARD MEMBERS

Non-executive Directors were being always evaluated by their own peer in the Board meetings during the year 2010-11, although there was no formal peer group review by the entire Board except the Directors concerned.

(xiv) WHISTLE BLOWER POLICY

The Company does not have any Whistle Blower Policy.

Declaration by the director under clause 49(1) (D) (ii) of the listing agreement

I, Beda Nand Choudhary, Director of Mathew Easow Research Securities Limited declare that all the members of the Board of Directors and Senior Management personnel have, for the year ended 31st March, 2011, affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of the Listing Agreement entered with the Stock Exchanges.

Kolkata
30th August, 2011

Beda Nand Choudhary
Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

MATHEW EASOW RESEARCH SECURITIES LIMITED

We have examined the compliance of conditions of Corporate Governance by Mathew Easow Research Securities Limited for the year ended on 31st March, 2011, as stipulated in clause 49 of the Listing Agreement of the said company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management.

Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has generally complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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

For BHANDARI B. C. & CO.
Chartered Accountants
Firm Registration No. 311082E

B. C. Bhandari, FCA
Partner
ICAI Membership No: 50196
Kolkata, 30th August, 2011

MATHEW EASOW RESEARCH SECURITIES LIMITED

AUDITORS' REPORT

Auditor's Report to the Members of Mathew Easow Research Securities Limited

1. We have audited the attached Balance Sheet of Mathew Easow Research Securities Limited as at 31st March, 2011 and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order'), issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks 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 statement on the matters specified in paragraphs 4 and 5 of the Order:
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in section 211(3C) of the Companies Act, 1956.
 - (e) On the basis of written representations received from the Directors, as on 31st March, 2011 and taken on record by the Board of Directors, none

of the Directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

- (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with Notes thereon and attached thereto give, in the prescribed manner, the information required by the Companies Act, 1956, and give a true and fair view in conformity with the accounting principles generally accepted in India : -
 - (i) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2011;
 - (ii) in the case of the Profit and Loss Account, of the PROFIT for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **BHANDARI B. C. & CO.**
Chartered Accountants
Firm Registration No. 311082E
B. C. Bhandari, FCA
Partner
ICAI Membership No: 50196
Kolkata, May 30, 2011

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 3 of the Auditors' Report of even date to the members of Mathew Easow Research Securities Limited on the financial statements for the year ended 31st March, 2011.

- (i) (a) Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- (ii) (a) As explained to us, inventories in the form of Shares and Securities have been verified by the management at reasonable intervals to the extent possible and practical.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate

MATHEW EASOW RESEARCH SECURITIES LIMITED

- in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of inventories and no material discrepancies were noticed on physical verification.
- (iii) (a) Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register, maintained under section 301 of the Act.
- (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) (a) According to information and explanations given to us, the particular of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) According to information and explanations given to us, transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public within the meaning of sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- (vii) In our opinion, the company does not have proper and adequate internal audit system commensurate with its size and nature of its business and it needs improvement.
- (viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
- (ix) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth tax, service-tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) The Company does not have any accumulated losses as at the ended of the year. The company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions, banks and debenture holders.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the company.
- (xiv) Based on our examination of the records and evaluation of the related internal control, the company has maintained proper records of transactions and contracts in respect of its dealing in shares, securities, debentures and other investments and timely entries have been made therein. The aforesaid securities have been held by the company, in its own name, except to the extent of the exemption granted under section 49 of the Companies Act, 1956.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The company has not taken any term loans.
- (xvii) The company did not raise any fund on short-term basis.
- (xviii) The company has made preferential allotment of shares but not to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- (xix) The company has not issued debentures.
- (xx) The company has not raised any money by public issues during the year.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For **BHANDARI B. C. & CO.**
Chartered Accountants
Firm Registration No. 311082E
B. C. Bhandari, FCA
Partner
ICAI Membership No: 50196
Kolkata, May 30, 2011

