



NOTICE

NOTICE is hereby given that the 41st Annual General Meeting of the members of **P.H.CAPITAL LIMITED** will be held on Tuesday 30th September, 2014 at 10.30 a.m. at the Ahmed A. Fazalbhoy Private Limited , Sunville, 9 Dr. Annie Besant Road, Worli, Mumbai 400 018, to transact with or without modification the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2014 and the Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rikeen Dalal (holding DIN 1723446), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and to fix their remuneration and for the purpose to consider and, if thought fit, to pass with or without modifications, the following Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder the retiring Auditors M/s. S.P. Jain & Associates, Chartered Accountants (Registration No. 103969W), be and are hereby appointed as Statutory Auditors of the Company to hold office from conclusion of this Annual General Meeting till the conclusion of the Forty Fourth Annual General Meeting of the Company to be held in the year 2017, subject to ratification by the Members annually, at a remuneration as may be decided by the Board of Directors.”

SPECIAL BUSINESS:

4. 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 Sections 149,150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Roshan Jain (holding DIN 03415934), Director of the Company whose period of office was liable to retire by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years.”

5. To consider and if thought fit to pass, with or without modifications, the following Resolution as a Special Resolution:

“RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, including any statutory modifications



or re-enactment thereof Mr. Maanoj Chhotubhai Desae (holding DIN 06546309) who was appointed pursuant to Article 83 of the Articles of Association of the Company and Section 161 of the Companies Act, 2013, as an Additional Director of the Company with effect from 1st April, 2014, to hold office upto the date of ensuing Annual General Meeting and who has given a declaration of independence under Section 149(6) of the Companies Act, 2013, and in respect of whom the Company has received a notice from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years.”

6. To consider and if thought fit to pass, with or without modifications, the following Resolution as a Special Resolution

“RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) and subject to the approvals, consent, sanctions and permissions as may be necessary, consent of the members of the Company be accorded to the Board of Directors of the Company to enter into contracts and/or agreements with Related Parties as defined under the Act with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of, or buying, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or appointment of such related party to any office or place of profit in the Company or its subsidiary or associate Company or any other transaction of whatever nature with related parties.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to determine the actual sums to be involved in the proposed transactions and the terms and conditions related thereto and all other matters arising out of or incidental to the proposed transactions and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolutions.”

Registered office :
5D, Kakad House, 5th Floor,
‘A’ Wing, Sir Vithaldas Thackersey Marg,
New Marine Lines,
Mumbai - 400 020.

For and on behalf of the Board of Directors

Rikeen P. Dalal
Director

Date : 20th August, 2014



NOTES FOR SHAREHOLDERS' ATTENTION :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/POXIES TO ATTEND VOTE INSTEAD OF HIMSELF/ HER SELF. SUCH A PROXY/POXIES NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to the Special Business at the meeting, is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 24/09/2014 to 30/09/2014 (both days inclusive).
4. Members are requested to notify immediately any change of address;
 - (i) to their Depository Participants (DPs) in respect of their electronic share accounts, and
 - (ii) to the Company's Registrar & Share Transfer Agents, M/s Bigshare Services Private Limited (R & TA), at E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai 400 072, in respect of their physical share folios, if any, quoting their folio numbers.
5. Members holding shares in physical form may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's Office at 5D, Kakad House, 5th Floor A wing, New Marine Lines, Opp. Liberty Cinema, Mumbai- 400020 or from its R&TA at either of the aforesaid addresses.
6. As part of the Green Initiative in Corporate Governance, the Ministry of Corporate Affairs ("MCA"), Government of India, through its Circular Nos. 17/2011 and 18/2011, dated April, 21, 2011 and April 29, 2011 respectively, has allowed Companies to send official documents through electronic mode.

In the spirit of the above circulars and as part of the Company's Green initiative, the Company may propose to send documents like notice convening the general meetings, financial Statements, Directors' Report, etc., to the e-mail address provided by the members.

We, therefore appeal to the members to be a part of the said 'Green Initiative' and request the members to register their name in getting the said documents in electronic mode by sending an email giving their Registered Folio Number and/ or DP ID/ Client ID to the dedicated email address at phcapitaltd@gmail.com or login at the R&TA's website bigshareonline.com and register their request.
7. Members intending to require information about the financial Accounts, to be explained at the Meeting are requested to inform the Company at least a week in advance of their intention to do so, so that the papers relating thereto may be made available.



8. Members/proxies should bring the attendance slip duly filled in for attending the Meeting.

9. Members are requested to bring their copy of the Annual report to the Meeting

10. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rule, 2014 and clause 35B of the Listing Agreement with Stock Exchanges, the Company is pleased to provide members facility to exercise their right to vote at the 41st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CSDL):

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” i. e. P.H. Capital Limited from the drop down menu and click on “SUBMIT”
- (iv) Now enter your ID,
 - a. For CDSL : 16 Digits beneficiary ID.
 - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holdings shares in Physical Form should enter folio Number registered with the company. (6 Digit Alpha-Numeric).
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com And voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat form and Physical Form
PAN*	<p>Enter you 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as Physical Shareholders)</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field• In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number R12345 then enter RA00R12345 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm.yyyy format.



Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company recorded for the said demat account of folio.</p> <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the number of shares held by you as on the cutoff date in the Dividend Bank Detail field.
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11. After entering these details appropriately, click on “SUBMIT” tab.
12. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach “Password Creation” menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
13. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
14. Click on the EVSN for the relevant <Company Name> i.e. P.H. Capital Limited, on which you choose to vote.
15. On the voting page, you will see “RESOLUTION DISCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option No implies that you dissent to the Resolution.
16. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
17. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm you vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
18. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
19. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
20. If Demat account holder has forgotten the changed password then Enter the user ID and the image verification code and click on Forgot password & enter the details as promoted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [https:// www.evotingindia.co.in](https://www.evotingindia.co.in) and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.



- The list of accounts should be mailed to helpdesk. evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from Sl. No. (i) to Sl. No. (xvii) above to cast vote.
 - (B) The voting period begins on 24th September, 2014 at 9.00 a.m. and ends on 26th September, 2014 at 6.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (C) In case you have any queries or issues regarding e-voting you may refer the frequently Asked Questions ("FAQ") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
21. Mrs. Grishma Khandwala, Practicing Company Secretary, (Membership No. 6515) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 22. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizers' report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 23. The Results declared alongwith the Scrutinizer's report shall be placed on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the NSE and BSE limited.
 24. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

Registered office :
5D, Kakad House, 5th Floor,
'A' Wing, Sir Vithaldas Thackersey Marg,
New Marine Lines,
Mumbai - 400 020.

For and on behalf of the Board of Directors

Rikeen P. Dalal
Director

Date : 20th August, 2014



ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4

Mr. Roshan Jain (42) is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in January, 2011. Mr. Jain is a Chairman of Audit Committee, of the Board of Directors of the Company.

Mr. Jain is a B. Com and has over ten years knowledge in the capital market with technical analysis and financial studies.

Mr. Jain is presently an Independent Director whose period of office was liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013. Mr. Jain being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years. A notice has been received from a member under Section 160(1) of the Companies Act, 2013 proposing Mr. Jain as candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Jain fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Jain as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Roshan Jain as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Jain, being an appointee and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution set out at Item No.4 of the Notice. This Explanatory Statement may also be regarded as a disclosure under revised Clause 49 of the listing Agreement with the Stock exchange.

Item No. 5

Mr. Maanoj Chhotubhai Desae is a B.Com (Hon from the Bombay University and is an FCA from the Institute of Chartered Accountants of India.. He has more than 30 years of experience in the field of finance dealing with audit, taxation and all banking matters.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Desae being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term of five consecutive years. A notice has been received from a member of the Company along with requisite deposit signifying his intention to propose Mr. Desae as a candidate for the office of Independent Director of the Company.



Keeping in view of the experience and expertise of Mr. Desae, the Board of Directors considers it desirable that the Company should avail of his services and accordingly recommends the Resolution set out in Item No. 5 for approval of the Members.

Further the Board of Directors of the Company are of the opinion that Mr. Desae fulfils the conditions specified in the Companies Act, 2013 and Rules made thereunder, for being appointed as an Independent Director and Mr. Desae is Independent of the management.

Except Mr. Desae, being an appointee and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution set out at Item No.5 of the Notice. This Explanatory Statement may also be regarded as a disclosure under revised Clause 49 of the listing Agreement with the Stock exchange.

