



NOTICE

NOTICE is hereby given that the 38th Annual General Meeting of the members of **P.H.CAPITAL LIMITED** will be held on Friday, 30th day of September, 2011 at 11.00 a.m. at the Ahmed A. Fazelbhoj 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,2011 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors' and Auditors there on.
2. To appoint a director in place of Mr. Rikeen P. Dalal , who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoints Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.

SPECIAL BUSINESS :

4. To consider and if thought fit, to pass with or without modifications the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Roshan Jain who was appointed as an Additional Director of the Company pursuant to the provisions of the Section 260 of the Companies Act, 1956 and Article 115 of the Article of Association of the Company, and who holds office only upto the date of this Annual General Meeting and in respect of whom the Company has received a Notice under Section 257 of the Companies Act, 1956, in writing proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company.

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 : 16th August, 2011



NOTES FOR SHAREHOLDERS' ATTENTION :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HER SELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE 38TH ANNUAL GENERAL MEETING AT ITS REGISTERED OFFICE.
2. Members are requested to intimate to the Registered Office of the Company, the changes, if any, in their registered addresses, quoting their Folio Numbers.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 24/09/2011 to 30/09/2011 (both days inclusive).
4. Shareholders seeking any information with regard to Accounts are requested to write to the Company at least a week prior to Annual General Meeting so as to enable the management to keep the information ready.

Explanatory Statement under Section 173 of the Companies Act,1956

Item No. 4

Mr. Roshan Jain was appointed as an Additional Director of the Company with effect from 17th January, 2011.

In terms of Section 260 of the Companies Act, 1956 Mr. Jain holds the office only up to the conclusion of the ensuing Annual General Meeting. Notices have been received from some shareholders, proposing the candidature of Mr. Jain for the office of a Director in accordance with the provisions of section 257 of the Companies Act, 1956.

The Board desired that the Company continues to avail of the services of Mr. Jain and commends resolution 4 for acceptance by the Members.

None of the Directors except Mr. Roshan Jain is concerned or interested in the Resolution.

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 : 16th August, 2011



DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting 38th Annual Report and the Audited Statement of Accounts of your Company for the year ended 31st March, 2011.

FINANCIAL RESULTS:

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

	(Rs. In lacs)	
	Year Ended 31.03.2011	Year Ended 31.03.2010
Sales and other Income	945.71	926.13
Gross Profit for the year before Depreciation & Taxation	60.71	193.35
Depreciation	6.22	4.72
Profit Before Taxation	54.48	188.63
Provision for Taxation (net)	9.38	28.05
Deferred Tax	(0.29)	(0.79)
Net Profit	45.40	161.36

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. Rikeen P. Dalal, a Director retires by rotation and being eligible offers himself for re-appointment.

Mr. Vithal Dahake, Director resigned from the Board on 17th January, 2011. Your Directors wish to place on record their appreciation for the services rendered by Mr. Dahake during his tenure as a Director of the Company.

Mr. Roshan Jain was appointed as an Additional Director of the Company on 17th January 2011. By virtue of the provision of Section 260 of the Company's Act 1956, he shall hold office only upto the conclusion of this Annual General Meeting. The Company has received Notice in writing from members of the Company proposing his appointment as Director in accordance with provisions of Section 257 of the Companies Act, 1956.

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

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 given. The Company has neither earned nor spent any foreign exchange during the accounting year ended 2010 - 11.



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:

Shareholders are requested to appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting. The retiring Auditors M/s. S. P. Jain & Associates, Chartered Accountants., being eligible, offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 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 2011 and of the Profit & Loss of the Company for the period April 1st 2010 to March 31st 2011.
- 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 16th August'2011 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 : 16th August, 2011.



MANAGEMENT DISCUSSION AND ANALYSIS

A) Industry Structure and Development :

The Indian economy registered a healthy growth of 8.60% in 2010-11 vis-à-vis 8.00% in 2009-10. Higher growth was achieved despite a slight slow-down witnessed during the second half of the year, particularly in the industrial sector. Credit growth not supported by commensurate deposit growth created considerable liquidity pressures in the Banking system in the second half of the year, with one year Bank FD rates crossing 10.00% in March 2011.

In spite of a fragile global economic recovery and rupee appreciation (of about 4% against the dollar), exports grew by 37.50%, exceeding USD 245 Billion - especially in value-added exports-which aided the performance of the economy. Conversely, imports grew by 21.60% thus easing the pressure on Current Account Deficit.

The Reserve Bank of India (RBI) has now pegged the base-line GDP growth for this fiscal at 8.00%, considerably lower than that suggested during the budget announcements which was close to 9.00%.

