



PHOTON CAPITAL ADVISORS LIMITED

23rd ANNUAL REPORT
2007-2008

Dear Shareholder

Sub: Dematerialization of equity shares of the company

Your company is pleased to inform you that the equity shares of your company have been dematerialized and has been allotted the following ISIN number:

INE107J01016

You may approach the Depository Participant where you have your Demat Account towards early dematerialization of your shares in the company and thus hold the shares in electronic form.

Further, it may please be noted that your equity shares are now listed on The Bombay Stock Exchange Ltd. with effect from 24-07-2008.

Thanking you

Yours Sincerely

For **Photon Capital Advisors Limited**

Tejaswy Nandury
Wholetime Director

PHOTON CAPITAL ADVISORS LIMITED

Board of Directors	Mr. J.Narasimha Rao Mr. B. Viswanatha Reddy Mr. Madhukar Yarra Mr. V R Shankara Mr. Tejaswy Nandury
Auditors	M/s. K.Vijayaraghavan & Associates Chartered Accountants, Hyderabad
Bankers	Kotak Mahindra Bank Limited HDFC Bank Ltd. Syndicate Bank ICICI Bank Ltd. Axis Bank Ltd. Andhra Bank Punjab National Bank
Registered Office	Millinium Plaza, 8-2-293/82/A/41-A, Road No.5, Jubilee Hills, Hyderabad-500033. Phone No.040-23551681/82/83, Fax No. 040- 23550732
Registrars & Transfer Agents	Sathguru Management Consultants Pvt. Ltd. Plot No.15, Hindi Nagar, Panjagutta, Hyderabad – 034. Ph.Nos. 040-23356975, 23356507

Notice

Notice is hereby given that the Twenty third Annual General Meeting of the company will be held on Monday, the 15th day of September, 2008 at 10.00 a.m. at Neni-Hitech Club,169, Old Airport Road, New Bowenpally, Secunderabad – 500 011 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited balance sheet as at 31st March 2008 and profit and loss account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Tejaswy Nandury, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. V.R.Shankara, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. K.Vijayaraghavan & Associates, Chartered Accountants, as Auditors of the company, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

Special Business:

5. 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 269 and other applicable provisions, if any of the Companies Act, 1956, approval of the members be and is hereby granted for appointment of Mr. TEJASWY NANDURY, who fulfils the conditions specified in Part I of Schedule XIII to the Companies Act, 1956, as Wholetime Director of the company, for a period of five years from 25.03.2008 to 24.03.2013.

RESOLVED FURTHER THAT pursuant to the provisions of sections 198, 269, 309 and other applicable provisions, if any of the Companies Act, 1956 ("ACT"), read with part II of schedule XIII to the act, the company hereby approves the terms of remuneration of Mr.Tejaswy Nandury as the Wholetime Director of the company effective from 01.07.2008 up to 24.03.2013 upon the terms and conditions set out in the explanatory statement annexed to the notice convening this Annual General Meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr.Tejaswy Nandury.

Place: Hyderabad
Date: 01.08.2008

By the Order of the Board
Tejaswy Nandury
Wholetime 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 THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies

in order to be effective must be received at the registered office of the company not less than 48 hours before the Meeting.

2. Members/Proxies are requested to fill in the enclosed attendance slip and deposit the same at the entrance of the meeting hall.
3. The Register of members and share transfer books of the company will remain closed from 10.09.2008 to 15.09.2008 (both days inclusive).
4. The Register of directors' shareholdings shall be open for inspection to any member of the company during the period beginning 14 days before the date of company's annual general meeting and ending 3 days after the date of its conclusion. The said register shall also remain open and accessible during the annual general meeting to any person having right to attend the meeting.
5. An Explanatory Statement under section 173(2) of the Companies Act, 1956 is annexed hereto.

Explanatory Statement (Pursuant to Section 173 (2) of The Companies Act, 1956)

ITEM No. 5: Appointment of Mr. Tejaswy Nandury as Wholetime Director and to fix the remuneration.

As the operations of the Company are growing the Board of Directors felt that there should be an executive director without any salary to manage the day to day operations of the Company. Accordingly, the Board of Directors vide their circular resolution dated 25.03.2008 appointed Mr. TEJASWY NANDURY as Wholetime Director of the company to look after the day to day affairs of the Company for a period of 5 years with effect from 25th March 2008. The appointment of Wholetime Director shall be approved by the shareholders as required under section 269 and schedule XIII of the Companies Act, 1956.

Mr. Tejaswy Nandury holds B.A in Economics from Stanford University, USA and has over 10 years of experience in Private Equity and Public Markets Investing. He joined the company on 3rd November 2003 and revived and turned the deficit company into profit making company.

Further, the Board of Directors, on the recommendation of the remuneration committee, approved the following remuneration to Mr. Tejaswy Nandury, Wholetime Director of the Company subject to the approval of share holders:

- A. Salary:** There is no basic and incentive Salary. There are only benefits by way of perquisites and allowances.
- B. Perquisites and allowances:** Perquisites and allowances will be restricted to an amount of **Rs.9,00,000/- per annum.**

Subject to the above limit, the Wholetime Director will be allowed the following.

- ii) Housing including Gas, Electricity, Water and furnishings (Non-interchangeable):
 - a) Expenditure incurred by the company on hiring accommodation as per the Income Tax Act 1962 and Rules thereunder.
 - b) Expenditure incurred by the company on Gas, Electricity, Water and furnishings will be evaluated as per the Income Tax Act, 1962 and Rules thereunder.
- ii) Medical benefits for self and family:
Reimbursement of expenses actually incurred for self and his family members.

- iii) Leave Travel Concession:
Leave Travel concession for self and family once in a year in accordance with the rules of the company.
- iv) Personal Accident Insurance:
Actual premium not to exceed Rs.6000/-
- v) Fees of clubs:
Subject to a maximum of 2 clubs. No admission fee or life membership fee is paid by the company.
- vi) Car:
Use of Car for Company's business is provided. However, the Wholetime Director shall pay for use of the Car for personal purpose.
- vii) Telephone & Cell Phone:
Telephone facility at residence and cell phone connectivity will be provided. All long distance personal calls shall be logged and paid by the Wholetime Director.
- viii) Others:
Reimbursement of actual entertainment expenses, actual traveling and hotel expenses for the Company's business and/or allowances as per the Company's rules.

As the shareholders approval is required for the appointment of Wholetime director and his remuneration, the Board of Directors recommends the resolution for your approval.

Except Mr.Tejaswy Nandury no other Director of the Company has any interest or concern in this Resolution.

By the Order of the Board
Tejaswy Nandury
Wholetime Director

Place: Hyderabad
Date: 01.08.2008

Directors' Report

To
The Members of
PHOTON CAPITAL ADVISORS LIMITED.

Your Directors are pleased to present the 23rd annual report together with audited accounts of the company for the year ended 31st March 2008

Financial Results:

Particulars	2007-08 (Rs. in lakhs)	2006-07 (Rs. in lakhs)
Income	1303.77	871.84
Expenditure	63.36	34.65
Profit for the year	1240.41	837.18
Provision for tax	353.13	248.91
Profit after tax	888.67	588.27
Profit brought forward	2.15	163.88
Balance transferred to balance sheet	890.82	752.15

Review of Operations:

Your company has performed well during the financial year. Total income has gone up by Rs 431.92 lakhs, 50% increase over the previous year, mainly on account of its process outsourcing activity and income from investments and interest income. Profit after tax has increased by 52%. As a result, earnings per share have gone up to Rs.58.71 per share over a previous year EPS of Rs. 38.86. Your company continues to look for sound and promising investment avenues.

Your directors are happy to inform you that the equity shares of your company has been relisted and traded in the Bombay Stock Exchange. We further inform you that your company completed the formalities of dematerialization of the shares with NSDL /CDSL with an ISIN Number INE107J01016 and now the shareholders of the Company can dematerialise their shares.