MATHEW EASOW RESEARCH SECURITIES LIMITED**BALANCE SHEET AS AT 31ST MARCH, 2011**

	Schedule	As at 31.3.2011 Rupees	As at 31.3.2010 Rupees
SOURCES OF FUNDS :			
SHAREHOLDERS' FUNDS			
Share Capital	1	66,500,000	30,000,000
Reserves & Surplus	2	43,783,700	6,927,047
LOAN FUNDS			
Secured Loan from Tata Capital Ltd (Against hypothecation of Motor Car)		509,806	—
DEFERRED TAX LIABILITY	11 (G)	336,724	330,033
		111,130,230	37,257,080
APPLICATION OF FUNDS :			
FIXED ASSETS			
Gross Block	3	5,174,998	4,323,084
Less : Depreciation		2,232,505	1,994,169
Net Block		2,942,493	2,328,915
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	4	55,841,839	16,035,060
Cash & Bank Balances	5	33,701,222	1,857,810
Loans and Advances	6	18,991,437	17,460,608
		108,534,498	35,353,478
Less: Current Liabilities & Provisions	7		
Current Liabilities		141,860	60,638
Provisions		204,901	364,675
		346,761	425,313
Net Current Asset		108,187,737	34,928,165
		111,130,230	37,257,080
Significant Accounting Policies and Notes to Accounts	11		

As per our Report of even date.

For **Bhandari B.C. & Co.**
Chartered Accountants
Firm Registration No.311082E

B. C. Bhandari, FCA
Partner
Membership No. 50196

Kolkata, 30th May, 2011

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MATHEW EASOW RESEARCH SECURITIES LIMITED

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

	Schedule	As at 31.3.2011 Rupees	As at 31.3.2010 Rupees
INCOME :			
Sales		8,770,739	84,272,934
Interest (TDS Rs.167245/-, prv yr Rs.58355/-)		1,749,067	588,425
Dividend		2,834	339
Profit on Sale of Investments		—	684,578
Other Income	8	13,670	97,622
Closing Stock		55,841,839	16,035,060
		<u>66,378,149</u>	<u>101,678,958</u>
EXPENDITURE			
Opening Stock		16,035,060	28,175,149
Purchase		48,256,865	68,314,961
Security Transaction Tax		62,533	46,399
Personnel Expenses	9	547,350	623,397
Administrative Expenses	10	684,435	2,012,528
Depreciation	3	238,336	222,789
Contingent Provisions on Standard Assets		23,650	—
		<u>65,848,229</u>	<u>99,395,223</u>
PROFIT BEFORE TAX		529,920	2,283,735
Provision for taxation			
Income Tax Current Year		166,576	350,000
Deferred Tax	11 (G)	6,691	(39,665)
PROFIT AFTER TAX		356,653	1,973,400
Profit brought forward from previous year		2,396,407	423,007
Profit carried over to Balance Sheet		<u>2,753,060</u>	<u>2,396,407</u>
Basic/Diluted earning per share		0.12	0.66
Significant Accounting Policies and Notes to Accounts	11		

As per our Report of even date.

For **Bhandari B.C. & Co.**
Chartered Accountants
Firm Registration No.311082E

B. C. Bhandari, FCA
Partner
Membership No. 50196

Kolkata, 30th May, 2011

D I R E C T O R S	RAM KUMAR DALMIA BEDA NAND CHOUDHARY ATUL KAUSHIK
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MATHEW EASOW RESEARCH SECURITIES LIMITED

CASH FLOW STATEMENT AS ON 31ST MARCH, 2011

	As at 31.3.2011 Rupees	As at 31.3.2010 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per Profit and Loss Account	529920	2283735
Adjustments for:		
Depreciation	238336	222789
Contingent Provisions on Standard Assets	23650	—
Interest on Car Loan	28738	—
Income Tax for earlier year	10000	—
Profit on sale of investment	—	(684578)
Service Tax Balance w/off being not recoverable	—	93603
Loss on Sale of Fixed Assets	—	43677
Operating Profit Before Working Capital Changes	<u>830644</u>	<u>1959226</u>
Adjustments for:		
(Increase) / Decrease in Inventories	(39806779)	12140089
(Increase) / Decrease in Loans & Advance	(1421939)	(17142275)
Increase / (Decrease) in Current Liabilities	81222	(3554)
Cash Generated from Operations	<u>(40316852)</u>	<u>(3046514)</u>
Taxes Paid	(468890)	(60135)
Net Cash from Operating Activities	(40785742)	(3106649)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(851914)	(22774)
Proceeds from sale of Fixed Assets	—	570000
(Purchase) / Sale of Investment	—	4094923
Net Cash from Investing Activities	(851914)	4642149
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital	73000000	—
Secured Loan-Car Loan taken	509806	—
Interest on Car Loan	(28738)	—
Net Cash from Financing Activities	73481068	—
Net Increase/ (Decrease) in Cash & Cash Equivalents (A) + (B) + (C)	31843412	1535500
Cash & Cash Equivalents at the beginning of the year	1857810	322310
Cash & Cash Equivalents at the end of the year	33701222	1857810