Doing away with its calibrated baby steps approach, RBI increased the repo rate by 50 basis points to rein in inflation, which at 9.00% is far higher than the RBI's comfort zone of 6.00%. Though the central bank expects inflation to remain at the elevated level of 9.00% during the first half of the current fiscal, its objective is to bring it down to 6.00% by March 2012. It is not clear how the inflation rate will come down since the factors igniting inflation are supply side factors which can only be corrected with investments enhancing productivity, both in agriculture and infrastructure. Nevertheless, a key outcome of liquidity tightening measures by the RBI has been a firming up of interest rates. The RBI in its policy statement on 3rd May 2011 has clearly indicated that inflation control in the current environment takes precedence over growth. Higher international crude prices, rising interest rates, unabated domestic inflation and possible slippages in the fiscal deficit forecasts pose substantial down-side risks for equity investors. The markets were surprisingly resilient, till the end of April 2011, given the negative news both on the economic and political platform. Post the RBI policy announcement the market has begun the process of discounting the impact of the factors which will have a negative impact on earnings growth in FY 2011-12. Analyst forecasts of earnings growth for FY 2011-12 have yet to start bearing downward revisions.

B) Opportunities and Threats :

More and more investors are deserting the long term investments philosophy in the country.

This is not good for the country in the long run. An analysis done by one broking firm reveals that Options market now controls 64 per cent of the trading volume on the bourses followed by Futures 32.5 per cent while Cash segment now accounts for a mere 3.6 per cent of the trading Volume. This is the lowest in the lifetime of the Indian Markets. This trend clearly suggest that Investors are doing more speculative trading rather than investing for the long term. The whole investment cycle has now shrunk to Intra-day and Intra-hours.



The Sensex, that dearly idolized market barometer, jumped from 1,900 to 20,389 between 1991 and 2011, scaling dizzy heights and hitting stomach-churning free falls along the way. This epic journey of the Indian equity markets since 1991 is actually a tale of two stories – rise of the new age sectors, and the fall and rise of the old economy. You will be rightly amazed by a comparison of the present numbers with those of the past. The combined market cap of all the listed entities rose 80 times from Rs.87,021 crore in December, 1991 to Rs.7,299,048 crore in December, 2010. The aggregate earnings of the corporate sector in the year 1990-91 were a mere Rs.9,135 crore, which is roughly equal to the earnings of State Bank of India on a standalone basis for the year 2009-10.

For a Company of our size, this situation therefore has a lot of potential, but at the same time it needs to be dealt with a degree of caution for the near-term future.

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

There are high chances that RBI in its next two monetary policies can raise interest rate by 50 basis point each to curtail inflation. GDP forecast can be lower than 8% in FY-11-12.

External demand too may slow, if global recovery slackens. Inevitably, the progress of the monsoon, inflation and the Consequential impact on interest rates and domestic demand, will all have a major bearing on India's economic growth in 2011-12.

Since the start of the current financial year (2011-12), the BSE Sensex has shown a declining trend from the level of 19,500 as on March 31, 2011 partly due to similar trends in foreign markets. It is difficult to predict the trend of the stock market during the rest of the year partly due to the unpredictability of capital inflows or outflows.

F) Internal Control Systems and their Adequacy

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

G) 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, 2011.

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 2010 – 2011, the Board met Seven times. The Board meetings were held on (1) 29th April, 2010, (2) 30th July, 2010, (3) 23rd August, 2010, (4) 21st October, 2010, (5) 17th January, 2011 (6) 25th January, 2011 and (7) 28th March, 2011

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	Nil	7	7	Yes
Shri Rikeen P. Dalal	Promoter NED	Nil	Nil	Nil	2	7	7	Yes
Dr.C.A. Varghese	Independent NED	Nil	1	Nil	2	7	4	No
Mr. Roshan Jain	Independent NED- appointed w.e.f. 17.01.2011	28000	Nil	1	Nil	7	3	N.A.
Mr. Vithal Dahake	Independent NED– Resigned w.e.f. 17.01.2011.	Nil	Nil	1	Nil	7	4	No



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
2. Date of Birth	15.03.1963	04.06.1973
3. Date of Appointment	02.09.1994	17.01.2011
4. Experience in specific areas	25 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.
5. Academic Qualifications	B.com	B.com
6. Directorship in Other Companies	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 and financial studies.

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. The Chairman of the Audit committee was Mr. Vithal Dahake, an Independent Director up to 17.01.2011. There after Mr. Roshan Jain has become Chairman of the Audit Committee.

Audit Committee meetings were held on (1) 29th April, 2010, (2) 30th July, 2010, (3) 21st October, 2010, and (4) 25th January, 2011.

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. Vithal Dahake –upto 17.01.2011	Chairman	4	3
Mr. Roshan Jain – w.e.f. 17.01.2011	Chairman	4	1
Dr. C.A. Varghese	Member	4	4
Shri. Rikeen P. Dalal	Member	4	4

The terms of reference in powers of the Audit Committee are as per Clause 49 of the Listing Agreement



and also as per the provisions of 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) Remuneration Committee

The Company does not have a Remuneration Committee.