Item No. 6

Pursuant to Section 188 of the Companies Act, 2013, the Company can enter into transaction mentioned under aforesaid resolution, which are not in the ordinary course of business and/or are not on arm's length basis, only with the approval of the shareholders accorded by way of a special resolution. Though, your Company always seeks to enter into transactions with related parties in the ordinary course of business and at arm's length basis; still there may be some such transactions which are done in the interest of the Company and for which your approval is required under the provisions of the Companies Act, 2013.

The proposal outlined above is in the interest of the Company and the Board re-recommends the resolution set out set out in Item No. 6 for approval of the Members as a special resolution.

None of the Directors or Key Managerial Personnel of the Company is concerned or interested in the said resolution except to the extent of their shareholding in the Company or any their interest as Director or shareholder or partner or otherwise in such other related party entity, if any.

Registered office :
5D, Kakad House, 5th Floor,
'A' Wing, Sir Vithaldas Thackersey Marg,
New Marine Lines,
Mumbai - 400 020.

For and on behalf of the Board of Directors

Rikeen P. Dalal
Director

Date : 20th August, 2014



DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting 41st Annual Report and the Audited Statement of Accounts of your Company for the year ended 31st March, 2014 .

FINANCIAL RESULTS:

The salient features of the Company's working for the year under review are as under:

	(₹ In lacs)	
	Year Ended 31.03.2014	Year Ended 31.03.2013
Sales and other Income	2446.14	2170.12
Gross Profit / (Loss) for the year before Depreciation & Taxation	(20.40)	53.24
Depreciation	5.60	9.05
Profit / (Loss) Before Taxation	(26.00)	44.19
Provision for Taxation (net)	(0)	(6.98)
Deferred Tax	0.35	2.83
Net Profit / (Loss)	25.65	40.04

FIXED DEPOSIT:

Your Company has not accepted any deposit from the public during the year within the meaning of Section 58-A and 58-AA of the Companies Act, 1956 and the rules framed there under.

DIRECTORS:

In accordance with Article of 70 of the Article of Association of the Company Mr. Riken Dalal, a Director retires by rotation and being eligible offers himself for re-appointment.

Further the Board of Directors has appointed Mr. Maanoj Desae as Additional Directors w.e.f. 1st April, 2014. Pursuant to Section 161 of the Companies Act, 2013, and Article 83 of the Articles of Association of the Company, Mr. Desae will hold office upto the date of the ensuing Annual General Meeting of the Company and is eligible for appointment as Director.

Further as per the provisions of the Companies Act, 2013, Mr. Roshan Jain and Mr. Maanoj Desae, the independent Directors of the Company will have to be appointed by the members for a term upto five consecutive years, and no independent Director shall be liable to retire by rotation.



Mr. Jain and Mr. Desae have given the declaration to the Company under Section 149(6) of the Companies Act, 2013, that they qualify with the criteria of Independence mentioned under that sub-section. Accordingly it is proposed to appoint them as Independent Directors not liable to retire by rotation for a term of five years from the ensuing Annual General Meeting.

Necessary resolutions for the appointment / re-appointment of the aforesaid Directors have been included in the notice convening the ensuing AGM and requisite details have been provided in the explanatory statement of the Notice. Your Directors commend their appointment/ re-appointment.

All the Directors of the Company have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164(2) of the Companies Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company has no manufacturing activities. Hence, the information pursuant to the provisions of the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 have not been furnished. The Company has neither earned nor spent any foreign exchange during the accounting year ended 2013-14.

PARTICULARS OF EMPLOYEES:

The Company does not have any employee covered under the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and therefore, this information has not been furnished as part of this Report.

AUDITORS:

M/s. S. P. Jain & Associates, Chartered Accountants, who are the Statutory Auditors of the Company, hold office upto the conclusion of the ensuing Annual General Meeting. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder, the Board recommends the re-appointment of M/s. S. P. Jain & Associates as auditors of the Company. If re-appointed, they will hold office from the conclusion of the current AGM to the conclusion of the following AGM.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 1956 the Directors confirm that:

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed;
- II. Appropriate accounting policies have been selected and applied consistently, and 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 March, 31, 2014 and of the Profit & Loss of the Company for the period April 1st 2013 to March 31st 2014.



- III. Proper and sufficient care has been taken 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;
- IV. The annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE:

Pursuant to Clause 49 to the Listing Agreement with the Stock Exchange a Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance form part of this Report.

COMPLIANCE CERTIFICATE:

The Compliance Certificate dated 20th August, 2014 in terms of Section 383 A of the Companies Act, 1956 issued by Mrs. Grishma Khandwala, Company Secretary in whole time practice is attached.

ACKNOWLEDGEMENT:

The Directors wish to take this opportunity to express their sincere thanks to the Company's Bankers for their valuable support and the Shareholders for their unflinching confidence in the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Rikeen P. Dalal
Director

Tej P. Dalal
Director

Place : Mumbai

Date : 20th August, 2014



MANAGEMENT DISCUSSION AND ANALYSIS

A) Industry Structure and Development

Financial year 2013-14 (FY2014) was a difficult one for India's economy. Growth during 2012-13 (FY2013) was 4.5%. Thereafter, the first three quarters of FY2014 continued seeing low growth: 4.4% in Q1; 4.8% in Q2; and 4.7% in Q3. The Central Statistical Organisation (CSO) has estimated full year growth for FY2014 at 4.9%. Thus, it will be two consecutive years of sub-5% growth - the country's worst performance for very long.

Low growth was not the only economic issue. Inflation remained sticky throughout FY2014 as well. Consumer price inflation (CPI), a key component of determining monetary policy, fluctuated between 10.39% in April 2013 and 8.31% in March 2014. Such volatility made a stable monetary stance difficult.

B) Opportunities and Threats

The year began on a sombre note. The tapering announcement by the US Federal Reserve coupled with global slowdown resulted in huge pressures on capital flows and depreciation of the rupee. The situation was further exacerbated by high inflation and a very high current account deficit (CAD). The Reserve Bank of India (RBI) responded swiftly by tightening monetary policy. Short term interest rates were raised by increasing the marginal standing facility (MSF) rate by 200 basis points (bps) and curtailing liquidity.

As global and local markets stabilised by Q3, the RBI eased tight liquidity conditions by lowering the MSF rate by 150 bps in three steps. However, it maintained its hawkish stance on containing inflation and raised policy rates by 75 bps in the second half of FY2014. The government's actions on placing import restrictions on gold also helped rein in the CAD from 4.2% to 2.3% of GDP. Hopefully, all these factors may aid growth in FY2014.

C) Segment-wise Performance

The Company has only one business segment viz. Trading in shares/securities and financing, investment and hence product-wise performance is not provided.



D) Outlook

FY2014 was difficult for the banking sector owing to low growth, volatile interest rate environment and high NPAs. However, retail finance continued its strong performance owing to low consumer leverage and large untapped demand. A clear demographic shift in favour of a younger population aspiring for a better lifestyle should continue to drive strong demand for all retail finance products for the foreseeable future.

Non-banking finance companies (NBFCs) continued to play a critical role in making financial services accessible to a wider set of India's population. Given their unique business models and, for many, their focus on operational excellence, NBFCs should continue to strengthen their position in the financial services space in India.

As stability in inflation sustains, liquidity improves and fiscal deficit remains contained, it would lead to further interest softening. Monetary easing should eventually help lower the cost of borrowing, and revive the business investment cycle.

E) Internal Control Systems and their Adequacy

The Company has satisfactory internal control system, the adequacy of which has been mentioned in the Auditors' Report.

F) Human Resources

There has been no material development on the Human Resource / Industrial relations front during the year.



REPORT ON CORPORATE GOVERNANCE

1) Company's Philosophy on Code of Corporate Governance:

The Company believes that to be an effective business entity the Organisation has to recognise its responsibilities to the stakeholders and should be guided by the principles of just and efficient governance for mutual benefit. The Company's corporate philosophy imbibes the ideal of this principle and accordingly has endeavored to carry out all its operations in a transparent and fair manner.

The Company has adopted a Code of Conduct as required under clause 49 of the listing Agreement with the stock Exchanges. The Directors have confirmed compliance with the code of conduct for the year ended 31st March, 2014.

The relevant standards of Corporate Governance have been fully complied with by the Company.

2) Board of Directors

Composition and size of the Board

The present strength of the Board is 4. All the Directors are Non – Executive Directors.

The size and composition of the Board confirms with the requirements of Corporate Governance under the Listing Agreement with the Stock Exchanges and applicable laws. The Independent Non Executive Directors of the Company do not have any other material or pecuniary relationship or transaction with the Company, its promoters, or its management, which in the judgment of the Board may affect independence of judgment of the Directors. Non-Executive Directors are not paid any remuneration.

