




FORM A
(Pursuant to Requirement under Clause 31 of Listing Agreement)

1.	Name of the Company	PMC Fincorp Limited (Formerly Priti Mercantile Company Limited)
2.	Annual Financial Statements for the year ended	31 st March, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	Signed by  Raj Kumar Modi (Managing Director)  Manmohan Goyal Partner, M.M. Goyal & Co. Statutory Auditors  V.B. Verma Chairman Audit Committee	



PMC Fincorp Limited

30th Annual Report 2014-15



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30th ANNUAL GENERAL MEETING	
DATE	28.09.2015
DAY	Monday
TIME	3:30 P.M.
PLACE	Modipur Hotel, Bareilly Road, Rampur, Uttar Pradesh-244901



CORPORATE INFORMATION

<u>BOARD OF DIRECTORS</u>		
Mr. Raj Kumar Modi	DIN : 01274171	Managing Director
Mrs. Rekha Modi	DIN : 01274200	Director
Mr. Pramod Gupta	DIN : 03174350	Director
Mr. V. B. Aggarwal	DIN : 02852498	Director
<u>STATUTORY AUDITORS</u>		CIN L27109UP1985PLC006998
M/s M. M. Goyal & Co. Chartered Accountants, Firm Registration No.007198N 208, Allied House, Inderlok, Delhi-110035.		Date of Incorporation 6998 of 1985 dated 04.02.1985
		Commencement of Business 6998 of 1985 dated 15.04.1985
		PAN AADCP1611J
<u>INTERNAL AUDITORS</u>		<u>SECRETARIAL AUDITORS</u>
M/s. Krishan K Aggarwal & Associates Chartered Accountants, Firm Registration No.019471N 1301, Padma Tower - 1, Rajendra Place, New Delhi		M/s Ashu Gupta & Co., Company Secretaries FCS No.:4123, CP No.: 6646 204A, Second Floor, S.B.I. Building, 23, Opp. DLF Tower, Shivaji Marg, New Delhi-110015
<u>BANKERS</u>		<u>REGISTRAR & TRANSFER AGENT</u>
HDFC Bank Ltd. ICICI Bank Limited Bank of Baroda		Indus Portfolio Pvt. Ltd. G-65, Bali Nagar, New Delhi - 110 015 Phone : 011-47671214, 47671217 E-mail : bharatb@indusinvest.com
<u>REGISTERED OFFICE</u>		<u>CORPORATE OFFICE</u>
B-10, VIP Colony, Civil Lines, Rampur - 244901 (U.P.)		15/76, 2nd Floor, Old Rajender Nagar, New Delhi - 110 060.
<u>COMPANY SECRETARY</u>		<u>CHIEF FINANCIAL OFFICER</u>
Ms. Nidhi Patahk		Mr. Vijay Kumar Yadav
CONTACT DETAILS		
Tel : 011 - 42436847 Mob : 09810513994		Email : prtimercantile@gmail.com Website : www.pmcfinance.in

IMPORTANT COMMUNICATION TO THE MEMBERS

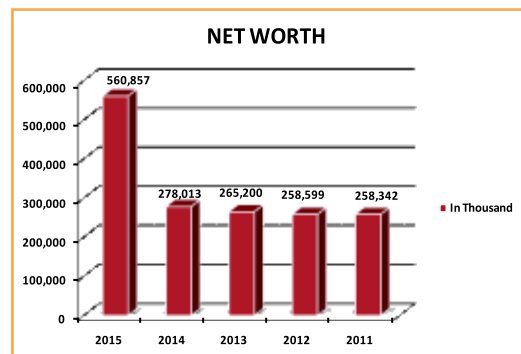
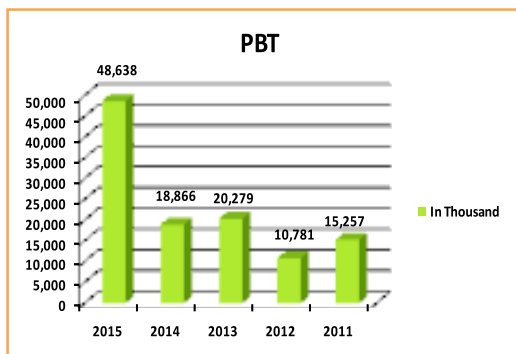
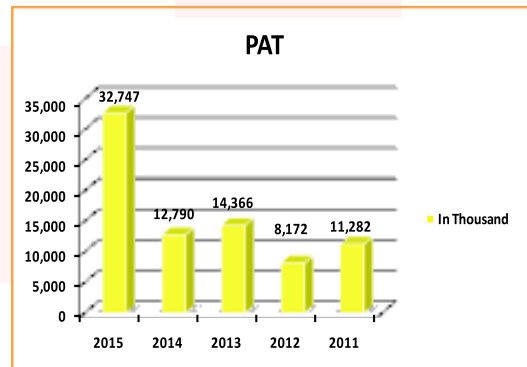
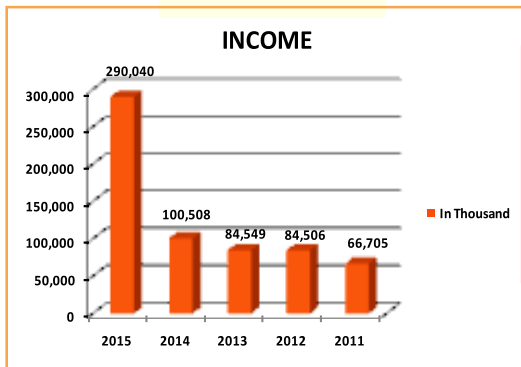
The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of Notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their E-mail addresses, so far, are requested to register their E-mail addresses, with the Registrar & Share Transfer Agent and/or the Company.