5) Investors'/ Share Holders' Grievances Committee

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

Member	Position	No. of Meetings attended
Smt. Tej.P.Dalal	Member	4
Dr. C.A. Varghese	Member	2
Shri. Rikeen P. Dalal	Chairman	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 31/03/2011
1)	Non receipt of Annual Report	4	4	Nil
2)	Complaints relating to Dematerialisation of Shares	Nil	Nil	Nil
3)	Non – receipt of Shares certificates After transfer / duplicate / Name correction	4	4	Nil
4)	Others	4	4	Nil
TOTAL		12	12	Nil

6) General Body Meeting

Date of AGM	Financial Year	Venue/Location	Time of Meeting
25-9-2008	2007– 2008	Sachivalaya Gymkhana, Jagannathrao Bhosle Marg, Mumbai	11.00 a.m.
30-9-2009	2008– 2009	Ahmedd A.Fazelbhoy Pvt. Ltd. Sunville, 9 Dr. Annie Besant Road, Worli, Mumbai.	11.00 a.m.
30-9-2010	2009– 2010	Ahmedd A.Fazelbhoy Pvt. Ltd. Sunville, 9 Dr. Annie Besant Road, Worli, Mumbai.	11.00 a.m.

SPECIAL RESOLUTION PASSED :

- In 2007 – 2008 AGM:
 - No Special Resolution was passed in this AGM.



2. In 2008 – 2009 AGM:
 - No Special Resolution was passed in this AGM .
3. In 2009– 2010 AGM:
 - No Special Resolution was passed in this AGM .

7) 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 Schedule 13 Notes to Accounts for the year ended 31st March, 2011.
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 under 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, 2011.

8) 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 Lakshadeep / Mumbai Mittr / Mumai 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.

9) General Shareholder Information

- | | | |
|-------------------------------------|---|---|
| a. AGM Day, Date, Time | : | Friday, 30th September, 2011 at 11.00 a.m. |
| Venue | : | A, Fazelbhoy Private Limited, Sunville, 9 Dr. Annie Besant Road, Worli, Mumbai - 400018 |
| b. Financial Calendar (Tentative) | : | 01.04.2011 to 31.03.2012 |
| 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 April |
| c. Book Closure Period | : | 24.09.11 to 30.09.11 (both days inclusive) |
| d. Dividend Payment Date | : | Not Applicable |

**Listing on Stock Exchanges**

Sr. No.	Name of the Stock Exchange	Code No.
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 2010 – 2011.

Market Price Data

High/Low of the Company's Shares traded in the Stock Exchange, Mumbai, during the financial year 2010- 2011 is furnished below:

Month & year	Company's Share Price	
	High	Low
April 2010	9.48	5.80
May 2010	7.25	5.71
June 2010	8.39	5.90
July 2010	8.92	6.14
August 2010	11.33	6.80
September 2010	9.35	7.50
October 2010	8.82	6.50
November 2010	11.40	7.99
December 2010	11.17	8.45
January 2011	13.20	10.55
February 2011	11.55	9.46
March 2011	9.92	8.60

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-23, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai – 400 072. Tel No. 022 – 4043 0200 .

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 30 days from the date of receipt.

**Shareholding Pattern of the Company as on 31st March, 2011.**

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	75,754	2.52
D	Indian Public	6,74,532	22.49
E	NRI's / OCB's	14	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	1828	87.42	2,58,737	8.62
5001 to 10000	126	6.03	1,00,717	3.36
10001 to 20000	66	3.16	99,663	3.32
20001 to 30000	37	1.77	99,758	3.32
30001 to 40000	9	0.43	32,077	1.07
40001 to 50000	7	0.33	31,413	1.05
50001 to 100000	3	0.14	21,509	0.72
100001 to 99999999	15	0.72	23,56,226	78.54
	2091	100 %	30,00,100	100%

Dematerialization of Shares and Liquidity :

88.17% of Company's Equity Shares have been dematerialized as on 31st March, 2011.

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

10. 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 : 16th August, 2011.

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 Member 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.

Place : Mumbai.

Dated: 16th August, 2011

For P.H. Capital Limited

Rikeen P. Dalal
Director



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, 2011. 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 Seven times respectively on 29th April,2010, 30th July, 2010, 23rd August, 2010, 21st October, 2010, 17th January, 2011, 25th January, 2011 and 28th March, 2011 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, 2010 to 30th September, 2010 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, 2010 was held on 30th September, 2010 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 and the appointment of Additional Director has been duly made.
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 Company has not made any borrowings during the financial year ending 31st March, 2011.
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 company has not deducted any contribution towards provident fund during the year under scrutiny.

Place: Mumbai
Dated: 16th August, 2011

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

Dated: 16th August, 2011

Grishma Khandwala

Company Secretary

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, 2011.