In the financial year 2013 – 2014, the Board met six times. The Board meetings were held on (1) 22nd May, 2013, (2) 31st July, 2013, (3) 12th August, 2013, (4) 30th October, 2013, (5) 30th January, 2014 (6) 25th March, 2014.

The composition of Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting as also number of other directorship, committee memberships and chairmanships held by them, are given below:

Name of the Directors	Status i.e. Executives, Non-Executives and Independent	Shares held	Members of Boards of Other Public Companies excluding Directorship in Pvt. Companies	Total Number of Committee Membership held		Number of Board Meeting held during the year		Whether attended last Annual General Meeting
				As Chairman	As Member	Held	Attended	
Smt. Tej.P.Dalal	Promoter NED	108200	Nil	1	1	6	6	Yes
Shri Rikeen P. Dalal	Promoter NED	Nil	Nil	1	1	6	6	Yes
Dr.C.A. Varghese	Independent NED	Nil	Nil	Nil	Nil	6	Nil	No
Mr. Roshan Jain	Independent NED	28000	Nil	1	1	6	6	Yes



None of the Directors is a Member of more than 10 Board – level Committees or Chairman of more than 5 such Committees, as required under clause 49 of the Listing Agreement, across all Companies in which they are Directors.

The Brief Profile of Director being appointed / re- appointed (Pursuant to clause 49 of the Listing Agreement):

1.	Name of Director	Mr.Rikeen P. Dalal	Mr. Roshan I. Jain	Mr. Maanoj Desae
2.	Date of Birth	15.03.1963	04.06.1973	13.04.1954
3.	Date of Appointment	02.09.1994	17.01.2011	01.04.2014
4.	Experience in specific areas Academic	28 Years Experience of Stock Broking, I.Banking, Retail & Wholesale Distribution of financial Products and related financial services.	A result oriented professional with over one decade in Share Market. Having sound knowledge of catering to HNIs, Cash & F&O segments.	30 years experience in the field of finance dealing with financial Accounting and Audit, taxation and all banking matters.
5.	Qualifications	B.com	B.com	B.Com, F.C.A.
6.	Directorship in Other Companies	NIL	NIL	Nil
7.	Professional Qualifications	He has been associated with the Company as Director since 1994 and the Company has benefited from his rich experience in varied fields.	Having wide knowledge in Capital Market along with Technical analysis & financial studies.	He has been associated with various companies in the Financial Sector and had handled taxation and, marketing and audit for these Companies.
8.	Shareholding in the Company (No. of shares)	Nil	28000	Nil

3) Audit Committee

Terms of reference, Composition:

The terms of reference of this committee covers the matters specified for Audit committee under Clause 49 of the Listing Agreement.

Audit Committee meetings were held on (1) 22nd May, 2013, (2) 31st July, 2013, (3) 12th August, 2013, (4) 30th October, 2013, (5) 30th January, 2014

Pursuant to provisions of Section 177 of the Companies Act, 2013 and other applicable provisions, the Audit Committee has been reconstituted with revised terms of reference prescribed therein in the Board meeting held on 22nd May, 2014.



During the year under review the following Directors were the Members of the Audit Committee and the details of the meeting are as under :

Member	Position	No. of Meetings held	No. of Meetings attended
Mr. Roshan Jain	Chairman	5	5
Smt. Tej P. Dalal	Member	5	5
Shri. Rikeen P. Dalal	Member	5	5

The terms of reference in powers of the Audit Committee are as per Clause 49 of the Listing Agreement and also as per new section 292A of the Companies Act, 1956. The functions of the Audit Committee are as per Company Law and Listing Agreement with the Stock Exchanges. These include review of accounting and financial policies and procedure, review of financial reporting system, internal control procedures and risk management policies.

The minutes of the Audit committee Meeting were circulated to the Board, discussed and taken note of.

4) **Investors'/ Share Holders' Grievances Committee**

Pursuant to the provisions of Section 178(5) of the Companies Act, 2013 and other applicable provisions, Investors'/ Share Holders' Grievances Committee was reconstituted as Stakeholder's Relationship Committee in the Board meeting held on 22nd May, 2014.

During the year under review the following Directors were the Members of the Shareholders'/Investors' Grievance Committee.

Member	Position	No. of Meetings held	No. of Meetings attended
Shri. Rikeen P. Dalal	Chairman	4	4
Smt. Tej.P.Dalal	Member	4	4
Mt. Roshan I. Jain	Member	4	4

The Particulars of Investors, grievances received and redressed during the year are furnished below:

Sr. No.	Nature of Complaints	No. of Complaints		
		Received	Resolved	Pending as on 31/03/2014
1)	Non receipt of Annual Report	1	1	Nil
2)	Complaints relating to Dematerialisation of Shares	Nil	Nil	Nil
3)	Non – receipt of Shares certificates After transfer / duplicate / Name correction	Nil	Nil	Nil
4)	Others	2	2	Nil
TOTAL		3	3	Nil

**5) General Body Meeting**

Date of AGM	Financial Year	Venue/Location	Time of Meeting
30-9-2011	2010– 2011	Ahmed A.Fazelbhoy Pvt. Ltd. Sunville, 9 Dr. Annie Besant Road, Worli, Mumbai.	11.00 a.m.
03-9-2012	2011– 2012	Ahmed A.Fazelbhoy Pvt. Ltd. Sunville, 9 Dr. Annie Besant Road, Worli, Mumbai.	10.30 a.m.
30-9-2013	2012– 2013	Ahmed A.Fazelbhoy Pvt. Ltd. Sunville, 9 Dr. Annie Besant Road, Worli, Mumbai.	10.30 a.m.

SPECIAL RESOLUTION PASSED :

1. In 2010– 2011 AGM:
 - No Special Resolution was passed in this AGM .
2. In 2011 – 2012 AGM:
 - No Special Resolution was passed in this AGM.
3. In 2012 – 2013 AGM:
 - No Special Resolution was passed in this AGM.

6) Disclosures

1. There are related party transactions i.e. transactions of the Company with its Promoters, Directors or Management, their associates companies or relatives, not conflicting with Company's interest, the details of which have been shown in Note 29 of Financial Statements, Notes forming part of the Accounts for the year ended 31st March, 2014.

2. Code of Conduct

The Board of Directors of the Company has laid down two separate Codes of Conduct – one for Directors and other for Senior Management and Employees.

All Board Members and Senior Management personnel have affirmed compliance with the Code of conduct for the year review. A Declaration signed by CFO / Director to this effect is annexed to this report.

3. CEO/CFO Certification

As required under Clause 49 V of the Listing Agreement with the Stock Exchanges, the CFO of the Company has certified to the Board regarding his review on the Financial Statements, Cash Flow Statements and matters related to internal controls etc. in the prescribed format for the year ended 31st March, 2014.

7) Means of Communication

The Company publishes its Unaudited quarterly, half yearly and yearly financial results in leading national newspapers; namely "The Asian Age – English Edition" and "Mumbai Tarun Bharat – Marathi Edition". The Company also sends the financial results to the Stock Exchanges immediately after its approval by the Board. The Company is not displaying the financial results on website. The company



has not sent the half yearly report to the Shareholders. No presentations were made to the institutional investors or analysts during the year under review.

8) General Shareholder Information

- a. AGM Day, Date, Time Tuesday, 30th September, 2014 at 10.30 a.m.
Venue A, Fazelbhoy Private Limited, Sunville, 9 Dr. Annie Besant Road, Worli, Mumbai – 400018
- b. Financial Calendar (Tentative) 01.04.2014 to 31.03.2015
Un- Audited Financial Results 1st Quarter Last Week of July
2nd Quarter Last Week of October
3rd Quarter Last Week of January
4th Quarter Last Week of May
- c. Book Closure Period 24.09.14 to 30.09.14 (both days inclusive)
- d. Dividend Payment Date Not Applicable

Listing on Stock Exchanges

<u>Sr. No.</u>	<u>Name of the Stock Exchange</u>	<u>Code No.</u>
1.	The Stock Exchange, Mumbai	500143
2.	The Stock Exchange, Ahmedabad	17009

The Annual listing fees of these exchanges have been paid by the Company for the year 2014 – 2015.

Market Price Data

High/Low of the Company's Shares traded in the Stock Exchange, Mumbai, during the financial year 2013-2014 is furnished below:

Month & year	Company's Share Price	
	High	Low
April 2013	8.00	8.00
May 2013	8.00	8.00
June 2013	8.35	8.35
July 2013	7.94	7.94
August 2013	7.94	7.94
September 2013	7.94	7.94
October 2013	8.33	8.33
November 2013	8.70	8.70
December 2013	8.70	8.70
January 2014	8.93	8.93
February 2014	8.93	8.93
March 2014	9.10	9.10

**Dematerialisation of Shares**

The Equity Shares of the Company are traded compulsorily in Demat. The Demat facility is available to all Shareholders of the Company, who request for such facility.