LAST FIVE YEARS AT A GLANCE

(₹ in Thousand)

Sl. No.	Particulars/Financial Year	2014-15	2013-14	2012-13	2011-12	2010-11
1	Sales/Income from operation	290040	100508	84549	84506	66705
2	PBT	48638	18866	20279	10781	15257
3	Tax/Deferred Tax	15890	6077	5913	2609	3975
4	PAT	32747	12790	14366	8172	11282
5	Dividend	—	—	5%	5%	10%
6	Equity Capital	243281	240780	133767	133767	89178
7	Reserve & Surpluse	317576	37233	131433	124832	169164
8	Net Worth	560857	278013	265200	258599	258342
9	EPS (₹1/- per share P.Y. ₹5/-)	0.13	0.29	0.53	0.71	1.26
10	Book Value (₹1/- per share P.Y. ₹5/-)	2.31	5.77	9.91	19.33	28.97





NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Members of **PMC FINCORP LIMITED** (formerly PRITI MERCANTILE COMPANY LIMITED) will be held on **Monday, the 28th day of September, 2015 at 03:30 P.M.** at the Modipur Hotel, Bareilly Road, Rampur, Uttar Pradesh-244901 to transact the following business:-

ORDINAY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015 and the statement of Profit & Loss for the year ended on that date, together with the Auditors' and the Directors' Reports thereon.
2. To appoint a director in place of Mrs. Rekha Modi (DIN: 01274200), Director of Company who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint M/s. M.M. Goyal & Co., Chartered Accountants, (Firm Registration Number 007198N) as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting in accordance with the provisions of Section 139 of Companies Act, 2013 and rules there under on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS:

4. To consider and, if thought fit to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and Clause 49 of the Listing Agreement (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) and subject to such other approvals as may be required, **Mr. VISHNU BHAGWAN AGGARWAL (DIN: 02852498)**, who qualifies for being appointed as Independent Director of the Company and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under section 160 of the Act from him signifying own candidature for the office of Director not liable to retire by rotation, be and is hereby re-appointed as an Independent Director of the Company to hold office for a term of 5(five) consecutive years with effect from 30th April, 2015 to 29th April, 2020."

5. To consider and, if thought fit to pass with or without modification(s), the following resolution as **SPECIAL RESOLUTION:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and Clause 49 of the Listing Agreement (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) and subject to such other approvals as may be required, **Mr. PRAMOD GUPTA (DIN: 03174350)**, who qualifies for being appointed as Independent Director of the Company and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under section 160 of the Act from him signifying own candidature for the office of Director not liable to retire by rotation, be and is hereby re-appointed as an Independent Director of the Company to hold office for a term of 5(five) consecutive years with effect from 30th April, 2015 to 29th April, 2020."

6. To consider and, if thought fit to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

"**RESOLVED THAT** pursuant to Section 94 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed, the Registers & Returns required to be maintained by the Company under Section 88 and 92 of the Companies Act, 2013, may be maintained at the Company's Corporate Office at 14/5, Old Rajender Nagar, New Delhi- 110060, with effect from 01st October, 2015.