*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.	Annual Report Form 23AC &ACA	Section 220	For the year ending 31-3-2010 adopted in Annual General Meeting held on 30-09-2010	14/10/10	Yes	No
2.	Compliance Certificate Form 66	Section 383A	For the year ending 31-3-2010 adopted in Annual General Meeting held on 30-09-2010	14/10/10	Yes	No
3.	Annual Return Form 20B	Section 159	Upto the date of Annual General Meeting Held on 30-09-2010	09/11/2010	Yes	No
4.	Form 32	Section 264(2) & 302 (2)	<ul style="list-style-type: none">• Appointment of Additional Director Mr. Roshan Jain w.e.f. 17.01.2011• Resignation of Mr. Vithal Dahake w.e.f. 17.01.2011	07/02/2011	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 : 16th August, 2011



AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To

**The Members of
P.H.CAPITAL LIMITED**

We have examined the compliance of conditions of Corporate Governance by P.H.CAPITAL LIMITED, for the year ended 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As per the records maintained by shareholders committee and according to the information and explanation provided to us, we state that no Investor grievance is pending as at 31st March 2011.

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

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

KAPIL K. JAIN
(PARTNER)
Membership No. 108521

Place : Mumbai.

Date : 16th August, 2011.



AUDITOR'S REPORT

To,
The Members,
P.H.CAPITAL LIMITED

We have audited the attached Balance Sheet of **P.H.CAPITAL LIMITED**, Mumbai as at 31st March, 2011 and the Profit and Loss Account and also the Cash Flow Statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements based on our audit.

1. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall Financial Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of Sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in Annexure hereto a Statement on the matters specified in paragraph 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that:
 - (a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of accounts, as required by law, have been kept by the Company, so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion, Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standard referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (e) In our opinion, and to the best of our information and explanations given to us none of the directors are disqualified as on 31st March, 2011 from being appointed as directors in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view, in conformity with the accounting principles generally accepted in India :
 - (i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (ii) In so far as it relates to the Profit and Loss Account, of the Profit of Company for the year ended on that date and;
 - (iii) In the case of Cash Flow Statement, of cash flow for the year ended on that date.

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

KAPIL K. JAIN
(PARTNER)
Membership No. 108521

Place : Mumbai.
Date : 16th August, 2011.



ANNEXURE TO AUDITORS' REPORT

(Referred to in Paragraph 2 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 effect 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. Three) parties covered in the register maintained U/s. 301 of the Companies Act, 1956 aggregating to Rs. 753.15 lacs (P.Y. Rs. 446.12 lacs) during the year and year End balance is Rs. 68.55 lacs (Previous Year 201.34 lacs).

The Company has not granted any loans 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. 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, 2011 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 (Rs.in Lacs)	Forum where	Amount
1	Income Tax Act	Income Tax	CIT (A)	8,43,938
2	Income Tax Act	Income Tax (Penalty)	CIT (A)	17,17,108

- 10. The Company has accumulated losses of Rs. 250.53 lacs at the end of the financial year which is more than the 50% of its Net worth. It has not incurred any cash loss during the year nor in the immediately preceding previous 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**,
Firm Reg. No. 103969W
CHARTERED ACCOUNTANTS

KAPIL K. JAIN
(PARTNER)
Membership No. 108521

Place : Mumbai.
Date : 16th August, 2011.

**BALANCE SHEET AS AT 31ST MARCH, 2011**

	Schedule No.	AS AT 31.3.2011 Rs.	AS AT 31.3.2010 Rs.
SOURCES OF FUNDS :			
SHAREHOLDERS FUNDS			
Share Capital	1	30,001,000	30,001,000
Reserves and Surplus		-	-
LOAN FUNDS			
Secured Loans	2	3,287,148	-
Unsecured Loans	3	6,854,923	20,134,191
DEFERRED TAX LIABILITY		<u>1,112,329</u>	<u>1,141,310</u>
TOTAL		<u>41,255,400</u>	<u>51,276,501</u>
APPLICATION OF FUNDS :			
FIXED ASSETS			
Gross Block	4	11,281,173	6,585,553
Less : Depreciation		<u>2,826,743</u>	<u>2,204,535</u>
Net Block		8,454,430	4,381,018
INVESTMENTS	5	200	200
CURRENT ASSETS LOANS & ADVANCES			
Stock In Trade	6	5,505,396	16,263,036
Cash & Bank Balances	7	822,707	298,896
Loans & Advances	8	<u>2,673,155</u>	<u>4,300,264</u>
		9,001,258	20,862,196
Less : Current Liabilities and Provisions :	9		
Liabilities		243,988	426,216
Provisions		<u>1,009,103</u>	<u>3,133,000</u>
		1,253,091	3,559,216
NET CURRENT ASSETS		<u>7,748,167</u>	<u>17,302,980</u>
Balance as per Profit and Loss Account		<u>25,052,603</u>	<u>29,592,303</u>
TOTAL		<u>41,255,400</u>	<u>51,276,501</u>