Management Discussion and Analysis:

Industry Structure and Developments:

Your company continues to be a registered Non Banking Finance Company as per the RBI guidelines as it continues the investment activity. However, due to the current interest rate scenario and the shrinking net interest margins in the banking and finance segment, your company has consciously stayed away from any direct lending in the market. Yet, your company believes the continuation of the India growth story and its unique position on internal purchasing power of its large earning population. Such internal purchasing power insulates the Indian economy from external overseas shocks of corrections in other large emerging economies. This augurs well for the Indian stock markets and your company plans to use this huge opportunity.

Opportunities and Threats:

While it is a matter of pride that the rupee has strengthened against the leading currencies of the world, it also has had a negative impact on the Indian industries which are

traditional exporters of goods and services. This is a challenge in itself and your company is well prepared to convert this challenge into opportunity through active management of its investment portfolio.

In addition to managing its proprietary portfolio for the past few years, your company applied to SEBI for permission to act as a portfolio manager. We are hopeful that SEBI will consider this application favourably. Though there is immense competition in this field, your company believes that it is in a unique position to be able to offer professional fund management services to a number of high net worth individuals. Simultaneously, your company is engaging in discussions with several foreign investors to examine potential means of collaboration.

Outlook:

Several reports and studies by various trade bodies and other research houses of the Asian economies have indicated a steady and robust GDP growth in excess of 9% of the Indian economy. Accelerated spending on infrastructure, growth of organized retail, up scaling of life style of the burgeoning middle/upper middle class, highest growth of HNIs are several positive indicators for the India growth story to continue for many years. Your company is considering the above factors in formulating future plans.

Risks and Concerns:

Your Company has continued to minimize risks from external factors and has constantly preferred and adopted methods and systems in its economic activities with low element of risk. In the current and future years, your company will further strengthen and bolster its efforts to minimize or negate all risk factors. However, external factors of foreign currencies and impact of global slow down, currency corrections of other large growing economies do cause concern to all enterprises and your company does consider this as a concern. Nevertheless, such factors will be dealt with caution and adequate foresight. There have, however been some genuine concerns on the inflation front. Inflation increased from 7% as at end March, 2008 to 12.01% as at the end of July, 2008. Moreover, India is faced with a situation of high interest rates, which are bound to slow the economy down from the scorching pace of growth it exhibited in the last few years. Thanks to all these negative factors, the Indian stock market has slumped greater than 40% in calendar year 2008. In fact, the situation is far worse in mid and small capitalization companies which have corrected between 50% and 90% from their peaks. However, far from being dismayed, your company believes that this correction offers great opportunities for the astute investor and is poised to take advantage of the present situation.

Dividend:

Your directors do not recommend any dividend for the year, in order to conserve funds for the expansion plans.

Public Deposits:

Your company has not accepted any deposits falling within the meaning of Sec. 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 during the financial year under review.

Directors:

During the year, Mr. Tejaswy Nandury, Director of the Company has been appointed as Wholetime Director of the Company to look after the day to day affairs of the Company for a period of 5 years with effect from 25th March 2008 and the Board of Directors recommended his appointment to the shareholders for their approval.

Mr.TEJASWY NANDURY and Mr.V.R.Shankara, Directors of your Company retire by rotation and being eligible offer themselves for reappointment.

Mr. B.Viswanatha Reddy has resigned from the Board of your Company with effect from 31.07.2008. The Board of Directors accepted the resignation and relieved him from all the responsibilities of the Company with immediate effect and the Board appreciated and recorded the valuable services rendered by him during his tenure as Director of the Company.

Directors Responsibility Statement:

Pursuant to the provisions of Sec.217 (2AA) of the Companies Act, 1956 the Board of Directors of your Company hereby certify and confirm that:

1. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgements 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 the financial year and of the profit of the Company for that period;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the Annual accounts on a going concern basis.

Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Out Go:

The required information as per Sec.217 (1) (e) of the Companies Act, 1956 is provided hereunder:

Conservation of Energy and Technology Absorption:

Since the Company does not own any manufacturing facility, the other particulars relating to conservation of energy and technology absorption stipulated in the Companies (disclosure of particulars) in the Report of the Board of Directors Rules 1988 are not applicable.

Foreign Exchange Earnings and Out Go: NIL

Particulars of Employees:

No employee of the Company was in receipt of remuneration in excess of the limits as laid down under Sec.217 (2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules, 1975.

Auditors:

M/s. K.Vijayaraghavan & Associates, Chartered Accountants, Hyderabad, who are statutory auditors of the Company hold office in accordance with the provisions of the Companies Act, 1956, upto the conclusion of the ensuing annual general meeting and are eligible for re-appointment. A certificate under section 224 (1B) of the Companies Act, 1956 has been received from them.

Corporate Governance:

As a listed company, necessary measures have been taken to comply with the listing agreements of Stock Exchanges. A report on Corporate Governance, along with a certificate of compliance from the Auditors, forms part of this Report as an Annexure.

Company Secretary:

During the year under review, the Board has appointed M/s. SGS Company Secretaries as secretarial auditors for issuing Compliance Certificate in terms of Section 383A of the Companies Act, 1956 for the financial year 2007-2008. A copy of the Compliance Certificate is annexed to this report.

Acknowledgements:

Your Directors gratefully acknowledge the support and co-operation extended by all the shareholders, customers, bankers, mutual funds, share brokers to your company during the year and look forward to their continued support.

Your Directors also place on record their appreciation of the dedication and commitment displayed by the employees of the company, thus enabling it to register a good performance.

// For and on behalf of the board //

J. Narasimha Rao
Director

Tejaswy Nandury
Wholetime Director

Place: Hyderabad

Date: 01.08.2008

Annexure to Directors' Report Corporate Governance Report

Company's Philosophy on Code of Governance:

Your company wishes to practice the principles of corporate governance with a view to make available all the necessary information to its shareholders.

1. Board of Directors:

The Board of Directors consists of Five (5) Directors and the composition and category of Directors is as follows:

Sl.No.	Name & Category of the Directors	No. of Directorships held in other Public Companies	No. of Memberships/ Chairmanships held in Committees of Other Companies
01.	Mr. Tejaswy Nandury Executive	1	NIL
02.	Mr. V R. Shankara Independent Non-executive	NIL	NIL
03.	Mr. B. Viswanatha Reddy Independent Non-executive	1	NIL
04.	Mr. Madhukar Yarra Independent Non-executive	NIL	NIL
05.	Mr. J.Narasimha Rao Independent Non-executive	NIL	NIL

Details of Directors being appointed and reappointed at the ensuing Annual General Meeting:

A brief resume of the Directors being appointed or re-appointed is as follows:

1. Mr. Tejaswy Nandury:

Mr. Tejaswy Nandury has completed his graduation in Economics from STANFORD UNIVERSITY, CALIFORNIA, USA and he has experience of over a period of 10 years as an analyst in the area of Private Equity and Public Market investment. During this period he has worked with McKinsey & Co., the View Group and the World Bank.

2. Mr. V.R.Shankara:

Mr. V.R.Shankara is a postgraduate in commerce and has an experience of over 30 years in administration. He started his career in 1977 in corporate Sector and held several senior management positions.

Board Meetings:

During the Financial Year 2007-2008 the Board of Directors met 4 (four) times on the following dates:

1. 30th April 2007
2. 26th July 2007
3. 30th October 2007 and
4. 30th January 2008

The Attendance of Directors at these Board Meetings and at the previous Annual General Meeting was as under:

Name of the Directors	No. of Board Meetings held during the year 2007-08	No. of Meetings attended by the Director	Whether present at the previous AGM
Mr. Tejaswy Nandury	4	4	Yes
Mr. V R. Shankara	4	4	No
Mr. B. Viswanatha Reddy	4	4	No
Mr. Madhukar Yarra	4	4	No
Mr. J. Narasimha Rao	4	4	Yes

2. Audit Committee:

The Audit Committee was constituted by the Board of Directors. The terms of reference of this committee cover the matters specified in the clause 49 of the Listing Agreement and as may be referred to the committee by the Board of Directors of the company.