ISIN No. of the Company's Equity Shares in Demat Form : INE 160F01013

Depository Connectivity : NSDL and CDSL

Registrar and Transfer Agent (RTA) :

Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai – 400 072. Tel No. 022 – 2847 0652 / 4043 0200. Email : info@bigshareonline.com .

Share Transfer System:

The Company has continued the appointment of Registrar and Transfer Agents for accepting transferring and delivering the transferred Share Certificates. All the transfers received in order, are processed within a period of 15 days from the date of receipt.

Shareholding Pattern of the Company as on 31st March, 2014.

Sr. No.	Holders	No. of Shares Held	% of paid up Capital
A	Promoters Holding	22,49,700	74.99
B.	Mutual Funds and UTI, Banks and Financial Institutions	100	0.00
C.	Bodies Corporate	66,434	2.21
D	Indian Public	6,83,782	22.80
E	NRI's / OCB's	84	0.00
	Total	30,00,100	100.00

Broad Shareholding Distribution

Range of Shares	Number of Share Holders	Percentage of Shares Holders	No. of Share	Percentage
1 to 5000	1826	87.70	2,55,483	8.52
5001 to 10000	122	5.86	97,382	3.25
10001 to 20000	63	3.03	97,108	3.24
20001 to 30000	37	1.78	1,00,486	3.35
30001 to 40000	9	0.43	32,121	1.07
40001 to 50000	5	0.24	22,158	0.73
50001 to 100000	5	0.24	39,036	1.30
100001 to 99999999	15	0.72	23,56,326	78.54
	2082	100 %	30,00,100	100%



Dematerialization of Shares and Liquidity :

88.94% of Company's Equity Shares have been dematerialized as on 31st March, 2014.

Investor's Correspondence :

All inquiries, clarifications and correspondence should be addressed to the Compliance Officer at the following address :

Compliance Officer : Mr. Samir I. Desai
5D, Kakad House, 5th Floor,
'A' Wing, Sir Vithaldas Thackersey Marg,
New Marine Lines, Mumbai - 400 020.
Tel No. : 022-22019473 Fax No. : 022-22012105
Email: phcapitaltd@gmail.com

9. COMPLIANCE OF NON-MANDATORY REQUIREMENTS

1) Chairman of the Board

The Company does not have a Chairman. At every Board Meeting, a Director is elected as Chairman to preside over the meeting. Hence, there is no separate office in the Company for the post of Chairman.

2) Board Procedure

Members of the Board are provided with the requisite information mentioned in the Listing Agreement well before the Board Meetings and the same were dealt with appropriately.

All the Directors who are on various committees are within the permissible limits of the Listing Agreement. The Directors have intimated from time to time about their membership in the various committees in other companies.

3) Shareholders Rights

Half yearly results including summary of the significant events are not being sent to Shareholders of the Company.

4) Postal Ballot

No resolution(s) are being proposed to be passed by postal ballot.

5) Audit Qualification.

There is no Audit Qualification by the Statutory Auditors.

6) Training of Board Members

All the Non – executive (including independent) Directors are having rich experience and expertise in functional areas of finance . All of them take part in the deliberations at the Board Meetings and contribute effectively to the business. In the opinion of the Board neither training of Board members nor any evaluation is required.



7) Whistle Blower Policy

The Company has a mechanism for employees to report to the management concerns about unethical behaviors, actual or suspected fraud or violation of the company's code of business conduct and ethics. However, a policy framework will be established at the appropriate time.

For and on behalf of the Board of Directors

**Rikeen P. Dalal
Director**

**Tej P. Dalal
Director**

Place : Mumbai

Date : 20th August, 2014

Declaration on Code of Conduct

As required by Clause 49 of the Listing Agreement the Declaration for Code of Conduct is given below.

To,

The Members of

P. H. Capital Limited

I Mr. Rikeen P. Dalal, Director of the Company declare that all Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct.

For P.H. Capital Limited

**Rikeen P. Dalal
Director**

Place : Mumbai.

Dated :20th August, 2014



COMPLIANCE CERTIFICATE

To

The Members

P.H. Capital Limited

I have examined the registers, records, books and papers of **P.H. Capital 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 31st March, 2014. In my opinion and to the best of my information and according to the examination carried out by me and explanation furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate as per the provisions of the act and the rules made there under and all the entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate with the Registrar of Companies Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company is a Public Limited Company and has a paid up share capital of Rs. 30,001,000/-.
4. The Board of Directors duly met Six times respectively on 22nd May, 2013, 31st July, 2013, 12th August, 2013, 30th October, 2013, 30th January, 2014 and 25th March, 2014 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. No circular resolutions were passed during the year.
5. The Company has closed its Register of Members from 24th September, 2013 to 30th September, 2013 and has duly complied with the provisions of Section 154 of the Act in respect of the same.
6. The Annual General Meeting for the financial year ended 31st March, 2013 was held on 30th September, 2013 after giving due notice to members of the Company and resolutions passed thereat were duly recorded in the minutes book maintained for the purpose.
7. No Extra ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or Companies referred in Section 295 of the Act.



9. The Company has duly complied with the provisions of section 297 of the Act, in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act,
11. As there were no instances falling within the purview of Section 314 of the Act, the Company was not required to obtain any approvals from the Board of Directors, members or the Central Govt., as the case may be.
12. A Committee of Directors has approved the issue of duplicate share certificate.
13. The Company has:
 - (i) Delivered all the certificates on allotment of securities and on lodgment thereof for transfer/ transmission or any other purpose in accordance with the provisions of the Act;
 - (ii) Not made any allotment of securities during the financial year.
 - (iii) Not declared any dividend or interim dividend during the financial year.
 - (iv) Duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional Directors, alternate Directors and Directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year.
16. The Company has not appointed any Sole Selling Agent during the financial year.
17. The Company was not required to obtain any approval of the Central Govt., Company Law Board, Regional Director, Registrar of Companies and / or such authorities prescribed under the 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 rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights dividends, 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 of the Act during the financial year.
24. The amount borrowed by the Company from the Banks during the financial year ending 31/03/2014 is within the borrowing limits of the Company.
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 of Association with respect to the 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 of Association with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum of Association with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum of Association with respect to the Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year under scrutiny.
31. There was 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. The Provident Fund is not applicable to the Company.

Place: Mumbai

Dated : 20th August, 2014

Grishma Khandwala

Company Secretary

CP No : 1500



ANNEXURE 'A'

Registers as maintained by the Company:

1. Register of members under Section 150 of the Companies Act, 1956.
2. Register of Directors' Shareholding under Section 307 of the Companies Act, 1956.
3. Register of Directors' Managing Director, Manager & Secretary under Section 303 of the Companies Act, 1956.
4. Register of Contracts, Companies and Firms in which Directors of the Company are interested.
5. Minute Book of meetings of the Board of Directors under Section 193 (I) of the Companies Act, 1956.
6. Minute Book of the proceedings of General Meetings under Section 193 (I) and 196 (I) of the Companies Act, 1956.
7. Register of Loans and investments under Section 372A of the Companies Act, 1956.

Place: Mumbai

Grishma Khandwala

Company Secretary

Dated : 20th August, 2014

CP No : 1500



ANNEXURE 'B'

Forms and Returns as filed by the Company with the Registrar of Companies Regional Director, Central Government or other authorities during the financial year ending 31st March, 2014.

*With Registrar of Companies

Sr. No.	Form	Section	Particulars	Date of Filing	Whether filed within prescribed Time Yes/No	If delay in fining whether requisite additional fees paid Yes/No
1.	Form 23AC &ACA	Section 220	For the year ending 31-3-2013 adopted in Annual General Meeting held on 30-09-2013	30/10/13	Yes	No
2.	Form 66	Section 383A	For the year ending 31-3-2013 adopted in Annual General Meeting held on 30-09-2013	4/10/13	Yes	No
3.	Form 20B	Section 159	Upto the date of Annual General Meeting Held on 30-09-2013	30/10/13	Yes	No.

*With Regional Director : Not applicable

*With Central Government or other Authorities : Not applicable

Place: Mumbai

Grishma Khandwala

Company Secretary

CP No : 1500

Dated : 20th August, 2014



CERTIFICATE

I have examined the compliance of conditions of Corporate Governance by P.H. Capital Limited for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedure 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 the opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

I 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.