NOTES:

1. The Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard-3 on "Cash Flow Statement".
2. Cash and Cash Equivalents include Cash-in-Hand and Bank balances in Current and term deposit accounts. (Refer Schedule-5)
3. Figures in brackets indicate Cash outflow.

As per our Report of even date.
For **Bhandari B.C. & Co.**
Chartered Accountants
Firm Registration No.311082E

B. C. Bhandari, FCA
Partner
Membership No. 50196

Kolkata, 30th May, 2011

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RAM KUMAR DALMIA

BEDA NAND CHOUDHARY

ATUL KAUSHIK

MATHEW EASOW RESEARCH SECURITIES LIMITED

**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31.03.2011 AND
THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

	<u>As at 31.3.2011</u> Rupees	<u>As at 31.3.2010</u> Rupees
SCHEDULE-1		
SHARE CAPITAL		
Authorised Capital		
9000000 Equity shares of Rs 10/- each	90,000,000	90,000,000
100000 Preference Shares of Rs.100/- each	10,000,000	10,000,000
	<u>100,000,000</u>	<u>100,000,000</u>
Issued, Subscribed & Paid-up Capital		
6650000 (3000000) Equity Shares of Rs. 10/- each fully paid-up	66,500,000	30,000,000
	<u>66,500,000</u>	<u>30,000,000</u>
SCHEDULE-2		
RESERVES & SURPLUS		
Securities Premium Account	36,500,000	—
Special Reserve	4,530,640	4,530,640
Profit & Loss Account-Credit balance	2,753,060	2,396,407
	<u>43,783,700</u>	<u>6,927,047</u>
SCHEDULE-3		
FIXED ASSETS		
	Separate sheet attached	
SCHEDULE-4		
INVENTORIES		
(As taken valued and certified by the management)		
Shares & Securities	55,841,839	16,035,060
	<u>55,841,839</u>	<u>16,035,060</u>
SCHEDULE-5		
CASH & BANK BALANCES		
Cash-in-hand (As certified by the Management)	1,109,192	846,165
Balances with Scheduled Banks in Current Accounts	32,592,030	1,011,645
	<u>33,701,222</u>	<u>1,857,810</u>
SCHEDULE-6		
LOANS AND ADVANCES		
(unsecured, considered good)		
Loans	9,460,139	2,043,200
Advance recoverable in cash or in kind or for value to be received	9,214,375	15,209,375
Security Deposits	45,523	45,523
Income Tax Payments & TDS Asst year 2009-10	104,155	104,155
Income Tax Payments & TDS Asst year 2010-11	—	58,355
Income Tax Payments & TDS Asst year 2011-12	167,245	—
	<u>18,991,437</u>	<u>17,460,608</u>

MATHEW EASOW RESEARCH SECURITIES LIMITED

**SCHEDULE - "3"
FIXED ASSETS**

PARTICULARS	GROSS BLOCK		DEPRECIATION		NET BLOCK					
	As on 01-04-10 (Rs.)	Additions (Rs.)	Deduction/ Adjustment (Rs.)	As on 31-03-11 (Rs.)	Upto 31-03-10 (Rs.)	For the year (Rs.)	Adjustments (Rs.)	upto 31-03-11 (Rs.)	As at 31-03-11 (Rs.)	As at 31-03-110 (Rs.)
Office Premises	2051305	-	-	2051305	493673	33436	-	527109	1524196	1557632
Computer	119828	101432	-	221260	75728	22118	-	97846	123414	44100
Furniture & Fixture	1024943	-	-	1024943	809588	64879	-	874467	150476	215355
Office Equipment	516637	59600	-	576237	256148	27101	-	283249	292988	260489
Motor Car	610371	690882	-	1301253	359032	90802	-	449834	851419	251339
CURRENT YEAR	4323084	851914	-	5174998	1994169	238336	-	2232505	2942493	2328915
PREVIOUS YEAR	5085761	22774	785451	4323084	1943154	222789	171774	1994169	2328915	3142607