Composition, name of Members and Chairman:

The Audit committee consists of the following independent and non-executive Directors:

1. Mr. J. Narasimha Rao: Chairman
2. Mr. V.R. Shankara: Member
3. Mr. B. Viswanatha Reddy: Member

and Statutory Auditors are invitees to the meeting. During the year under review, the total number of meetings held was 4 (four) on the following dates:

1. 30th April 2007,
2. 26th July 2007,
3. 30th October 2007 and
4. 30th January 2008.

Meetings and attendance during the year:

Name of the Member	No. of Meetings held	Attendance
Mr. J. Narasimha Rao	4	4
Mr. V.R. Shankara	4	4
Mr. B. Viswanatha Reddy	4	4

3. Shareholders/Investors Grievance Committee:

Shareholders / Investors Grievance Committee was formed by the Board of Directors in terms of clause 49 of the Listing Agreement.

The said Grievance Committee consists of the following independent and non-executive Directors:

1. Mr. V.R.Shankara: Chairman
2. Mr. J.Narasimha Rao: Member
3. Mr. B. Viswanatha Reddy: Member

The committee looks into the matters relating to the shareholder's complaints, grievances, various requests in the nature of transfer, transmission, etc., and also overseeing the performance of the Registrar & Transfer agents to improve the quality of investor services.

4. Information on General Body Meetings:

The last 3 Annual General Meetings were held as under:

Date	Time	Venue
24.09.2007	9.30 A.M	Neni Hi-tech Club, 169, Old Airport Road, New Bowenpally, Secunderabad-500011
25.09.2006	10.30 A.M	Neni Hi-tech Club, 169, Old Airport Road, New Bowenpally, Secunderabad-500011
26.09.2005	10.00 A.M	Neni Hi-tech Club, 169, Old Airport Road, New Bowenpally, Secunderabad-500011

5. Disclosures:

- i) Disclosures on materially significant related party transactions i.e., transactions of the Company of material nature, with its promoters, directors or the management, their subsidiaries or their relatives etc. that may have potential conflicts with the interest of the company at large: **NIL**
- ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or other authority on any matter related to capital markets, during last three years:

The trading of shares was under suspens in during the year 2007-08. However the shares of your company has been relisted and being traded in the dematerilized form with effect from 24.07.2008.

6. Means of Communication:

- i) The Quarterly results are published in the Business Standard, Financial Results Andhra Bhoomi and Andhra Prabha newspapers.
- ii) Information released to the press at the time of declaration of results is also sent to all Stock Exchanges where the shares of the Company are listed for the benefit of investors.
- iii) The Management Discussion and Analysis (MD & A) is a part of the annual report.

7. General Shareholder Information:

- i) Annual General Meeting:

Date: 15.09.2008
Time: 10.00 A.M
Venue: Neni Hi-tech Club, 169, Old Airport Road, New Bowenpally, Secunderabad-500011

ii) Financial Calendar:

The financial year covers the period from 1st April to 31st March :

Financial Reporting for 2008-09 (tentative):

The First Quarter Results – 30.06.2008	Between 20.07.2008 to 31.07.2008
The Second Quarter Results – 30.09.2008	Between 20.10.2008 to 31.10.2008
The Third Quarter Results – 31.12.2008	Between 20.01.2009 to 31.01.2009
The Last Quarter Results – 31.03.2009	Between 20.04.2009 to 30.04.2009

iii) Book Closure: 10.09.2008 to 15.09.2008 (both dates inclusive).

iv) Dividend payment Date:

Not applicable as the Board has not recommended any dividend for the year.

v) Listing on Stock Exchanges:

Shares of the Company are listed on the following Stock Exchanges.

Sl.No.	Name of the Stock Exchange	Address
1.	The Hyderabad Stock Exchange Ltd	Erramanzil, Somajiguda, Hyderabad – 500 082
2.	The Stock Exchange - Mumbai	Phiroze Jeejeebhoy Towers, Dalal Street, MUMBAI-400 001.

The Hyderabad Stock Exchange was derecognized by the SEBI; hence the Listing Fee was not paid to HSE for the year 2008-2009.

The Company has paid Annual Listing Fees for the year 2008-2009 to the Bombay Stock Exchange.

Stock Code: 509084

vi) Market Price Data:

There was no trading of company's shares in the stock exchanges during the financial year 2007-2008.

vii) Registrars and Transfer Agents:

Sathguru Management Consultants Pvt. Ltd.
Plot No.15, Hindi Nagar, Panjagutta,
Hyderabad – 500 034

viii) Delegation of Share Transfer Dematerialisation Formalities:

The Board has delegated share transfer and dematerialisation formalities to the Registrars and Transfer Agents: M/s. Sathguru Management Consultants Pvt. Ltd.

All communications regarding Share Transfers, Transmissions, Change in Address and any other correspondence in regard to shares may be addressed to the Registrars & Transfer Agents.

The company has constituted Share Transfer Committee, which meets 2 times in a month. Physical transfers are effected within the statutory period of one month. The

Board has designated Mr. G. Ramesh Babu as the Compliance Officer. Hence, in case of any grievances the shareholders are free to approach the Share Transfer Committee for due redressal of their grievances.

ix) Distribution of shareholding as on 31st March 2008 :

Distribution of Holdings

Share holding of nominal value of Rs. Rs. (1)	Share holders		Shares Amount	
	Number (2)	% (3)	in Rs. (4)	% (5)
1 - 5000	6797	99.57	3608520	23.84
5001 - 10000	13	00.19	77470	00.51
10001 - 20000	04	00.06	57770	00.38
20001 - 30000	03	00.04	72800	00.48
30001 - 40000	02	00.03	64000	00.43
40001 - 50000	00	00.00	00	00.00
50001 - 100000	01	00.01	92930	00.61
100001 - Above	07	00.10	11163450	73.75
Total	6827	100.00	15136940	100.00

ix) Dematerialization of shares and liquidity :

The Company has established connectivity with CDSL and NSDL and the shareholders are requested to avail this facility and dematerialize their shares by sending their physical share certificates to the Share Transfer Agents or the Company through their Depository Participants.

x) Address for Correspondence:

Shareholders may correspond with the Company for the redressal of their grievances, if any – at the Registered office of the Company situate at:

Millinium Plaza, 8-2-293/82/A/41-A,
Road No.5, Jubilee Hills, Hyderabad-500033

For and on Behalf of The Board

V.R. Shankara
Director

Tejaswy Nandury
Wholetime Director

Place: Hyderabad

Date: 01.08.2008

Declaration by CEO of The Company On Code of Conduct

As per clause 49 of the Listing Agreement of the Stock exchanges the Board shall lay down a code of conduct for all Board Members and senior management of the Company. The code of conduct shall be posted on the website of the company and all the Board Members and senior management personnel shall affirm compliance with the code on annual basis. The Annual report of the Company shall contain a declaration to this effect signed by CEO of the Company.

I hereby declare that:

1. Code of conduct prepared for the Board Members and senior management of the company was approved by the Board of Directors and the same was adopted by the Company.
2. Code of conduct adopted by the Company was circulated to the members of the Board and senior management of the company and also posted in the website of the company.
3. All the members of the Board and senior management of the company have complied with all the provisions of the code of conduct.