Place: Mumbai

Grishma Khandwala

Company Secretary

Dated : 20th August, 2014

CP No : 1500



INDEPENDENT AUDITOR'S REPORT

To
The Members,
P.H.Capital Limited.

Report on Financial Statements

We have audited the accompanying financial statements of **P.H.Capital Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit/ loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **S. P. JAIN & ASSOCIATES,**
CHARTERED ACCOUNTANTS
Firm Reg. No. 103969W

KAPIL K. JAIN
(PARTNER)
Membership No. 108521

Place : Mumbai.
Date : 22nd May, 2014



ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information .
b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year and asset sold do not affect its going concern.
2. The Inventories of the company comprises of shares and securities and accordingly the clause for physical verification is not applicable.
3. In respect of loans, secured or unsecured taken or granted by the Company from/to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 :
 - a. The Company has taken loans from 2 (two) (P.Y. 1 One) parties covered in the register maintained U/s. 301 of the Companies Act, 1956 aggregating to Rs. 5,55,06,576/- (P.Y. Rs. 9,03,35,000/-) during the year and year End balance is Rs. 5,46,61,224/- (Previous Year 5,93,93,906/-) and maximum amount involved during the year is Rs.6,74,52,760/- (P.Y. Rs.7,14,92,040/-)
The company has not granted loan to parties covered in the register maintained U/s. 301 of the Companies Act, 1956.
 - b. In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other Terms and Conditions are not prima facie prejudicial to the interest of the Company.
 - c. There is no overdue amount in respect of loans given/ taken by the Company and as same is repayable on demand.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.



5. a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding Rs. 5,00,000/- (Rupees Five Lakhs only) in respect of any party during the year have been made at price, which are reasonable having regard to prevailing market price at the relevant time.
6. As explain to us the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the Rules framed there under.
7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
8. According to information and explanations provided to us, the company is not required to maintain cost record U/s. 209(1)(d) of the Companies Act, 1956.
9. a) According to the information and explanation given to us, and records being made available to us, the undisputed statutory dues including, Income-tax, Sales Tax, Wealth Tax, and other statutory dues wherever applicable have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2014 for a period of more than six months from the date of becoming payable.
- b) In our opinion and according to the information and explanations given to us, following are the disputed statutory dues pending before any Authority.

Sr. No.	Name of Statute Dispute is pending	Nature of Dues	Forum where	Asst. Year	Amount (Rs.in Lacs)
1	Income Tax Act	Income Tax	Assessing officer	2001-02	8,43,938
2	Income Tax Act	IT (penalty)	Assessing officer	2001-02	17,17,108

10. The Company has accumulated losses of Rs.2,71,04,375/- (P.Y. Rs.2,45,39,547/-) at the end of the financial year which is more than the 50% of its Net worth. It has incurred cash loss of Rs. 20,39,789/- during the immediately previous year but not so during the current year.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks.



12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. The Company has maintained proper records of transaction and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the company in its own name.
15. According to information and explanation given to us and to the best of knowledge, the Company has not given guarantees for loans taken by others from banks or financial institutions.
16. In our opinion and according to information and explanation given to us, a company has not received any Term Loan during the year.
17. According to the information and explanation given to us, and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not raised funds from Short Term sources and utilized the same towards Long Term investments.
18. During the year, the Company had not made any preferential allotment of shares to parties and companies covered in the register maintained U/s. 301 of the Companies Act, 1956.
19. According to information and explanation given to us, the Company has not issued any secured debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For **S. P. JAIN & ASSOCIATES,**
CHARTERED ACCOUNTANTS
Firm Reg. No. 103969W

KAPIL K. JAIN
(PARTNER)
Membership No. 108521

Place : Mumbai.
Date : 22nd May,2014



BALANCE SHEET AS AT 31ST MARCH' 2014

(Amount in ₹)

	Note No.	As At March' 2014	As At March' 2013
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	30,001,000	30,001,000
(b) Reserves and surplus	3	(27,104,375)	(24,539,547)
		2,896,625	5,461,453
(2) Non-current liabilities			
(a) Long-term borrowings	4	555,328	1,268,051
(b) Deferred tax liabilities (Net)	5	756,723	792,081
		1,312,051	2,060,132
(3) Current liabilities			
(a) Short-term borrowings	6	76,462,896	59,500,334
(b) Trade payables	7	604,116	20,313
(c) Other current liabilities	8	976,830	984,543
(d) Short Term Provisions	9	-	697,599
		78,043,842	61,202,788
TOTAL		82,252,518	68,724,373
II. ASSETS			
Non-current assets			
(1) (a) Fixed assets			
(i) Tangible assets	10	6,174,946	6,710,850
(ii) Intangible assets	10	10,264	3,267
(b) Non-current investments	11	200	200
(c) Long-Term Loans and Advances	12	-	-
		6,185,410	6,714,317
(2) Current assets			
(a) Current Investments	13	-	8,000,000
(b) Inventories	14	74,069,356	50,779,819
(c) Cash and cash equivalents	15	166,888	1,422,744
(d) Other current assets	16	1,830,864	1,807,493
		76,067,108	62,010,056
TOTAL		82,252,518	68,724,373
SIGNIFICANT ACCOUNTING POLICIES	1		

As per our report of even date
FOR S.P.JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103969W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

KAPIL K. JAIN
PARTNER
(M. NO. 108521)

(RIKEEN P. DALAL)
DIRECTOR

(TEJ P. DALAL)
DIRECTOR

PLACE : MUMBAI
DATE : 22ND MAY, 2014

PLACE : MUMBAI
DATE : 22ND MAY, 2014

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014****(Amount in ₹)**

	Note No.	2013-14	2012-13
I. Revenue from operations	17	236,663,506	216,252,237
II. Other income	18	7,950,219	760,208
Total Revenue		<u>244,613,725</u>	<u>217,012,445</u>
III. EXPENDITURE			
Purchase of Stock in Trade		260,376,790	234,549,815
(Increase) / Decrease in inventories in Stock in Trade	19	(23,289,537)	(31,195,344)
Employee benefits expense	20	1,495,396	1,516,514
Finance costs	21	6,206,250	4,564,725
Depreciation	22	560,396	905,420
Other expenses	23	1,864,617	2,297,744
Total expenses		<u>247,213,912</u>	<u>212,638,875</u>
IV. Profit Before Exceptional items & Tax		<u>(2,600,187)</u>	<u>4,373,570</u>
Add : Exceptional Items	24	-	44,934
V. Profit before tax		<u>(2,600,187)</u>	<u>4,418,504</u>
Tax expense:			
Less :			
(1) Current years income tax		-	697,599
Add :			
(2) Deferred Tax Assets	5	35,358	283,139
VI. Profit for the year		<u>(2,564,829)</u>	<u>4,004,044</u>
VII. Earnings per equity share of face Value of ₹ 10/- each	31		
(1) Basic		(0.85)	1.33
(2) Diluted		(0.85)	1.33
SIGNIFICANT ACCOUNTING POLICIES	1		

As per our report of even date
FOR S.P.JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS
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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014.

(Amount in ₹)

	For the year ended 31 March, 2014	For the year ended 31 March, 2013
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	(2,600,187)	4,418,504
Adjustments for:		
Depreciation and amortisation	560,398	905,420
Finance costs	6,206,250	4,564,725
Dividend income	(676,495)	(757,546)
Profit on F & O Transaction of Shares	(7,142,244)	-
Excess Provision for Depreciation Reverse Back	-	(44,934)
Operating Profit before Working capital changes	(3,652,278)	9,086,170
Adjusted for:		
Other receivable	(23,371)	43,697
Inventories	(23,289,537)	(31,195,344)
Trade and other payable	(121,509)	190,221
	(27,086,694)	(21,875,257)
Cash Generated from Operations		
Taxes paid	-	-
Net Cash Generated from Operations	(27,086,694)	(21,875,257)
B. Cash flow from investing activities		
Purchase of Fixed assets	(31,489)	(6,950)
Purchase of Current Investments	-	(8,000,000)
Sales / Redemption of Current Investments	8,000,000	-
Dividend received	676,495	757,546
Profit on F & O Transaction of Shares	7,142,244	-
Net cash used in investing activities:	15,787,250	(7,249,404)
C. Cash flow from financing activities		
Repayment of long-term borrowings	(712,723)	(715,202)
Proceeds from other short-term borrowings	16,962,562	35,731,283
Finance cost	(6,206,250)	(4,564,725)
Net cash used in financing activities	10,043,589	30,451,356
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(1,255,855)	1,326,695
Cash and cash equivalents at the beginning of the year	1,422,744	96,049
Cash and cash equivalents at the end of the year	166,888	1,422,744

Notes: Previous year figures have been regrouped/rearranged wherever necessary.