NOTES TO ACCOUNTS**13**

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 : 16th August, 2011

Place : Mumbai
Date : 16th August, 2011

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

	SCHEDULE NO.	2010 - 2011 Rs.	2009 - 2010 Rs.
INCOME			
Sales		94,405,594	91,964,393
Other Income	10	165,245	648,885
TOTAL		<u>94,570,839</u>	<u>92,613,278</u>
EXPENDITURE			
Cost of Sales	11	83,666,727	67,492,907
Administrative and Other Expenses	12	4,833,583	5,785,307
Depreciation	3	622,208	472,340
TOTAL		<u>89,122,518</u>	<u>73,750,554</u>
PROFIT/(LOSS) BEFORE TAX		5,448,321	18,862,724
PROVISION FOR TAX			
Less: Income Tax		825,000	3,065,000
Add: Deffered Tax Assets		28,981	79,012
Less : Short provision for taxation		157,525	66,202
Add : Excess provision for taxation		44,922	324,769
PROFIT/(LOSS) AFTER TAX		<u>4,539,700</u>	<u>16,135,303</u>
Balance as per Last Accounts		(29,592,303)	(45,727,606)
BALANCE CARRIED TO BALANCE SHEET		<u>(25,052,603)</u>	<u>(29,592,303)</u>
Basic / Diluted Earning per Share (Face value Rs. 10/- each) (Refer Note No.12 of Schedule 13)		1.51	5.38
NOTES TO ACCOUNTS	13		

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 : 16th August, 2011

Place : Mumbai
Date : 16th August, 2011



Schedules 1 to 13 annexed to and forming part of Balance Sheet as at 31st March, 2011 and Profit & Loss Accounts for the year ended on that date.

	AS AT 31.3.2011 Rs.	AS AT 31.3.2010 Rs.
SCHEDULE - 1		
SHARE CAPITAL		
AUTHORISED :		
4,000,000 Equity Shares of Rs.10/- each	<u>40,000,000</u>	<u>40,000,000</u>
ISSUED , SUBSCRIBED AND PAID UP :		
3,000,100 Equity Shares of Rs.10/- each fully paid up	<u>30,001,000</u>	<u>30,001,000</u>
TOTAL	<u>30,001,000</u>	<u>30,001,000</u>

Note : Of the above equity shares, 1,180,000 shares were allotted as fully paid up bonus shares by capitalisation of revaluation reserve and free reserves.

SCHEDULE - 2**SECURED LOANS**

Car Loan-ICICI Bank Ltd.

(Secured by Hypothication of a Motor Car)

	<u>3,287,148</u>	<u>-</u>
TOTAL	<u>3,287,148</u>	<u>-</u>

SCHEDULE - 3**UNSECURED LOANS**

Inter Corporate Loan (Include Interest Accrued & due)

(Due to a Company under same Management)

	<u>6,854,923</u>	<u>20,134,191</u>
TOTAL	<u>6,854,923</u>	<u>20,134,191</u>



SCHEDULE - 4
FIXED ASSETS

(Amt. in Rupees)

DESCRIPTION	GROSS BLOCK AT COST			DEPRECIATION				NET BLOCK		
	AS AT 31.03.2010 Rupees	ADDIT- IONS Rupees	DEDU- CTIONS Rupees	AS AT 31.03.2011 Rupees	UPTO 31.03.2010 Rupees	FOR THE YEAR Rupees	DEDU- CTIONS Rupees	UPTO 31.03.2011 Rupees	AS AT 31.03.2011 Rupees	AS AT 31.03.2010 Rupees
Office Premises	4,214,422	-	-	4,214,422	1,128,921	68,695	-	1,197,616	3,016,806	3,085,501
Leasehold Improvements	1,526,425	-	-	1,526,425	610,570	305,285	-	915,855	610,570	915,855
Office Equipments	328,300	80,530	-	408,830	177,889	18,015	-	195,904	212,926	150,411
Computers	516,406	4,460	-	520,866	287,155	83,810	-	370,965	149,901	229,251
Vehicles	-	4,610,630	-	4,610,630	-	146,403	-	146,403	4,464,227	-
TOTAL	6,585,553	4,695,620	-	11,281,173	2,204,535	622,208	-	2,826,743	8,454,430	4,381,018
PREVIOUS YEAR	6,574,603	10,950	-	6,585,553	1,732,195	472,340	-	2,204,535	4,381,018	-

* Refer Note No. 4 of Notes to Accounts - Schedule '13'.