For **Photon Capital Advisors Limited**

Tejaswy Nandury
Wholetime Director

Place: Hyderabad
Date : 01.08.2008

Compliance Certificate

Corporate Identity Number: U65910AP1983PTC004368

Authorised Capital: Rs. 4,00,00,000/-

To
The Members of
M/S. PHOTON CAPITAL ADVISORS LIMITED,
Millenium Plaza, 8-2-293/82/A/41-A,
Road No.5,Jubilee Hills,
HYDERABAD - 500033

We have examined the registers, records, books and papers of M/S. PHOTON CAPITAL ADVISORS LIMITED, (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2008 (Financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in *Annexure 'A'* to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in *Annexure 'B'* to this certificate with the Registrar of Companies.
3. The Company, being a public limited Company, has minimum prescribed Paid-up Capital.
4. The Board of Directors duly met 4 times respectively on 30.04.2007, 26.07.2007, 30.10.2007 and 30.01.2008 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed on 25.03.2008 in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 17.09.2007 to 24.09.2007 and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31st March, 2007 was held on 24.09.2007 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. One Extra-ordinary General Meeting was held during the financial year after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling with in the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.

11. The provisions of Section 314 of the Act have not been attracted and therefore no approvals were required to be taken.
12. The Company has not issued any duplicate share certificates during the financial year and complied with the provisions of the Companies Act, 1956.
13. The Company:
 - (i) has delivered all the certificates on lodgment thereof for transfer/transmission in accordance with the provisions of the Act and the Company has not allotted shares during the financial year.
 - (ii) has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - (iii) was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
 - (iv) was not required to transfer any amount to Investor Education and Protection Fund.
 - (v) has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and there was no appointment of additional directors and alternate directors and directors to fill casual vacancy during the financial year.
15. The appointment of Whole-time Director has been made in compliance with the provisions of Section 269 read with Schedule XIII to the Act and there was no appointment of Managing Director/ Manager during the financial year.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company has obtained all necessary approvals of the Central Government (powers delegated to ROC) with regard to name change of the Company. Apart from this the Company was not required to obtain any other approvals from Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares or debentures during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has so far not issued any redeemable preference shares/debentures.
22. During the year under review, there were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has not made any borrowings during the financial year ended 31st March 2008.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.

26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has altered the provisions of the Memorandum and Articles of Association of the Company with respect to name of the Company during the year under scrutiny and complied with the provisions of the Act.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has altered its Articles of Association during the financial year.
31. There was/were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. Provisions of Section 418 of the Act are not applicable to the Company.

For SGS Company Secretaries

R. Sivaram Reddy
Partner
C.P.No: 4685.

Place: Hyderabad
Date: 31.07.2008

ANNEXURE 'A'
Registers as maintained by the Company:

Statutory Registers:

- | | |
|--|---------------------|
| 1. Register of Members | u/s 150 of the Act. |
| 2. Register of Directors | u/s 303 of the Act. |
| 3. Register of Directors' Shareholding | u/s 307 of the Act. |
| 4. Minutes of the Board Meetings | u/s 193 of the Act. |
| 5. Minutes of General Meetings | u/s 193 of the Act. |
| 6. Books of Accounts | u/s 209 of the Act. |
| 7. Register of Contracts in which Directors are interested | u/s 301 of the Act. |

Other Registers:

1. Attendance Register of General Meetings.
2. Attendance Register of Board Meetings.

ANNEXURE 'B'
Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ending 31st March 2008:

Sr. No.	Form No/ Return	Filed under Section	For	Date of Filing	Whether filed with in prescribed time (yes/no)	If delay in filing, whether requisite additional fee paid (yes/no)
1.	DIN-3	266E	Intimation of DIN by Company to ROC	24.07.2007	NO	YES
2.	Form-1A	20,21	Availability of Name	20.08.2007	Yes	NA
3.	Form-23	192	Registration of Resolutions	18.10.2007	Yes	NA
4.	Form-1B	21	Change of Name	19.10.2007	Yes	NA
5..	Schedule – VI	220	Balance Sheet as at 31.03.2007.	23.10.2007	Yes	NA
6.	Compliance Certificate	383A	Compliance Certificate	23.10.2007	Yes	NA
7.	Schedule- V	159	Annual Return as on 24.09.2007.	23.10.2007	Yes	NA
8.	Form-23	192	Registration of Resolutions	27.03.2008	Yes	NA
9.	Form-32	303	Change in Director	27.03.2008	Yes	NA

For SGS Company Secretaries

R. Sivaram Reddy

Partner

C.P.No: 4685.

Place: Hyderabad

Date: 31.07.2008

Auditors' Report

To the Members of Photon Capital Advisors Limited (formerly Hifco Marwel Ltd)

1. We have audited the attached Balance Sheet of Photon Capital Advisors Limited (formerly Hifco Marwel Limited), as at March 31, 2008, and the related Profit and Loss Account and the 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 the Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (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 statement on the matters specified in paragraphs 4 and 5 of the said 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 purposes of our audit;
- (b) In our opinion, proper books of account have been kept by the Company as required by law 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 Act, to the extent applicable;
- (e) On the basis of written representations received from the directors, as on March 31, 2008 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto, give, in the prescribed manner, the information required by the Act 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 March 31, 2008;
- (ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
- (iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For and on behalf of

K. Vijayaraghavan & Associates

Chartered Accountants

K. Vijayaraghavan

Partner

Membership No. 23387

Place: Hyderabad

Date: 31.07.2008

Annexure to the Auditors' Report

[Referred to in paragraph 3 of our report of even date on the accounts for the year ended March 31, 2008 of
Photon Capital Advisors Limited
(formerly Hifco Marwel Limited)]

1. (a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.

(b) All the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification of which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
2. Due to the nature of business, the Company has no inventories and accordingly the provisions of clause 4(ii) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
3. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the Register maintained under Section 301 of the Act, and accordingly, clauses (iii)(b), (iii)(c) and (iii)(d) of paragraph 4 of the Order are not applicable.

(b) The Company has taken loan from two firms covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year was Rs 67,500 and the year-end balance of loans taken from such firms is Rs Nil.

(c) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, *prima facie*, prejudicial to the interest of the Company.

(d) The Company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.

(e) There is no overdue amount of loans taken from to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. 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 fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations 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. The activities of the Company do not involve purchase of inventory and sale of goods.

5. (a) In our opinion and according to the information and explanations given to us, the particulars 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) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public under the provisions of Sections 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
8. To the extent of our knowledge and as explained, the Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the company.
9. (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, no undisputed amounts payable in respect of provident fund investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
(c) According to the information and explanations given to us and the records of the Company examined by us, no dues are outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute.
10. The Company has no accumulated losses as at March 31, 2008 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders, as may be applicable, as at the balance sheet date.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of special statute applicable to chit fund and nidhi/ mutual benefit fund/ society are not applicable to the Company.
14. In our opinion, the Company is maintaining proper records of transactions and contracts about the dealing or trading in shares, securities, debentures and other investments and have made timely entries in the records.

15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions
16. According to the records and information and explanations given to us, the Company has not obtained any term loans, accordingly clause 4(xvi) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For and on behalf of

K. Vijayaraghavan & Associates
Chartered Accountants

K. Vijayaraghavan
Partner
Membership No. 23387

Place: Hyderabad
Date: 31.07.2008

**Auditors' Certificate on Compliance
with the Conditions of Corporate Governance
Under Clause 49 of The Listing Agreement**

To,

The Members of Photon Capital Advisors Limited
(formerly Hifco Marwel Limited)

We have examined the compliance of conditions of corporate governance by Photon Capital Advisors Limited (formerly Hifco Marwel Limited) for the year ended on 31 March 2008, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange(s).