MATHEW EASOW RESEARCH SECURITIES LIMITEDSCHEDULES FORMING PART OF BALANCE SHEET AS AT 31.03.2011 AND
THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

	<u>As at 31.3.2011</u> Rupees	<u>As at 31.3.2010</u> Rupees
SCHEDULE-7		
CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditor	65,296	150
Liabilities for expenses	67,714	58,178
Professional Tax	4,350	1,560
TDS Payable	4,500	750
	<u>141,860</u>	<u>60,638</u>
PROVISIONS		
Provision for Income Tax	181,251	364,675
Contingent Provisions on Standard Assets	23,650	—
	<u>204,901</u>	<u>364,675</u>
	<u>346,761</u>	<u>425,313</u>
 SCHEDULE-8		
OTHER INCOME		
Rent Received	—	79,250
Income on Rate Difference Transactions (Net)	13,670	18,372
	<u>13,670</u>	<u>97,622</u>
 SCHEDULE-9		
PERSONNEL EXPENSES		
Salary	540,000	595,300
Staff Welfare Expenses	7,350	28,097
	<u>547,350</u>	<u>623,397</u>

MATHEW EASOW RESEARCH SECURITIES LIMITED**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31.03.2011 AND
THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

	As at 31.3.2011	As at 31.3.2010
	Rupees	Rupees
SCHEDULE-10		
ADMINISTRATIVE EXPENSES		
Advertisement	21,131	40,573
Audit Fees	57,908	63,423
Bank Charges	4,604	5,642
Books & Periodicals	41,401	32,640
Conveyance	7,830	22,548
Custodian Charges	14,357	16,069
Demat Charges	1,683	578
Director's Remuneration	—	100,000
Electricity Charges	3,039	27,910
Entertainment Expenses	—	23,499
Filing Fees	4,000	14,952
Income Tax for earlier year	10,000	—
Interest on Car Loan	28,738	—
Internal Audit Fees	15,000	15,000
Legal & Professional Fees	132,107	861,319
Listing Fees	83,277	23,729
Loss on Sale of Fixed Asset	—	43,677
Management Trainee Stipends	54,600	—
Membership & Subscription	1,000	5,000
Misc Expenses	5,956	67,934
Motor Car Running & Maintenance	40,197	165,700
Office Expenses	12,705	—
Postage & Courier	41,905	63,374
Printing & Stationary	36,700	87,999
Rent, Rates & Taxes	4,926	15,118
Repair & Maintenance	23,351	75,431
Service Tax Balance written off being not recoverable	—	93,603
Telephone Charges	17,344	104,262
Transaction, Turnover Charges etc.	11,245	6,170
Travelling Expenses	9,431	36,378
	684,435	2,012,528

MATHEW EASOW RESEARCH SECURITIES LIMITED

SCHEDULE-11: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

- A. The Financial Statements have been prepared in accordance with applicable Accounting Standards and as per relevant presentation requirements of the Companies Act, 1956. The Financial Statements have been prepared according to the double entry system of accounting and on accrual basis except expenditure on gratuity, leave pay and Bonus etc. which are accounted for as and when actual payments are made.
- B. The Company is registered as a Non-Banking Financial (Non-Deposit Accepting) Company with the Reserve Bank of India.
- C. FIXED ASSETS are stated at original cost of acquisition (including related incidental expenses) reduced by depreciation.
- D. Depreciation has been provided on pro-rata basis on the Straight Line Method at the rates and in the manner as provided in Schedule XIV to the Companies Act 1956.
- E. INVENTORIES: Inventories are valued at lower of cost or net realizable value and in accordance with guidelines issued by Reserve Bank of India as applicable to NBFC.
- F. CONTINGENT PROVISIONS ON STANDARD ASSETS: The Company has made Contingent Provisions on Standard Assets @ 0.25% in accordance with Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- G. The tax expense for the year, comprising of the current tax and deferred tax is included in determining the net profit/loss for the year. Provision for the current tax is based on tax liability computed in accordance with relevant tax rates and tax laws. Provision on deferred tax is made for all timing differences arising between taxable incomes and accounting income at rates that have been enacted or substantively enacted as of the Balance Sheet date. The breakup of Net Deferred Tax is as follows:

	As at 31.3.2011 (Rs.)	As at 31.3.2010 (Rs.)
Deferred Tax Liabilities:		
Tax impact of differences between carrying amount of Fixed Assets in the financial statements and Income Tax	3,36,724	3,30,033
Net Deferred Tax Liability	3,36,724	3,30,033

- H. Segment reporting as per Accounting Standard-17 is not relevant as the entire operations of the Company relates to only one segment i.e. Capital and Financial Markets and also the company did not have any overseas operations during the year.
- I. Information given in accordance with the requirements of Accounting Standard-18 on Related Party Disclosures issued by Institute of Chartered Accountants of India:
- | List of Related Parties | Nature of Relationship |
|--------------------------------------|---------------------------------|
| i. Beda Nand Choudhary | Director |
| ii. Mathew Easow Fiscal Services Ltd | Company under common management |
- Transaction with Related Parties
Nil.
- J. There is no liability towards Gratuity, leave pay, PF, ESI and/or any other type of retirement benefits. Hence, the requirements prescribed under Accounting Standard-15 have not been complied.
- K. Separate disclosures for the amount due to Small Scale Industrial undertakings under the head Current Liabilities/ Creditors could not be made as the Company does not possess the requisite information.
- L. The Micro, Small and Medium Enterprises Development Act, 2006 mandates disclosure related to payment and accrual of interest on delayed payments to suppliers classified as Micro, Small and Medium Enterprises under the Act. The Company has not received intimation from any of its suppliers regarding the status of their registration under the said Act and hence separate disclosures could not be made.

MATHEW EASOW RESEARCH SECURITIES LIMITED

M. Payments to Statutory Auditors:

Particulars	Current year (Rs)	Prev year (Rs)
Audit Fee	45000.00	45000.00
Tax Audit Fee	7500.00	7500.00
Service Tax	5408.00	5408.00
TOTAL	57908.00	57908.00

N. Additional Information pursuant to the provisions of Paragraph 3 and 4 of Part-II of Schedule-VI to the Companies Act, 1956:

		Current Year		Previous Year	
		Quantity	Rupees	Quantity	Rupees
Opening Stock	Shares/ETF	339365.005	16035060	53499.005	9579046
	Units of MF	-	-	1277108.373	18596103
			16035060		28175149
Purchases	Shares/ETF	539411.000	48256865	434465.000	35814961
	Units of MF	-	-	2218451.367	32500000
			48256865		68314961
Sales	Shares/ETF	140567.000	8770739	148599.000	33067246
	Units of MF	-	-	3495559.740	51205688
			8770739		84272934
Closing Stock	Shares/ETF	738209.005	55841839	339365.005	16035060
	Units of MF	-	-	-	-
			55841839		16035060

O. As the Company has no activities other than those of an Non-Banking Financial Company, the segment reporting under Accounting Standard 17 - "Segment Reporting" is not applicable. The Company does not have any reportable geographical segment.

P. Details of Earnings per share :-

	Current year (Rs)	Prev year (Rs)
Net Profit as per Profit and Loss Account	356653	1973400
Weighted average number of shares for computing Basic and Diluted earnings per share	3100000	3000000
Earnings per share (Weighted average) (As per Accounting Standard 20 - Earnings Per Share) Basic and Diluted	0.12	0.66

Q. Previous year's figures have been regrouped/rearranged where necessary to conform to this years' classification.

As per our Report of even date.

For **Bhandari B.C. & Co.**

Chartered Accountants

Firm Registration No.311082E

B. C. Bhandari, FCA

Partner

Membership No. 50196

Kolkata, 30th May, 2011

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S**RAM KUMAR DALMIA****BEDA NAND CHOUDHARY****ATUL KAUSHIK**

**BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE
AS PER SCHEDULE VI, PART IV OF THE COMPANIES ACT, 1956**

I. Registration Details

Registration No.