	AS AT 31.3.2011 Rs.	AS AT 31.3.2010 Rs.
SCHEDULE - 5		
INVESTMENTS (LONG TERM)		
A) EQUITY (UNQUOTED)- FULLY PAID :		
2 Equity Shares of Rs.100/- each in Indian Silk Manufacturing Company Pvt.Ltd.	200	200
	<u>200</u>	<u>200</u>
TOTAL	<u><u>200</u></u>	<u><u>200</u></u>

Mutual Funds Purchased & Sold/Redeemed during the year

Particulars	Units	Cost (Rs.)
B47 Birla Sunlife Cash Manager IP daily Dividend Reinvestment (Face value Rs. 10.0030)	2,291,787.89	22,924,754

SCHEDULE - 6

INVENTORIES

Stock In Trade - Shares (At Cost or Market Value Whichever is lower)	5,505,396	16,263,036
TOTAL	<u><u>5,505,396</u></u>	<u><u>16,263,036</u></u>

SCHEDULE - 7

CASH & BANK BALANCES

Cash on Hand	40,364	203,012
Balances in Current Accounts :		
With Scheduled Banks	782,343	95,884
TOTAL	<u><u>822,707</u></u>	<u><u>298,896</u></u>



	AS AT 31.3.2011 Rs.	AS AT 31.3.2010 Rs.
SCHEDULE - 8		
<u>LOANS & ADVANCES</u>		
(Unsecured but considered Good)		
Advances recoverable in cash or in kind or for value to be received	99,477	26,586
(Unsecured but considered Doubtful)		
Advances recoverable in cash or in kind or for value to be received	355,000	355,000
Less : Provision for bad & doubtful advances	<u>(355,000)</u>	<u>(355,000)</u>
	-	-
Sundry Deposits	34,000	34,000
Advance Payments of Income Tax Inclusive of TDS	2,539,678	4,239,678
TOTAL	<u>2,673,155</u>	<u>4,300,264</u>
SCHEDULE - 9		
<u>CURRENT LIABILITIES & PROVISIONS :</u>		
<u>CURRENT LIABILITIES</u>		
Sundry Creditors and other Liabilities	243,988	426,216
	<u>243,988</u>	<u>426,216</u>
<u>PROVISIONS</u>		
Provisions for Taxation	1,009,103	3,133,000
	<u>1,009,103</u>	<u>3,133,000</u>
TOTAL	<u>1,253,091</u>	<u>3,559,216</u>



	2010 - 2011		2009 - 2010	
	Rs.		Rs.	
SCHEDULE -10				
OTHER INCOME				
Dividend Earned :				
On Equity Shares	133,700		308,780	
On Mutual Funds	<u>24,754</u>	158,454	<u>-</u>	308,780
Miscellaneous Income		1,682		-
Excess Provision of Expenses		-		649
Interest Received (Prior period)		-		75,548
Profit on Derivatives		5,109		48,830
Profit on Redemption of Mutual Fund		-		<u>215,078</u>
TOTAL		<u>165,245</u>		<u>648,885</u>
SCHEDULE -11				
COST OF SALES				
Opening Stock	16,263,036		13,460,261	
Add: Purchase of Shares	<u>72,909,087</u>		<u>70,295,682</u>	
	89,172,123		83,755,943	
Less: Closing Stock	<u>5,505,396</u>		<u>16,263,036</u>	
Cost of Sales		<u>83,666,727</u>		<u>67,492,907</u>
SCHEDULE - 12				
ADMINISTRATIVE EXPENSES				
Staff Cost :				
Salary & Bonus	1,492,829		1,500,420	
Staff Welfare	<u>26,224</u>	1,519,053	<u>28,715</u>	1,529,135
Lease Rent		108,000		108,000
Advertisement Expenses		30,545		21,202
Professional fees		235,965		355,931
Printing & Stationery		97,432		51,345
Auditor's Remuneration :				
Audit Fees	52,117		34,745	
Expenses	<u>1,358</u>	53,475	<u>597</u>	35,342
Loss in speculation of shares		-		3,487
Registrar & Transfer Agent Fees		43,591		47,712
Office Expenses		57,944		84,182
Electricity Expenses		101,561		119,650
Listing Fees		19,303		19,651
Filing Fees		2,200		1,500
Vehicle Charges		77,986		-
Travelling Expenses		408,233		244,294
Repairs and Maintenance		299,576		299,932
STT on shares		209,173		192,708
Interest		1,065,757		1,847,915
Professional Tax		2,500		2,500
Provision for Bad & doubtful advances		-		355,000
Miscellaneous expenses		<u>501,289</u>		<u>465,822</u>
TOTAL		<u>4,833,583</u>		<u>5,785,307</u>