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 the 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 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 and on behalf of

K. Vijayaraghavan & Associates
Chartered Accountants

K. Vijayaraghavan
Partner
Membership No. 23387

Place: Hyderabad
Date: 31.07.2008

Photon Capital Advisors Limited
(formerly Hifco Marwel Limited)
Balance Sheet as at

		Rs.		
		Schedule	March 31, 2008	March 31, 2007
I Sources of Funds				
1 Shareholders' Funds				
a. Capital	A	15,136,940	15,242,060	
b. Reserves and surplus	B	164,337,520	75,365,671	
TOTAL		179,474,460	90,607,731	
II Application of Funds				
1 Fixed assets				
a. Gross block	C	4,486,373	460,481	
b. Less: depreciation		177,532	6,824	
c. Net block		4,308,841	453,657	
d. Capital work-in-progress and advance		200,000	-	
		4,508,841	453,657	
2. Investments	D	207,803,726	20,862,843	
3. Deferred Tax Asset (Net)	M3	76,269	(16,042)	
4 Current assets, loans and advances				
a. Cash and bank balances	E	7,803,139	70,211,198	
b. Other current assets	F	610,122	184,285	
c. Loans and advances	G	266,019	(596,088)	
		8,679,280	69,799,395	
Less: Current liabilities and provisions				
a. Liabilities	H	41,592,165	492,057	
b. Provisions	I	1,491	65	
		41,593,656	492,122	
Net current assets		(32,914,376)	69,307,273	
TOTAL		179,474,460	90,607,731	

Significant accounting policies and notes to Financial Statements M

The schedules referred to above and the notes thereon form an integral part of these financial statements.

In terms of our report of even date

For **K. Vijayaraghavan & Associates**
Chartered Accountants

For and on behalf of the Board of Directors of
Photon Capital Advisors Limited
(formerly Hifco Marwel Limited)

K. Vijayaraghavan
Partner

Tejaswy Nandury
Wholetime Director

V. R. Shankara
Director

Place: Hyderabad
Dated: 31.07.2008

Photon Capital Advisors Limited
(formerly Hifco Marwel Limited)
Profit and Loss Account for the year ended

		Rs.	
	Schedule	March 31, 2008	March 31, 2007
I Income			
Income from Operations		102,705,543	73,627,203
Other Income	J	27,671,381	13,556,413
		130,376,924	87,183,616
II Expenditure			
Staff Cost	K	2,070,238	1,865,562
Administrative & Other Expenses	L	3,485,253	1,592,790
Depreciation	C	170,708	6,824
Provision for diminution in value of investments		609,400	-
		6,335,599	3,465,176
III Profit before Taxation		124,041,325	83,718,440
Income tax expense			
– Current (Refer Schedule M Note 10)		35,260,614	24,872,838
– Deferred		(92,311)	16,042
– Fringe Benefit		6,293	2,291
IV Profit after taxation		88,866,729	58,827,269
Profit brought forward from previous year		215,246	16,387,977
V Profit available for appropriation		89,081,975	75,215,246
VI Appropriations			
Transfer to General Reserve		50,000,000	75,000,000
Transfer to Statutory Reserve		32,244,767	-
Profit carried forward		6,837,208	215,246
		89,081,975	75,215,246
Basic/ diluted earnings per share (Refer Schedule M Note 6)		58.71	38.86
Significant accounting policies and notes to Financial Statements	M		

The schedules referred to above and the notes thereon form an integral part of these financial statements.

In terms of our report of even date

For **K. Vijayaraghavan & Associates** Chartered Accountants For and on behalf of the Board of Directors of
Photon Capital Advisors Limited
(formerly Hifco Marwel Limited)

K. Vijayaraghavan
Partner

Tejaswy Nandury
Wholetime Director

V. R. Shankara
Director

Place: Hyderabad
Dated: 31.07.2008

**Photon Capital Advisors Limited
(formerly Hifco Marwel Limited)
Cash Flows from Operating Activities**

	Schedule	March 31, 2008	March 31, 2007
			Rs.
Profit before taxation		124,041,325	83,718,440
Adjustments for:			
Depreciation and amortisation		170,708	6,824
Interest received on fixed deposits		(37,562)	(1,382,737)
Profit on sale of Investments		(19,729,320)	(8,532,032)
Dividends		(7,864,499)	(3,641,644)
Provisions for diminution in value of investments		699,400	-
Operating profit before working capital changes		97,190,052	70,168,851
(Increase)/decrease in loans and advances		4,139	355,571
(Increase)/decrease in other current assets		(425,837)	(184,285)
Increase/(decrease) in current liabilities & provisions		41,100,108	(215,525)
Cash generated from operations		137,868,462	70,124,612
Income taxes paid (including fringe benefit tax)		(36,131,727)	(24,191,699)
Net cash provided from operating activities		101,736,735	45,932,913
Cash flow from investing activities			
Purchase of fixed assets		(4,225,892)	(460,481)
Purchase of investments		(208,413,126)	(20,862,843)
Proceeds from sale of investments		20,862,843	23,466,481
Decrease in call in arrears		-	5,820
Interest received on fixed deposits		37,562	1,382,737
Profit on sale of Investments		19,729,320	8,532,032
Dividends		7,864,499	3,641,644
Net cash used in investing activities		(164,144,794)	15,705,390
Cash flow from financing activities		-	-
Net cash used in financing activities		-	-
Net Increase in cash and cash equivalents		(62,408,059)	61,638,303
Cash equivalent at the beginning of the period		70,211,198	8,572,895
Cash equivalent at the end of the period		7,803,139	70,211,198

Notes

- (i) The above cash flow statement has been prepared under Indirect method as per Accounting Standard 3 "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.
- (ii) Figures in bracket indicate cash outgo, except for adjustments for operating activities.
- (iii) Previous year's figures have been regrouped / rearranged wherever necessary.

This is the cash flow statement referred to in our report attached.

In terms of our report of even date

For **K. Vijayaraghavan & Associates** For and on behalf of the Board of Directors of
Chartered Accountants **Photon Capital Advisors Limited**
(formerly Hifco Marwel Limited)

K. Vijayaraghavan
Partner

Tejaswy Nandury
Wholetime Director

V. R. Shankara
Director

Hyderabad
Dated: 31-07-2008

**Photon Capital Advisors Limited
(formerly Hifco Marwel Limited)
Schedules to the Balance Sheet as at**

	Rs.	
Schedule	March 31, 2008	March 31, 2007
Schedule A - Share Capital		
Authorised		
4,000,000 Equity shares of Rs 10/- each	40,000,000	40,000,000
Issued, subscribed and paid up		
1,513,694 Equity shares for cash fully paid	15,136,940	15,136,940
21,024 Forfeited shares (amount originally paid up on 21,024 equity shares of Rs 10/- each)	–	105,120
	15,136,940	15,242,060
Schedule B - Reserves and Surplus		
Capital Reserve		
As per last Balance Sheet	150,425	150,425
Add: Amount transferred from shares forfeited in pursuant to cancellation of forfeited shares	105,120	–
	255,545	150,425
Statutory Reserve Fund*		
As per last Balance Sheet	–	–
Add: Amount transferred from Profit and Loss Account	32,244,767	–
	32,244,767	–
General Reserve		
As per last Balance Sheet	75,000,000	–
Add: Amount transferred from Profit and Loss Account	50,000,000	75,000,000
	125,000,000	75,000,000
Profit and Loss Account	6,837,208	215,246
	164,337,520	75,365,671

*Created pursuant to Reserve Bank of India (Amendment) Act, 1997

Schedules to the Balance Sheet as on (Continued)

**Photon Capital Advisors Limited
(formerly Hifco Marwel Limited)
Schedules to the Balance Sheet as at**

	Rs.	
Schedule	March 31, 2008	March 31, 2007
Schedule E - Cash and Bank Balance		
Cash in hand	652	548
With scheduled banks		
- Current accounts	7,502,162	70,100,650
- Deposit accounts	300,325	110,000
	7,803,139	70,211,198
Schedule F - Other Current Assets		
Prepaid expenses	114,097	127,194
Deposits	474,000	56,000
Interest accrued	22,025	1,091
	610,122	184,285
Schedule G - Loans and advances		
Unsecured		
Considered good:		
Advances recoverable in cash or in kind or for value to be received	-	4,139
Advance tax (net of provision)	266,019	(600,227)
	266,019	(596,088)
Schedule H - Liabilities		
Bank overdraft	40,845,623	-
Sundry creditors		
- Due to Small Scale Industrial Undertakings [Refer Schedule M Note 12]		
- Others	684,955	481,343
Other liabilities	61,587	10,714
	41,592,165	492,057
Schedule I - Provisions		
Fringe benefit tax (net of advance tax)	1,491	65
	1,491	65

Schedules to the Balance Sheet as on (Continued)

Photon Capital Advisors Limited
(formerly Hifco Marwel Limited)
Schedules to the Balance Sheet as at

Rs.