As per our report of even date
FOR S.P.JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103969W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

KAPIL K. JAIN
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DATE : 22ND MAY, 2014

PLACE : MUMBAI
DATE : 22ND MAY, 2014



Notes on Financial Statements for the Year ended 31st March, 2014

NOTE - 1 SIGNIFICANT ACCOUNTING POLICIES

- (A) Basis of preparation of Financial Statements.
- (a) The financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956, as adopted consistently.
 - (b) Accounting policies not specially referred to otherwise are consistent with generally accepted accounting principles followed by the Company.
 - (c) The company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.
- (B) Fixed Assets and Depreciation:
- (a) Fixed assets are stated at cost less depreciation.
 - (b) Depreciation
 - (i) Depreciation on fixed assets is provided on the straight line method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.
 - (ii) Leasehold Improvements is written off / depreciated over the period of 5 years.
 - (iii) Depreciation on software is taken at the rate 16.21% on straight line method.
- (C) Investments: Long Term Investments are stated at cost.
- (D) Sales: Sales are accounted net of brokerage and taxes.
- (E) Employees Benefits:
- The Provident Fund contribution and Gratuity is not required to be provided as the Company does not fulfill the criterion of minimum number of Employees employed during the year.
- (F) Stock In Trade:
- (a) In respect of securities held as stock-in-trade, brokerage and stamp duty are included in cost.
 - (b) The securities held as stock-in-trade are valued at cost or market value whichever is lower.
- (G) Taxation: Current Taxes, if any, are provided as per the provision of Income Tax Act 1961.
- Deferred Tax is recognized on the timing difference being the difference between taxable income and accounting income that originate in one period and are capable of reversal in future. Deferred Tax Assets is recognized only upon actual certainty of sufficient taxable profit in the future against which such deferred tax asset can be rectified.
- (H) Impairment of Assets: An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.
- (I) Lease Rent: The Lease rent expenditure from operating lease of office premises is accounted on accrual basis.

**Notes on Financial Statements for the Year ended 31st March, 2014****Note-2 : SHARE CAPITAL**

<u>Particulars</u>	<u>As at March'</u>		<u>As at March'</u>	
	<u>Number</u>	<u>Amount in ₹</u>	<u>Number</u>	<u>Amount in ₹</u>
Authorised				
Equity Shares of ₹ 10/- each	4,000,000	40,000,000	4,000,000	40,000,000
Issued,Subscribed & fully Paid up				
Equity Shares of ₹ 10/- each fully paid	3,000,100	30,001,000	3,000,100	30,001,000
Total	3,000,100	30,001,000	3,000,100	30,001,000

2.1 Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:

<u>Particulars</u>	<u>As at March'</u>		<u>As at March'</u>	
	<u>Equity Shares Number</u>	<u>Amount in ₹</u>	<u>Equity Shares Number</u>	<u>Amount in ₹</u>
Shares outstanding at the beginning of the year	3,000,100	30,001,000	3,000,100	30,001,000
Shares outstanding at the end of the year	3,000,100	30,001,000	3,000,100	30,001,000

2.2 Terms/rights attached to shares

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. the distribution will be in proportion to the number of equity shares held by the shareholders.

2.3 Details of Shares held by each shareholders holding more than 5 % shares of the equity capital of the Company.

<u>Particulars</u>	<u>As at March'</u>		<u>As at March'</u>	
	<u>No. of Shares held</u>	<u>% of Capital</u>	<u>No. of Shares held</u>	<u>% of Capital</u>
KRISHNA TRUST	475,000	15.83	475,000	15.83
TIRUPATI TRUST	444,000	14.80	444,000	14.80
SEJAL RIKEEN DALAL	350,100	11.67	350,100	11.67
FINCO CAPITAL MANAGEMENT PVT. LTD.	290,000	9.67	290,000	9.67
RIKEEN PRADIP DALAL - HUF	261,000	8.70	261,000	8.70
PRAHAR FINANCIAL CONSULTANT & MNGMT. SERVC. PVT. LTD.	250,000	8.33	250,000	8.33



Notes on Financial Statements for the Year ended 31st March, 2014

<u>Particular</u>	<u>As at March' 2014</u>	<u>As at March' 2013</u>
	<u>₹</u>	<u>₹</u>

Note 3 Reserves and Surplus

Surplus(Deficit) in Profit & Loss A/C

Opening balance	(24,539,547)	(28,543,592)
(+) Net Profit/(Net Loss) For the current year	(2,564,829)	4,004,044
Total	<u>(27,104,375)</u>	<u>(24,539,547)</u>

Note 4 Long Term Borrowing

Secured

Car Loan (ICICI Bank Ltd.)	555,328	1,268,051
	<u>555,328</u>	<u>1,268,051</u>

4.1 Secured by Hypothecation of a Car to ICICI Bank Ltd.

4.2 Car Loan from Bank amounting to ₹ 12,68,051/- (P.Y. ₹ 19,83,250/-) repayable in 60 monthly installments (including interest) of ₹ 71,715/- per month, commencing from 15/12/2010, last installment due in 01/11/2015 i.e. 20 installments from the close of this financial year. The rate of interest is 8.75% per annum fixed.

Note 5 Deferred Tax Liability - Net

Opening Deferred Tax Liability	792,081	1,075,220
On account of Fixed Asset	35,358	283,139
Closing Deferred Tax Liability	<u>756,723</u>	<u>792,081</u>

5.1 During the previous year, the Company has reviewed the Differed Tax Liability on Timing difference based on Written Down Values of Fixed Assets as against the Provision of Differed Tax based on the Depreciation for the year.



Notes on Financial Statements for the Year ended 31st March, 2014

<u>Particular</u>	<u>As at March' 2014</u> ₹	<u>As at March' 2013</u> ₹
Note 6 Short Term Borrowing		
<u>Secured</u>		
Loans from Financial Institution	21,801,672	106,428
<u>Unsecured</u>		
Loans from related parties	54,661,224	59,393,906
Total	<u>76,462,896</u>	<u>59,500,334</u>

6.1 Loan form Financial Institution is Secured by pledge of Approved Scripts as per approved list of securities.

6.2 Loan from Financial Institution amounting to ₹ 2,18,01,672/- (P.Y. ₹ 1,06,428/-) is sanctioned for a validity period upto 31/12/2014 or earlier, either repayable on demand or as per the convenience of the company. The rate of interest is 12% per annum fixed.

Note 7 Trade Payables

Trade payable	604,116	20,313
Total	<u>604,116</u>	<u>20,313</u>

Note: The company does not have any dealings with any enterprise under the Micro, Small and Medium Enterprises Development Act, 2006.

Note 8 Other Current Liabilities

(a) Cuurent Maturity of Long Term debt	712,725	715,199
(b) Statutory Liabilities	128,843	126,520
(c) Other Payable for Various Expenses	135,262	142,824
Total	<u>976,830</u>	<u>984,543</u>

Note 9 Provisions

Provision for Income tax	-	697,599
Total	<u>-</u>	<u>697,599</u>



Notes on Financial Statements for the Year ended 31st March, 2014

Note 10 FIXED ASSET

FIXED ASSETS	GROSS BLOCK AT COST						Accumulated Depreciation					NET BLOCK	
	Balance as at 01.04.2013	Additions/ (Disposals)	Balance as at 31.03.2014	Balance as at 01.04.2013	Depreciation charge for the year	Adjustment due to revaluations/ impairment losses/ reversals	On disposals	Balance as at 31.03.2014	Balance as at 31.03.2014	Balance as at 31.03.2013			
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	
(I) Tangible Assets													
(a) Buildings (i.e. Office Premises)	4,214,422	-	4,214,422	1,335,006	68,695	-	-	1,403,701	2,810,721	2,879,416			
(b) Vehicles	4,610,630	-	4,610,630	1,022,423	438,010	-	-	1,460,433	3,150,197	3,588,207			
(c) Office Equipments	434,030	20,689	454,719	237,061	20,052	-	-	257,133	197,586	196,949			
(d) Computers	504,074	-	504,074	457,796	29,836	-	-	487,632	16,442	46,278			
(e) Lease Hold Improvements	1,526,425	-	1,526,425	1,526,425	-	-	-	1,526,425	-	-			
Total	11,289,581	20,689	11,310,270	4,578,731	556,593	-	-	5,135,324	6,174,946	6,710,650			
(II) Intangible Assets													
(a) Computer software	29,642	10,800	40,442	26,375	3,803	-	-	30,178	10,264	3,267			
Total	29,642	10,800	40,442	26,375	3,803	-	-	30,178	10,264	3,267			
Grand Total	11,319,223	31,489	11,350,712	4,605,106	560,396	-	-	5,165,502	6,185,210	6,714,117			
Previous year	11,312,273	6,950	11,319,223	3,744,620	905,420	-44,934	-	4,605,106	6,714,117	-			

Notes: Fixed assets include office premises in Mumbai held in 50% co-ownership which is in possession with the Court Receiver, Mumbai in view of ongoing litigation matters.