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011**

	AS AT 31-03-2011 Rs.	AS AT 31-03-2010 Rs.
A CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	5,448,321	18,862,723
ADJUSTMENTS FOR :		
Depreciation	622,208	472,340
Provision for Doubtful Debt	-	355,000
Interest received	-	(75,548)
Dividend received	(158,454)	(308,780)
Excess Provision of Expenses	-	(649)
Interest paid	1,065,757	1,847,915
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	6,977,832	21,153,004
ADJUSTMENTS FOR :		
Debtors	-	2,182,820
Stock-in-Trade	10,757,640	(2,802,775)
Loans and Advances	2,427,110	(191,787)
Trade Payables and Provisions	(3,243,728)	(331,015)
CASH GENERATED FROM OPERATION	16,118,854	20,010,246
DIRECT TAXES (PAID)/REFUND	(800,000)	(2,500,000)
CASH FLOW BEFORE EXTRAORDINARY ITEMS		
NET CASH FROM OPERATING ACTIVITIES	16,019,103	17,510,246
B CASH FLOW FROM INVESTING ACTIVITIES		
PURCHASE OF FIXED ASSETS	(4,695,620)	(10,950)
SALE OF INVESTMENTS	-	7,500,000
INTEREST RECEIVED	-	75,548
DIVIDEND RECEIVED	158,454	308,780
NET CASH FROM INVESTING ACTIVITIES	(4,537,166)	7,873,378
C CASH FLOW FROM FINANCING ACTIVITIES :		
SECURED LOANS TAKEN	3,287,148	-
UNSECURED LOANS TAKEN/(REPAYMENT)	(13,279,268)	(24,344,300)
INTEREST PAID	(1,065,757)	(1,847,915)
	(11,057,877)	(26,192,215)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	523,811	(808,591)
OPENING CASH AND CASH EQUIVALENTS	298,896	1,107,487
CLOSING CASH AND CASH EQUIVALENTS	822,707	298,896

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
PARTNER
(M. No. 108521)

(RIKEEN P. DALAL)
DIRECTOR

(TEJ P. DALAL)
DIRECTOR

Place : Mumbai
Date : 16th August, 2011

Place : Mumbai
Date : 16th August, 2011



SCHEDULE – 13

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

I. 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 adjusted by revaluation in case of Office Premises.
 - (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.
- (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.

II. NOTES ON ACCOUNTS:

1. Previous Year's figures have been regrouped / rearranged wherever necessary.
2. Contingent Liability:
Claims against the company not acknowledged as debts in respect of relief towards Matter pending with CIT(A) Income Tax Tribunal for Rs. 25.61 Lacs. (Previous Year Rs. 25.61 Lacs.)
3. The company does not have any dealings with any enterprise under the Micro, Small and Medium Enterprises Development Act, 2006.
4. 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.
5. Auditor's Remuneration

	2010-2011	2009 -2010
i) Audit Fees	52,117	34,745
ii) Audit Expenses	1,358	597
iii) Tax Matters	16,545	-
TOTAL	70,020	35,342

6. Quantitative details of Securities held as stock-in-trade (Equity Shares)

	2010 - 2011		2009 - 2010	
	Qty.	Rupees	Qty.	Rupees
Opening Stock	80175	16263036	135339	13460261
Purchases	524575	72909086	751511	70295682
Sales	586600	94405593	806675	91964393
Closing Stock	18150	5505396	80175	16263036

7. Stock in trade as on 31st March 2011:

S.No.	Script	2010 - 2011		2009 - 2010	
		Qty	Rupees	Qty.	Rupees
1.	E I D Parry Ltd.	8150	590264	4075	590264
2.	Bajaj Finance Ltd. (BAFL)	5000	2529382	-	-
3.	BGR Energy System Ltd.	5000	2385750	-	-
4.	Arshiya International Ltd.	-	-	41100	3360108
5.	Selan Exploration Ltd.	-	-	35000	12312664
	TOTAL	18150	5505396	80175	16263036



8. Prior Period Items .

	2010-2011	2009 -2010
i) Leave Salary	NIL	86,683

9. 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.

10. In the opinion of the management the company is mainly engaged in the business of Capital Market Activities and all other activities of the Company revolve around the main business, and as such, there are no separate reportable segments.

11. Related party disclosures:

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
- ii) Tej P. Dalal

(Amt. in Rs.)