	0	6	4	4	8	3
--	---	---	---	---	---	---

Balance Sheet Date

3	1
---	---

 /

0	3
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2	0	1	1
---	---	---	---

State Code

2	1
---	---

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

Public Issue

	N	I	L		
--	---	---	---	--	--

Rights Issue

	N	I	L		
--	---	---	---	--	--

Bonus Issue

	N	I	L		
--	---	---	---	--	--

Private Placement

	3	6	5	0	0
--	---	---	---	---	---

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

Total Liabilities

	1	1	1	1	3	0
--	---	---	---	---	---	---

Total Assets

	1	1	1	1	3	0
--	---	---	---	---	---	---

Sources of Funds

Paid-up Capital

	6	6	5	0	0
--	---	---	---	---	---

Share Application Money
N I L

Reserves & Surplus

	4	3	7	8	4
--	---	---	---	---	---

Secured Loans

			5	1	0
--	--	--	---	---	---

Deferred Tax Liability
3 3 7

Unsecured Loans

	N	I	L		
--	---	---	---	--	--

Application of Funds

Net Fixed Assets

		2	9	4	2
--	--	---	---	---	---

Investments

	N	I	L		
--	---	---	---	--	--

Net Current Assets

	1	0	8	1	8	8
--	---	---	---	---	---	---

Misc. Expenditure

	N	I	L		
--	---	---	---	--	--

Accumulated Losses

	N	I	L		
--	---	---	---	--	--

Deferred Tax Assets

	N	I	L		
--	---	---	---	--	--

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

Turnover (including Other Income)

	1	0	5	3	6
--	---	---	---	---	---

Total Expenditure

	1	0	0	0	6
--	---	---	---	---	---

Profit/Loss Before Tax

			5	3	0
--	--	--	---	---	---

Profit/Loss After Tax

			3	5	7
--	--	--	---	---	---

Earnings per Share in Rs.

		0	.	1	2
--	--	---	---	---	---

Dividend %

			N	I	L
--	--	--	---	---	---

V. Generic Names of Three Principle Products/Services of Company

Item Code No. (ITC Code)

--	--	--	--	--	--

Product Description

	N.	A.			
--	----	----	--	--	--

NBFC-Capital Market activities

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RAM KUMAR DALMIA

BEDA NAND CHOUDHARY

ATUL KAUSHIK

Kolkata, 30th May, 2011

MATHEW EASOW RESEARCH SECURITIES LIMITED

Regd. Office: Rajkamal Building, 1st Floor, 128, Rash Behari Avenue, Kolkata - 700029

ATTENDANCE SLIP

Please fill in the Attendance Slip and hand it over at the Entrance of the Meeting Hall. Joint Shareholders may obtain Additional Slip on Request.

Folio No.

DP Id.*

Client Id.*.....

Name of the Shareholders

Address of the Shareholder

.....PIN.....

No. of Shares held.....

Signature(s).....

I / We hereby record my/our presence at the 17th Annual General Meeting of the Company held on Wednesday, 28th September, 2011 at 9.30 A.M. at 432, Prince Anwar Shah Road, Kolkata - 700068

PROXY

Folio No.

DP Id.*

Client Id.*.....

I / We

being a member/members of Mathew Easow Research Securities Limited hereby appoint

..... or failing him/her of

..... as my/our proxy to vote for me/us and on my/our behalf at the 17th Annual General Meeting of the Company held on Wednesday, 28th September, 2011 at 9.30 A.M. at 432, Prince Anwar Shah Road, Kolkata - 700068 or any adjournment thereof.

Signature of the Shareholder(s)

Signature of Proxy (s).....

*Applicable for investors holding shares in electronic form

Date/...../2011

Affix
1 Re.
Revenue
Stamp

Note: The Proxy must be returned so as to reach the registered office of the Company not less than 48 hours before the commencement of the meeting. The Proxy need not be a member of the Company.

MATHEW EASOW RESEARCH SECURITIES LIMITED

ANNUAL REPORT 2010-2011

BOOK POST

If undelivered please send to :

Mathew Easow Research Securities Limited

Regd. Office: Rajkamal Building, 1st Floor, 128, Rash Behari Avenue, Kolkata - 700029