**Notes on Financial Statements for the Year ended 31st March, 2014**

<u>Particular</u>	<u>As at March' 2014</u>	<u>As at March' 2013</u>
	<u>₹</u>	<u>₹</u>
Note 11 Non-Current Investments		
(a) Investment in Equity instruments(Unquoted)		
Indian Silk Manufacturing Company Pvt.Ltd.	200	200
(2 Equity shares of face value ₹ 100 each fully paid up)		
Total	200	200
Aggregate amount of unquoted investments	200	200
Note 12 Long Term Loans and Advances		
Other loans and advances		
Unsecured considered Doubtful	355,000	355,000
Less: Provision for Bad & Doubtful Advances	(355,000)	(355,000)
Total	-	-
Note 13 Current Investments		
(a) Investment in Birla Sunlife Mutual Fund (Quoted)		
Birla Sun Life Cash Manager - Daily Dividend -		
Regular Plan - Reinvest	-	8,000,000
(NIL Units ; P.Y. 79,907.467 Units)		
Total	-	8,000,000
Aggregate market value of Quoted investments	-	8,000,000
Note 14 Inventories		
a. Stock-in-trade		
(as valued & certified by Management)	74,069,356	50,779,819
Total	74,069,356	50,779,819
*Note : Inventory Valued at Cost or Market Price Whichever is lower .		
Note 15 Cash and cash equivalents		
a. Balances with banks in Current A/c	34,279	1,333,568
b. Cash on hand	132,610	89,176
Total	166,888	1,422,744
Note 16 Other Current Assets		
a. Income Tax Advances		
(Refund claims from tax authorities/ Advance payment of taxes)	1,711,678	1,711,678
b. Deposits	24,000	24,000
c. Others	95,186	71,815
(Includes prepaid expenses & Staff Imprests)		
Total	1,830,864	1,807,493



Notes on Financial Statements for the Year ended 31st March, 2014

<u>Particular</u>	<u>For the year ended 31 March 2014 ₹</u>	<u>For the year ended 31 March 2013 ₹</u>
Note 17 Revenue from operation		
Sale of Shares	237,161,763	216,726,989
Less: STT Paid	498,257	474,752
Total	<u>236,663,506</u>	<u>216,252,237</u>
Note 18 Other Income		
(a) Dividend Income	676,495	757,546
(b) Profit on F & O of shares	7,142,244	-
(c) Profit on Auction of shares	-	381
(d) Profit on Speculation of shares	91,028	1,317
(e) Profit on Redemption of Mutual Funds	4,081	-
(f) Miscellaneous Income	36,371	964
Total	<u>7,950,219</u>	<u>760,208</u>
Note 19 (Increase) / Decrease in inventories in Stock in Trade		
Opening stock of securities	50,779,819	19,584,475
Less: Closing stock of Securities	74,069,356	50,779,819
Total	<u>(23,289,537)</u>	<u>(31,195,344)</u>
Note 20 Employee Benefits Expense		
(a) Salaries, Bonus, Leave encashment and incentives	1,470,299	1,491,125
(b) Staff welfare expenses	25,097	25,389
Total	<u>1,495,396</u>	<u>1,516,514</u>
Note 21 Financial Cost		
(a) Interest expense	6,205,800	4,564,035
(b) Bank Charges	450	690
Total	<u>6,206,250</u>	<u>4,564,725</u>



Notes on Financial Statements for the Year ended 31st March, 2014

<u>Particular</u>	<u>For the year ended 31 March 2014</u>	<u>For the year ended 31 March 2013</u>
	<u>₹</u>	<u>₹</u>
Note 22 Depreciation		
a. Depreciation on tangible assets	556,593	900,615
b. Amortisation of Intangible assets	3,803	4,805
Total	<u>560,396</u>	<u>905,420</u>
Note 23 Other Expenses		
Auditors' Remuneration	77,252	73,991
Electricity Expenses	77,284	134,998
Lease Rent	108,000	108,000
Loss on F & O	-	852,992
Rates and Taxes	57,872	57,140
Repairs & Maintenance	70,217	59,732
Travelling Expenses	61,974	158,525
Vehicle Charges including Insurance	263,772	263,140
Other Miscellaneous Expenses	1,148,246	589,225
Total	<u>1,864,617</u>	<u>2,297,744</u>
Note 24 Exceptional Items		
(a) Excess Provision for Depreciation		
Reverse Back on Fixed Assets	-	44,934
Total	<u>-</u>	<u>44,934</u>

**Notes on Financial Statements for the Year ended 31st March, 2014****Note 25 Contingent Liability:**

Claims against the company not acknowledged as debts in respect of relief towards Matter pending with Income tax authorities for ₹ 25,61,046 /- (Previous Year ₹ 25,61,046/-)

Note 26 Auditor's Remuneration

<u>Particulars</u>	2013 - 2014		2012 - 2013	
		₹		₹
i) Audit Fees		73,034		70,506
ii) Audit Expenses		4,218		2,362
iii) Tax matters / Others		-		1,123
Total		77,252		73,991

Note 27 (a) Quantitative details of Securities held as stock-in-trade (Equity Shares)

	2013 - 2014		2012 - 2013	
	Qty.	₹	Qty.	₹
i) Opening Stock	222,991	50,779,819	94,150	19,584,475
ii) Purchases	1,815,462	260,376,790	2,108,975	234,549,815
iii) Sales	1,738,437	237,161,763	1,980,134	216,726,989
iv) Closing Stock (I + ii - iii)	300,016	74,069,356	222,991	50,779,819

Note 27 (b) Stock in trade as on 31st March 2014 :

S.No.	Script	2013 - 2014		2012 - 2013	
		Qty	₹	Qty.	₹
1	Aurobindo Pharmacuital Ltd.	25,000	6,794,184	-	-
2	Bajaj Finance Ltd.	10,000	12,036,260	-	-
3	Balkrishna Industries Ltd.	10,000	4,781,500	-	-



Notes on Financial Statements for the Year ended 31st March, 2014

4	Eicher Motors Ltd.	480	2,426,202	-	-
5	J K Agri Genetics Ltd.	1,036	400,984	-	-
6	Kaveri Seeds Co. Ltd.	7,500	3,700,878	-	-
7	Natco Pharma Ltd.	5,000	2,990,019	-	-
8	Sintex Industries Ltd.	200,000	6,893,319	-	-
9	Symphony Ltd.	35,000	21,341,347	-	-
10	United Spiritis Ltd.	6,000	12,704,663	10,000	14,754,677
11	Advanta India Ltd.	-	-	6,750	6,850,575
12	Mahindra & Mahindra Finance Services Ltd.	-	-	81,241	14,524,567
13	United Phosphorous Ltd.	-	-	125,000	14,650,000
TOTAL		300,016	74,069,356	222,991	50,779,819

Note 28 Information pursuant to Accounting standard 17:

The Company is mainly engaged in the business of Trading of shares and securities in India. All the activity of the Company revolved around the main object and as such, in the opinion of the management, there is no separate reportable segment.

Note 29 Related party Transaction as per Accounting Standard 18:

Related party disclosures as required by Accounting Standard 18, "Related party disclosures" are given below

i) Relationships :

(A) Enterprise on which major Shareholders Exercises Significant Influence

- i) Finco Capital Management Pvt. Ltd. (Finco Securities Pvt. Ltd.)
- ii) Prahar Financial Consultant Management Services Pvt. Ltd.
- iii) Ruby Multimedia Pvt. Ltd.