Description	Gross block at cost			Accumulated depreciation		Net book value	
	March 31, 2007	Additions during the year	March 31, 2008	March 31, 2007	Charge for the year	March 31, 2008	March 31, 2007
Leasehold improvements	–	2,041,898	2,041,898	–	102,095	102,095	–
Furniture	–	1,039,978	1,039,978	–	16,413	16,413	–
Electrical fittings	309,058	606,091	915,149	1,316	21,858	23,174	307,742
Computer equipment	87,776	248,225	336,001	2,614	24,261	26,875	85,162
Office equipments	63,647	89,700	153,347	2,894	6,081	8,975	60,753
Total	460,481	4,025,892	4,486,373	6,824	170,708	177,532	453,657
Add:Capital work-in-progress						200,000	–
Previous year	–	460,481	460,481	–	6,824	6,824	453,657
						4,508,841	453,657

Photon Capital Advisors Limited
(formerly Hifco Marwel Limited)
Schedules to the Balance Sheet as on (continued)

Rs.

	Face value	March 31, 2008		March 31, 2007	
		Quantity	Amount	Quantity	Amount

Schedule D - Investments

Long term - Equity shares quoted fully paid up

Non Trade:

Action Construction Equipment Ltd.	2	150,000	7,475,820	-	-
Alphageo (India) Limited	10	5,000	1,417,370	-	-
Asian Electronics Limited	5	10,000	2,408,277	-	-
Bartronics India Limited	10	40,000	8,749,807	-	-
Champagn India	10	-	-	51	33,383
Compact Disc India Limited	10	38,660	3,915,873	-	-
Dish TV India Limited	1	70,000	3,364,904	-	-
Entertainment Network (India) Ltd.	10	5,875	3,355,757	-	-
Genus Power Infrastrucutes Ltd.	10	10,000	3,341,573	-	-
Geodesic Information Systems Ltd.	2	25,000	5,345,106	-	-
Gujarat Apollo Industries Ltd.	10	20,000	4,077,914	-	-
Ion Exchange (India) Ltd.	10	32,588	8,709,918	-	-
Jain Irrigation System Ltd.	10	-	-	6500	1,838,196
Kavveri Telecom Products Ltd.	10	49,950	10,136,385	-	-
Karur Vysya Bank Ltd.	10	-	-	4233	148,155
Kohinoor Foods Ltd.	10	110,000	13,315,028	-	-
Manappuram General Finance & Leasing Ltd.	10	1,484	261,571	-	-
Moser Baer India Ltd.	10	20,000	2,741,060	-	-
NIIT Technologies Ltd.	10	30,000	4,267,124	-	-
Onmobile Global Ltd.	10	20,000	12,053,034	-	-
Polaris Software Lab Ltd.	5	70,000	5,933,931	-	-
Pyramid Saimira Theatre Ltd.	10	35,000	11,985,282	-	-
Rajesh Exports Ltd.	1	80,000	7,923,929	-	-
Sanwaria Agro Oils Ltd.	1	5,600	485,792	-	-

Photon Capital Advisors Limited
(formerly Hifco Marwel Limited)
Schedules to the Balance Sheet as on (continued)

Rs.

	Face value	March 31, 2008		March 31, 2007	
		Quantity	Amount	Quantity	Amount
Sasken Communication Technologies Ltd.	10	40,000	5,162,240	-	-
Shri Lakshmi Cotsyn Ltd.	10	45,000	7,228,831	-	-
Vakrangee Softwares Ltd.	10	30,000	6,826,459	-	-
XL Telecom & Energy Ltd.	10	25,000	5,071,434	-	-
Sub-total			145,554,419		2,019,734
Long term - Equity shares un-quoted fully paid up					
Non trade:					
Wisdomtap Solutions (India) Pvt Ltd.	10	315	781,800	-	-
Sub-total			781,800		
Mutual Fund: Quoted					
ICICI Prudential sweep cash option - Daily Dividend fund			-		18,843,109
1,884,310.8680 units of Rs 10/- each					
G50 Grindlays Floating Rate Fund-LT-Inst Plan B Daily			62,076,907	-	-
Dividend 6,209,481 units of Rs 10/- each					
Sub-total			62,076,907		18,843,109
Total of Investments			208,413,126		20,862,843
Less: Provision for diminution in value of investments			609,400		-
Grand Total of Investments			207,803,726		20,862,843

**Photon Capital Advisors Limited
(formerly Hifco Marwel Limited)**

Schedules to the Profit and Loss Account for the year ended

	Rs.	
	March 31, 2008	March 31, 2007
Schedule J - Other income		
Dividend Income	7,864,499	3,641,644
Interest Income (Tax deducted at source Rs 7,736, previous year Rs. 317,987)	37,562	1,382,737
Profit on sale of Investments, net	19,729,320	8,532,032
Miscellaneous Income	40,000	-
	27,671,381	13,556,413
Schedule K - Staff Cost		
Salaries, wages and bonus	1,833,671	1,731,920
Staff welfare expenses	236,567	133,642
	2,070,238	1,865,562
Schedule L - Expenses		
Advertising	158,384	39,480
Consultancy charges	1,687,296	668,094
Electricity charges	90,517	22,323
Insurance	12,218	-
Postage and telecommunication	76,832	115,604
Books and periodicals	3,276	-
Rates and Taxes	99,073	147,905
Rent	361,703	108,000
Repairs and maintenance-Building	51,929	8,900
Repairs and maintenance-Others	75,707	18,545
Seminar expenses	150,331	-
Software expenses	41,720	6,240
Travelling	46,165	4,588
Printing and stationary	271,402	149,415
Auditors' remuneration		
- Statutory audit	180,000	180,000
- Tax audit	20,000	20,000
- Other service	50,000	-
Bank and other charges	7,904	5,224
Miscellaneous expenses	100,796	98,472
	3,485,253	1,592,790

Schedules to the Financial Statements

Schedule M: Notes to accounts

1. Significant accounting policies

(a) Basis of accounting and preparation of financial statements

The Company adopts the historical cost concept and accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) for the preparation of its accounts and complies with accounting standards issued by the Institute of Chartered Accountants of India and relevant provisions of the Companies Act, 1956.

(b) Use of estimates

The preparation of financial statements, in conformity with GAAP, requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

(c) Fixed assets and capital work in progress

Fixed assets are stated at their original cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any other attributable cost of bringing the asset to its working condition for its intended use. Capital work in progress includes advances paid to acquire fixed assets and cost of assets not ready for intended use before the balance sheet date.

(d) Depreciation

Depreciation on assets is provided on straight-line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 except for lease hold improvement which are depreciated over the period of lease.

Depreciation on fixed assets added / disposed off during the year is provided on pro-rata basis with reference to the month of addition / disposal. Individual assets costing less than Rs. 5,000 are depreciated in full in the year of purchase.

(e) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset, including intangible, may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the profit and loss account.

(f) Leases

- (i) Assets acquired under lease where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of lease at lower of the fair value and present value of minimum lease payments.
- (ii) Assets acquired under lease where the significant portion of risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals are charged to profit and loss account on accrual basis.