Nature of Transactions		Enterprises over which major Shareholders Exercises Significant Influence	Key Management Personnel	Relatives of Key Management Personnel
A) (I) Loan Transaction				
Taken				
During the year	C.Y. CR	7,53,15,060	—	—
	P.Y. CR	(4,46,12,701)	—	—
Closing Balances	C.Y. CR	68,54,923	—	—
	P.Y. CR	(2,01,34,191)	—	—
(II) Advances				
	C.Y. DR	1,99,750	—	—
	P.Y. DR	—	—	—
Closing Balances	C.Y. DR	—	—	—
	P.Y. DR	—	—	—



B) <u>Interest Paid</u>	C.Y.	9,67,768	—	—
	P.Y.	(18,47,446)	—	—
C) <u>Lease Rent</u>	C.Y.	1,08,000	—	—
	P.Y.	(1,08,000)	—	—
D) <u>Reimbursement of Expenses</u>	C.Y.	52,048	NIL	—
	P.Y.	(1,47,001)	(1,80,119)	—
E) <u>Reimbursement of Electricity Expenses</u>	C.Y.	1,01,561	—	—
	P.Y.	(1,19,650)	—	—
F) <u>Advances for Expenses & Received Back during the year</u>	C.Y.	—	1,89,043	—
	P.Y.	—	(1,84,703)	—

12. Earning per share as per Accounting Standard 20:

	2010-2011	2009 -2010
Profit/(Loss) attributable to the Shareholders.	45,39,700	1,61,35,302
Equity share of Rs.10/- each (Nos.)	3000100	3000100
Basic / Diluted Earning Per share (Rs.)	1.51	5.38

13. Major components of deferred tax assets and liabilities arising on account of timing differences are:

The Deferred Tax Assets & Liabilities as at 31/03/2011 comprise the following

	Assets/ (Liabilities)	Assets/ (Liabilities)
	2010- 2011	2009- 2010
Depreciation	28,981	79,012
Reversal of Deferred Tax Assets Carried Forwards Losses/Dep. Created earlier.	—	—
Total Deferred Tax Assets / (Liability) (Net)	28,981	79,012

Note : Deferred Tax Assets on loss carried forward of the previous year is not recognized in absence of certainty about future taxable profits.



14. Additional information pursuant to the provisions of Part IV of Schedule VI to the Companies Act, 1956.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.	16436	State Code	11
Balance Sheet Dt.	31-3-2011		

II. Capital Raised during year (Amount in Rs. Thousands)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placements	NIL

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

Total Liabilities	41255	Total Assets	41255
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Source of Funds

Paid-up Capital	30001	Reserves & Surplus	NIL
Secured Loans	3287	Unsecured Loans	6855
Deferred Tax Liability	1112		

Application of Funds

Net Fixed Assets	8454	Investments	0
Net Current Assets	7748		
Accumulated Losses	25053	Misc. Expenditure	NIL

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

Turnover & Other Income	94571	Total Expenditure	89280
Profit/Loss Before Tax	5448	Profit/Loss After Tax	4540
Earning Per Share in Rs.	1.51	Dividend Rate	—

V. Generic Names of Three Principal Products/Services of Company (As per monetary terms)

Item Code No.	Not Applicable
Product Description	Not Applicable

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 : 16th August, 2011

Place : Mumbai
Date : 16th August, 2011



P. H. CAPITAL LIMITED

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

PROXY FORM

I/We _____
Regd. Folio No. _____ D.P. ID No. * _____ of _____ & Client ID No.*
_____ of _____

* Applicable for members holding shares in electronic form.
being a member of P.H. Capital Limited, MUMBAI hereby appoint _____
_____ of _____ or failing
him _____ of _____ or failing him
_____ of _____

as my/our proxy to attend and vote for me/us on my/our behalf at the 38th Annual General Meeting of the
Members of the Company to be held on 30th September, 2011 at 11.00 a.m. at any adjournment thereof.
As witness my/our hand(s) this _____ day of _____ 2011.

Signed by the said _____

Affix
Re. 1/-
Revenue
Stamp

Note: The proxy from must be deposited at the Registered Office of the Company not less than 48 hours
before the time for holding aforesaid meeting.

.....Tear Here.....



P. H. CAPITAL LIMITED

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

ATTENDANCE SLIP

(Please present this slip at the entrance of the meeting hall)

I hereby record my presence at the 38th Annual General Meeting of the Company held at the Ahmed A.
Fazalbhoy Private Limited , Sunville, 9 Dr. Annie Besant Road, Worli, Mumbai 400 018 on 30th day of
September, 2011 at 11.00 a.m.

Ledger Folio No.: _____ / DP No. * _____ & Client ID
No. * _____ No. of Share _____

* Applicable for members holding shares in electronic form.

Name of the Shareholder _____

Address _____

(Signature of Member / Proxy)

(To be signed at the time of handing over at the Meeting)

38th Annual Report
2010-2011



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
Dr. C. A. Varghese	Director
Vithal M. Dahake	Director [up to 17.01.2011]
Roshan Jain	Director [w.e.f. 17.01.2011]

AUDITORS

S. P. Jain & Associates
Chartered Accountants

BANKERS

HDFC Bank Limited.
Corporation Bank

REGISTERED OFFICE

5D, Kakad House, 5th Floor, 'A' Wing,
Sir Vithaldas Thackersey Marg,
New Marine Lines,
Mumbai - 400 020.
Tel No. 022 - 2201 9473.
Fax NO. 022 – 2201 2105.

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.