(B) Key Management Personnel :

- i) Rikeen P. Dalal

**Notes on Financial Statements for the Year ended 31st March, 2014****Note 29 Continue**

(Amt. in ₹)

Sr. No.	Nature of Transactions		Enterprises over which major Shareholders Exercises Significant Influence	Key Management Personnel
(A)	(I) Loan Transaction		₹	₹
	Taken During the year	C.Y.	55,506,576	-
		CR		
		P.Y.	(90,335,000)	-
		CR		
	Closing Balances	C.Y.	54,661,224	-
		CR		
		P.Y.	(59,393,906)	-
		CR		
(B)	Interest Paid	C.Y.	4,105,953	-
		P.Y.	(3,561,842)	-
(C)	Lease Rent	C.Y.	108,000	-
		P.Y.	(108,000)	-
(D)	Reimbursement of Electricity Expenses	C.Y.	77,284	-
		P.Y.	(134,998)	-
(E)	Advances for Expenses & Received Back during the year	C.Y.	-	119,001
		P.Y.	-	(500)

Note 30 Information (to the extent applicable) pursuant to AS 19 :

The Company's significant leasing arrangements are in respect of operating leases for Office premises. These leasing arrangements which are cancelable range between 4-5 years, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent under schedule E.



Notes on Financial Statements for the Year ended 31st March, 2014

The particulars of these leases are as follows:

Particulars	2013 - 2014	2012 - 2013
	₹	₹
Future Minimum lease payments obligation on non-cancelable operating leases :		
Not later than one year	108,000	108,000
Later than one year and not later than five years.	54,000	162,000
Later than five years	-	-
Lease payments recognized in Profit & Loss Account	108,000	108,000

Note 31 Earning per share as per Accounting Standard 20:

Particulars	2013 - 2014	2012 - 2013
	₹	₹
Profit/(Loss) attributable to the Shareholders.	(2,564,829)	4,004,044
Equity share of ₹ 10/- each (Nos.)	3,000,100	3,000,100
Basic / Diluted Earning Per share (₹)	(0.85)	1.33

Note 32 Other Information pursuant to the provisions of Para 3 and 4 of Part-II of Schedule VI of Companies Act, 1956 (vide notification dated 30th October, 1973 of the Department of Company Affairs, Government of India) are either Nil or Not Applicable.

Note 33 Figures of Previous year are regrouped and reclassified wherever necessary.

As per our report of even date
FOR S.P.JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103969W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

KAPIL K. JAIN
PARTNER
(M. NO. 108521)

(RIKEEN P. DALAL)
DIRECTOR

(TEJ P. DALAL)
DIRECTOR

PLACE : MUMBAI
DATE : 22ND MAY, 2014

PLACE : MUMBAI
DATE : 22ND MAY, 2014



P. H. CAPITAL LIMITED

Regd. Office : 5D, Kakad House, 5th Floor, 'A' Wing, Sir Vithaldas Thackersey Marg,
New Marine Lines, Mumbai - 400 020.

CIN : CIN : L74140MH1973PLC016436

Tel. : 022-22019473 / 022-22019417 Fax : 022-22012105 • E-mail : phcapitaltd@gmail.com

ATTENDANCE SLIP

41st Annual General Meeting Tuesday, 30th September, 2014

Name of the Member(s)

Mr./Mrs./Miss _____

(Member's Name in Block Letters)

Registered Address : _____

E-mail ID : _____

Members Folio No. / DP-ID/Client ID No. _____ No. Of Shares _____

I/We certify that I am/we are the registered Member / Proxy for the registered member of the Company. I hereby record my/our presence at the 41st Annual General Meeting of the Company convened at Ahmed A. Fazelbhoj Private Limited, Sunville, 9 Dr. Annie Besant Road, Worli, Mumbai 400 018 on Tuesday 30th September, 2014 at 10.30 a.m.

If signed by proxy, his/her name should
be written here in Block Letters.

Member's / Proxy's Signature

Electronic Voting (e-voting)

The Company is pleased to offer the option of e-voting facility to the Members. The voting period will commence at 09:00 hours on Wednesday, 24th September, 2014 and will end at 18:00 hours on Friday, 26th September, 2014. The Members desiring to exercise e-voting option may refer to the detailed procedure on electronic voting provided in the Notice of the 41st Annual General Meeting.

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P. H. CAPITAL LIMITED

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PROXY FORM

Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

CIN : L74140MH1973PLC016436

Name of the Company : P. H. CAPITAL LIMITED

Registered Office : D, Kakad House, 5th Floor, 'A' Wing, Sir Vithaldas Thackersey Marg,
New Marine Lines, Mumbai - 400 020.

Name of the member(s) : _____

Registered address : _____

E-mail : _____

Folio No./ Client ID/DP ID : _____

I/We, being the member(s) of _____ shares of the above named Company, hereby
appoint:

- 1) Name : _____
- Address : _____
- E-mail ID : _____
- Signature : _____ or failing him
- 2) Name : _____
- Address : _____
- E-mail ID : _____
- Signature : _____ or failing him
- 3) Name : _____
- Address : _____
- E-mail ID : _____
- Signature : _____ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on/our behalf at the 41st Annual General Meeting of the Company, to be held on the Tuesday 30th September, 2014 at 10.30 a.m. at Ahmed A. Fazelbhoj Private Limited, Sunville, 9 Dr. Annie Besant Road, Worli, Mumbai 400 018 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars	Optional	
		For	Against
Ordinary Business:	1. Adopt the Audited Statement of Profit & Loss for the financial year ended 31st March, 2014, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.		
	2. To appoint a Director in place of Mr. Rikeen Dalal, who retire by rotation and being eligible, offer himself for re-appointed.		
	3. To appoint statutory auditors and to fix their remuneration.		
Special Business:	4. Appointment of Mr. Roshan Jain as an Independent Director of the Company, to hold office for five consecutive years.		
	5. Appointment of Mr. Manoj Desae as an Independent Director of the Company to hold office for five consecutive years.		
	6. Pursuant to the provision of Section 188 to give consent to the Board of Directors to enter into contracts or arrangements with Related Parties..		

Signed this _____ day of _____ 2014.

Affix ₹1/- Revenue Stamp

Signature of Members

Signature of Proxy holder(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For Resolutions, Explanatory Statements and Notes, Please refer to Notice of the 41st Annual General Meeting.
3. It is optional to put 'X' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of Member(s) in above box before submission.

41st Annual Report
2013-2014



P. H. CAPITAL LIMITED

BOOK – POST



If undelivered, please return to :

P. H. CAPITAL LIMITED

5D, Kakad House, 5th Floor,
'A' Wing, Sir Vithaldas Thackersey Marg,
New Marine Lines,
Mumbai - 400 020.



BOARD OF DIRECTORS

Shri Rikeen P. Dalal	Director
Smt. Tej P. Dalal	Director
Shri Roshan Jain	Director
Shri Maanoj C. Desae	Director

(with effect from 1/04/2014)

AUDITORS

S. P. Jain & Associates
Chartered Accountants

BANKERS

HDFC Bank Limited.
Corporation Bank

REGISTERED OFFICE

P.H. CAPITAL LIMITED

(CIN: L74140MH1973PLC016436)

Registered Office : 5D, Kakad House,
5th Floor, 'A' Wing, Sir Vithaldas Thackersey Marg,
Opp. Libertry Cinema, New Marine Lines,
Mumbai – 400020

Tel. No. : 022-22019473 / 022-22019417

Fax No. : 022-22012105

Email : phcapitaltd@gmail.com

REGISTRARS & SHARE TRANSFER AGENTS

M/s. Bigshare Services Pvt. Ltd.

E-2&3, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (East),

Mumbai - 400 072.

Tel. No. : 022 – 4043 0200 .

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Share holders are requested to kindly bring their copies of the Annual Report to the meeting as the same will not be distributed again at the Annual General Meeting.

5D, Kakad House, 5th Floor, 'A' Wing,
Sir Vithaldas Thackersey Marg,
Opp. Liberty Cinema, New Marine Lines,
Mumbai - 400020.

Tel. : 022-2201 9473 / 022-2201 9417

CIN : L74140MH1973PLC016436 Email : phcapitaltd@gmail.com


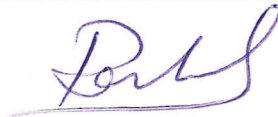

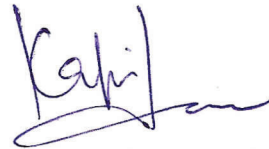


P. H. CAPITAL LTD.

Form A

(Covering letter of the annual audit report to be filed with the Stock Exchange)

[Pursuant to Clause 31(a) of Listing Agreement]

1	Name of the Company	P H Capital Ltd
2	Annual financial statements for the year ended	31 st March 2014
3	Type of Audit observation	Unqualified
4	Frequency of observation	Not Applicable
5	Signed by -	
	Mr. Roshan Jain, Chairman of Audit Committee	
	Mr. Rikeen P. Dalal , CEO	
	Mr. Samir I. Desai, CFO	
	S.P. Jain & Associates, Chartered Accountants Auditor of the Company	

Date: 22.05.2014