(g) Investments

- (i) Long term investments are carried at cost. Diminution in the value of investments, other than temporary, is provided for
- (ii) Current investments are carried at lower of cost and fair value
- (iii) Unlisted and not-actively traded investments are stated at their cost of acquisition less provision for diminution in the value

(h) Revenue recognition

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

- (i) Revenue from services
Revenue from services rendered is recognised as the service is performed based on agreements / arrangements with the concerned parties
- (ii) Interest
Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (iii) Dividends
Dividend income is recognised when the right to receive payment is established

(i) Foreign currency transactions

The transactions in foreign currency are accounted at the exchange rate prevailing on the date of transaction. The exchange difference arising from foreign currency transactions and premium on forward contracts are amortised as expenses or income over the life of the contract. Foreign currency monetary assets and monetary liabilities at the balance sheet date are translated at the rate of exchange prevailing on that date.

(j) Taxes on income

- (i) Current taxation
Provision for current tax is made based on the tax liability computed after considering tax allowances and exemptions.
- (ii) Fringe benefit tax
Fringe benefit tax is determined at current applicable rates on expense falling within the ambit of 'Fringe benefit' as defined under the Income Tax Act, 1961.
- (iii) Deferred taxation
Deferred income tax is provided on all timing differences at the balance sheet date between the tax basis of assets and liabilities and their carrying amount for financial reporting purpose.

Deferred tax assets are recognised only if there is a reasonable or virtual certainty, as may be applicable, that sufficient future taxable income will be available, against which they can be realised. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax asset to be utilised.

(j) Retirement benefits

- (i) Short-term employee benefits
Short-term employee benefits including salaries, social security contributions, short term compensated absences (such as paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related employee service, profit sharing and bonuses payable within twelve months after the end of the period in which the

employees render the related services and non monetary benefits (such as medical care) for current employees are estimated and measured on an undiscounted basis.

- (ii) Defined contribution plans
Company's contributions paid / Payable during the year are recognized in the Profit and Loss Account.
- (iii) Defined benefit plans
The Company provides for gratuity in accordance with the Payment of Gratuity Act, 1972, a defined benefit retirement plan (the Plan) covering all employees. The plan, subject to the provisions of the above Act, provides a lump sum payment to eligible employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Gratuity liability is accrued and provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

(k) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation. When the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset only when reimbursement is virtually certain.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

2. Operating leases

In respect of buildings occupied as tenant, the aggregate lease rental is charged as rent in the profit and loss account. There are no minimum lease payments.

- 3 Accounting for taxes** on income disclosure as per Accounting Standard 22. Major components of deferred tax assets and liabilities on account of timing differences as at 31st March 2008 are:

Rs.

	Asset		(Liability)	
	As at March 31, 2008	As at March 31, 2007	As at March 31, 2008	As at March 31, 2007
Depreciation	–	–	(78,843)	(16,042)
Other disallowances	16,995	–	–	–
Provision for diminution in value of investments	138,117	–	–	–
	155,112	–	(78,843)	(16,042)
			(78,843)	(16,042)

4 Details of investments purchased, reinvested and sold during the year:

Government and Trust Securities
Nil

Quoted - Equity shares

	Purchased		Sales	
	Quantity	Amount in Rs.	Quantity	Amount in Rs.
3i Infotech Limited, face value Rs 10/-	3,000	974,522	3,000	912,881
Alstom Projects India Limited, face value Rs 10/-	12,000	6,180,709	12,000	10,857,699
Ansal Properties & Infrastructure Limited, face face value Rs 5/-	5,096	1,530,063	5,096	1,282,371
Aptech Limited, face value Rs 10/-	25,000	7,958,031	25,000	7,753,213
Champagne Indage Limited, face value Rs 10/-	51	33,383	51	34,890
Dolphin Offshore Enterprises India Limited, face value Rs 10/-	10,000	2,544,437	10,000	2,126,852
Everest Kanto Cylinder Limited, face value Rs 2/-	15,000	3,378,465	15,000	3,193,578
Firstsource Solutions Limited, face value Rs 10/-	50,000	4,439,414	50,000	4,193,095
IBN18 Broadcast Limited, face value Rs 10/-	2,000	1,352,969	2,000	1,675,440
Great Offshore Limited, face value Rs 2/-	2,500	1,806,739	2,500	2,057,727
Indiabulls Real Estate Limited, , face value Rs 2/-	10,000	5,801,160	10,000	5,066,431
Jain Irrigation Systems Limited, face value Rs 10/-	6,500	1,838,196	6,500	3,372,352
Jyoti Structures Limited, face value Rs 2/-	10,000	2,010,152	10,000	1,839,686
Network 18 Media & Investments Limited, face value Rs 2/-	6,000	3,562,171	6,000	2,322,586
NIIT Limited, face value Rs 5/-	41,250	4,482,271	41,250	5,247,902
Opto Circuits India Limited, face value Rs 10/-	10,000	3,581,169	10,000	3,407,394
Pratibha Industries Limited, face value Rs 10/-	10,000	2,550,296	10,000	2,468,550
Prime Focus Limited, face value Rs 10/-	2,000	1,233,982	2,000	1,895,566
Radico Khaitan Limited, face value Rs 2/-	15,000	2,949,072	15,000	2,616,988
Rolta India Limited, face value Rs 10/-	3,000	1,453,510	3,000	1,763,129
Tech Mahindra Limited, face value Rs 10/-	1,000	1,514,661	1,000	1,493,144
Television Eighteen India Limited, face value Rs 5/-	6,000	2,544,947	6,000	2,999,412
Tulip Telecom Limited, face value Rs 10/-	3,500	2,824,432	3,500	2,800,326
Welspun-Gujarat Stahl Rohren Limited, face value Rs 5/-	65,000	9,267,581	65,000	20,692,415

5 Defined benefit plan

The following tables summaries the components of net benefit expense recognised in the profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans

Reconciliation of opening and closing balances of the present value of defined benefit obligation

Particulars	March 31, 2008
Obligations at the beginning of the period	–
Current service cost	25,186
Interest cost	–
Expected return on plan assets	–
Actuarial gain / loss	–
Benefits paid	–
Obligations at the period end	25,186
Change in plan assets	
Plan assets at period beginning, at fair value	–
Actuarial gain / loss	–
Contribution from employer	25,186
Benefits paid	–
Plan assets at year end, at fair value	25,186

Reconciliation of present value of the obligation and the fair value of plan assets

Particulars	March 31, 2008
Fair Value of plan assets at the end of the period	25,186
Present value of defined benefit obligations at the end of the period	(25,186)
Asset/(Liability) recognized in the balance sheet	–
Gratuity cost for the year	
Current service cost	25,186
Interest cost	–
Expected return on plan assets	–
Actuarial gain / losses	–
Net gratuity cost	25,186
Defined Benefit Obligation	25,186
Plan Assets	25,186
Surplus / (deficit)	–
Experience adjustments on plan liabilities	–
Experience adjustments on plan assets	–

Particulars	Rs. March 31, 2008
Assumptions:	
Discount rate	8%
Estimated return on plan assets	8%

The fund is administered by Life Insurance Corporation of India ("LIC"). The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

This being the first year of adoption of Accounting Standard 15 (Revised 2005) - "Employee Benefits", no comparative information and other disclosures relating to previous year have been provided in this account.

6 Earnings Per Share

	Rs.	
	2007-08	2006-07
Profit attributable to the equity shareholders	88,866,729	58,827,269
Weighted average number of equity shares outstanding during the year	1,513,694	1,513,694
Nominal value of Equity shares (Rs.)	10	10
Earnings Per Share	58.71	38.86

7 Segment Reporting

(i) The Company's business is organized in two segments - Financial services and Investment services. Accordingly, these divisions comprise the primary basis of segment information. The Company caters to Indian markets and as such there are no reportable geographical segments. All the assets are also located in India.

(ii) The generally accepted accounting principles used in the preparation of the financial statements are applied to record revenue and expenditure in individual segments

(iii) Revenue and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while other costs, wherever allocable, is apportioned to the segments on an appropriate basis. Certain expenses are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company believes that it is not practicable to provide segment disclosures relating to such expenses, and accordingly such expenses are separately disclosed as 'unallocated' and directly charged to total income.

(iv) Fixed assets used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as the fixed asset and services are used interchangeably between segments. The Company believes that it is currently not practicable to provide segment disclosures relating to total assets and

liabilities since a meaningful segregation of the available data is onerous.

Primary segment information		Rs.	
Particulars	2007-08	2006-07	
1 Segment revenue			
Investment	27,631,381	13,556,413	
Financial services	102,705,543	73,627,203	
Total	130,336,924	87,183,616	
2 Segment results			
Investment	25,930,417	13,208,608	
Financial services	99,851,471	71,461,268	
Total	125,781,888	84,669,876	
Less: Unallocated expenses (net of unallocated income)	1,740,563	951,436	
3 Operating profit	124,041,325	83,718,440	
4 Income taxes	35,174,596	24,891,171	
5 Profit from operating activities	88,866,729	58,827,269	
6 Extra ordinary/Prior Period items	-	-	
7 Net Profit	88,866,729	58,827,269	

8 Related party disclosures under Accounting Standard 18

Relationships

Key Management Personnel: Tejaswy Nandury
Enterprises over which Key Management Personnel: Shobha Advertising Services
or Relatives of Key Management Personnel are able: Banyan Enterprises
to exercise significant influence

Related party disclosure Rs.

Relationship		2007-08	2006-07
Advances made			
Banyan Enterprises	Enterprises over which Key Management Personnel or Relatives of Key Management Personnel are able to exercise significant influence	26,300	-
Shobha Advertising Services	Enterprises over which Key Management Personnel or Relatives of Key Management Personnel are able to exercise significant influence	41,200	-
Advances repaid			
Banyan Enterprises	Enterprises over which Key Management Personnel or Relatives of Key Management Personnel are able to exercise significant influence	26,300	-

Particulars	Rs. in lacs
Particulars	Amount Outstanding
2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	
(a) Secured	Nil
(b) Unsecured	Nil
3) Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities	
(i) Lease assets including lease rentals under sundry debtors :	
(a) Financial lease	Nil
(b) Operating lease	Nil
(ii) Stock on hire including hire charges under sundry debtors:	
(a) Assets on hire	Nil
(b) Repossessed Assets	Nil
(iii) Other loans counting towards AFC activities	
(a) Loans where assets have been repossed	Nil
(b) Loans other than (a) above	Nil

Particulars	Rs. in lacs	
Particulars	Amount Outstanding	Market Value
4) Break-up of Investments :		
Current investments :		
1. Quoted :		
(i) Shares:		
(a) Equity	Nil	Not applicable
(b) Preference	Nil	Not applicable
(ii) Debentures and Bonds	Nil	Not applicable
(iii) Units of mutual funds	Nil	Not applicable
(iv) Government Securities	Nil	Not applicable
(v) Others	Nil	Not applicable
2. Unquoted :		
(i) Shares :		
(a) Equity	Nil	Not applicable
(b) Preference	Nil	Not applicable

(ii) Debentures and Bonds	Nil	Not applicable
(iii) Units of mutual funds	Nil	Not applicable
(iv) Government Securities	Nil	Not applicable
(v) Others	Nil	Not applicable
Long term investments :		
1. Quoted :		
(i) Shares :		
(a) Equity	1,455.54	1,293.98
(b) Preference	Nil	Not applicable
(ii) Debentures and Bonds	Nil	Not applicable
(iii) Units of mutual funds	620.77	621.29
(iv) Government Securities	Nil	Not applicable
(v) Others	Nil	Not applicable
2. Unquoted :		
(i) Shares:		
(a) Equity	1.72	1.72
(b) Preference	Nil	Not applicable
(ii) Debentures and Bonds	Nil	Not applicable
(iii) Units of mutual funds	Nil	Not applicable
(iv) Government Securities	Nil	Not applicable
(v) Others	Nil	Not applicable
	2,078.03	1,916.99

5) Borrower group-wise classification of assets financed as in (2) and (3) above :

Category	Rs. in lacs		
	Secured	Unsecured	Total
1. Related Parties**			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	-	-
Total	-	-	-

** As per Accounting Standard 18 issued by ICAI

6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	Rs. in lacs	
	Market value / Break up or Fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	1,293.98	1,455.54
Total	1,293.98	1,455.54

** As per Accounting Standard 18 issued by ICAI

Particulars	Rs. in lacs
	Amount
(7) Other information	
(i) Gross Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
(ii) Net Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
(iii) Assets acquired in satisfaction of debt	Nil

10 Current year tax includes Rs 17,907 (Previous year Rs. Nil) of tax relating to prior years.

11 Information with regard to certain other matters specified in paragraphs 3, 4C and 4D of Part II to Schedule VI of The Companies Act, 1956 are either Nil or not applicable to the Company for the period covered by the aforesaid financial statements

12 "There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made." "The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors."

13 During the year there are no disposal of fixed assets.

14 Expenditure in foreign currency Rs. Nil (Previous year Rs. Nil)

15 Value of imports on C.I.F. basis Rs. Nil (Previous year Rs. Nil)

- 16 Earnings in foreign currency Rs. Nil (Previous year Rs. Nil)
- 17 Dividend remitted in foreign currency Rs. Nil (Previous year Rs. Nil)
- 18 There are no loans and advances in the nature of loans to associates outstanding, accordingly disclosure under clause 32 of the listing agreement is not applicable.
- 19 Previous year figures have been regrouped / reclassified, wherever necessary, to confirm to current year presentation.

In terms of our report of even date

For **K. Vijayaraghavan & Associates** Chartered Accountants For and on behalf of the Board of Directors of **Photon Capital Advisors Limited** (formerly Hifco Marwel Limited)

K. Vijayaraghavan
Partner

Tejaswy Nandury
Wholetime Director

V. R. Shankara
Director

Hyderabad
Dated: 31-07-2008

Photon Capital Advisors Limited

Regd Office: Millinium Plaza, 8-2-293/82/A/41-A, Road No. 5
Jubilee Hills, Hyderabad-500033

PROXY FORM



Folio No.:

No. of shares:

I/We _____ of _____ being
a Member/Members of PHOTON CAPITAL ADVISORS Limited hereby appoint
_____ or failing him/her _____
of _____ as my/our proxy to vote for me/us, on my/our behalf, at
the Twenty-Third Annual General Meeting of the Company to be held on 15th day of
September, 2008 at 10.00 A.M and at any adjournment thereof.

Affix
Re.0.15/-
Revenue
Stamp

Signed this _____ day of _____ 2008

Note: The Proxy form duly completed and signed across One Rupee Revenue Stamp should reach the Company at least 48 hours before the time fixed for the meeting.



Photon Capital Advisors Limited

Regd Office: Millinium Plaza, 8-2-293/82/A/41-A, Road No. 5
Jubilee Hills, Hyderabad-500033

ATTENDANCE SLIP

Folio No.:

No. of shares:

I/We hereby certify that I/We, am/are a Member / Proxy for the member of the Company.

I/We hereby record my/our presence at the Twenty- Third Annual General Meeting to be held at Neni Hi-tech Club, 169, Old Airport Road, New Bowenpally, Secunderabad-500011 on 15th day of September, 2008 at 10.00 A.M .

Shareholder's / Proxy's
name in block letters:

Signature of shareholder/proxy



Note: Please fill up and sign this attendance slip and hand it over at the entrance of the meeting. Members are requested to bring their copies of the Annual Report to the meeting.