7. To consider and, if thought fit to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

"**RESOLVED THAT** pursuant to the applicable provisions of the Foreign Exchange Management Act, 1999, as amended ("FEMA"), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended, provisions of the Companies Act, 2013 to the extent notified and in effect, the Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013) (collectively, the "Companies Act") and all other applicable acts, rules, regulations, provisions, circulars and guidelines (including any statutory modifications or re-enactments thereof for the time being in force) and subject to approvals, permissions, and sanctions of the Foreign Investment Promotion Board, the Government of India, Reserve Bank of India and any other regulatory authorities, if required and such conditions as may be prescribed by any of the said authorities while granting such approvals, permissions and sanctions, the consent of the Company be and is hereby accorded to permit foreign institutional investors (including their sub-accounts) ("FIIs")/ foreign portfolio investor ("FPIs"), registered with the Securities and Exchange Board of India to acquire and hold equity shares of the Company under the portfolio investment scheme/ foreign portfolio investment scheme or any other permissible mode under FEMA up to an aggregate limit of 49% of the paid-up equity share capital of the Company."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things and to execute all deeds, documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this Resolution and for any matter connected therewith or incidental thereto and delegating all or any of the powers conferred herein to any Committee, Directors, KMP or Officers of the Company."

"**RESOLVED FURTHER THAT** the Board (including any Committee thereof or any Directors or KMP or Officers of the Company) which the Board may authorise be and is hereby authorised to settle all questions, difficulties or doubts that may arise in relation to the above matter, without being required to seek further consent or approval of the Members or otherwise and the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

By Order of the Board
For **PMC FINCORP LIMITED**

(NIDHIPATHAK)

Company Secretary
Membership No. 31973
R/o. 18/82, 3rd Floor, East
Moti Bagh, Sarai Rohilla,
New Delhi-110007

Place : New Delhi
Date : 25.08.2015

NOTES:

1. A Member entitled to attend and vote at the meeting and is entitled to appoint one or more proxies to attend and vote instead of himself/herself and such proxy need not be a member of the company. A person can act as proxy on behalf of members not exceeding fifty members (50) and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
2. The Instruments appointing the proxy (duly completed, stamped and signed) must be received at the registered office of the company not less than 48 Hours before the commencement of 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.
3. Inspection of Documents: All materials documents relating to the aforesaid items of the agenda of the notice are available for the inspection by the members at the Regd. Office of the company on any working day between 11.00 A.M. to 1.00 P.M. prior to the date of meeting.



4. Members are requested to bring their attendance slip along with the copy of Annual Reports at the meeting.
5. The Explanatory Statement pursuant to under section 102 of the Companies Act, 2013, in respect of special business is annexed hereto.
6. Members holding shares in physical form are requested to intimate immediately to the registrar & share transfer agents of the company M/s Indus Portfolio Pvt. Ltd., G- 65, Bali Nagar, New Delhi- 110015 quoting registered folio no. change in their address, if any with pin code number. The following information to be incorporated on the dividend warrants may also be furnished:
 1. Name of sole/ first joint holder and folio number
 2. Particulars of Bank account, viz.
 - (a) Name of bank
 - (b) Name of Branch
 - (c) Complete address of the bank with pin code number
 - (d) Bank account number allotted by the bank and nature of the account (saving/current etc.)
7. In terms of section 72 of the companies act, 2013, the shareholders of the company may nominate a person on whom the shares held by him/them shall vest in the event of his/her death, shareholders desirous of availing this facility may submit their nomination in prescribed form no. SH 13 duly filled in to the Corporate office at 14/5, Old Rajender Nagar, New Delhi-110060. The Prescribed form (SH-13) can be obtained from the corporate office of the Company or its RTA M/s. Indus Portfolio Private Limited, Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
8. Members desirous of seeking any information/clarification on accounts or operations of the company are requested to write to the company at least 10 days before the date of the meeting to enable the management to keep the information ready.
9. In case of joint holders attending the meeting only such joint holders who are higher in the order of names will be entitled to vote.
10. In respect of the matters pertaining to bank details, ECS mandates, nomination, power of attorney, change in name/ address etc., the members are requested to approach the company's registrar and share transfer agents, in respect of shares held in physical form and the respective depository participants in case of shares held in electronic form. In all correspondence with the company's registrar and share transfer agents members are requested to quote their account/ folio numbers or DP ID and Client ID for physical or electronic holding respectively.
11. To facilitate trading in equity shares in dematerialized form, the company has entered into agreement with NSDL and CDSL members can open account with any depository participant's registered with NSDL or CDSL.
12. The Securities and Exchange Board of India vide its circular no. CIR/CFD/DIL/10/2010, dated 16 December 2010, amended clause 5A of equity listing agreement for the dealing with unclaimed shares in physical form. In compliance with this amendment, the company has sent all three reminders to such shareholders whose share certificate are in undelivered form requesting them to update their correct details viz. postal address, PAN details etc. registered with the company. The company has transferred all the shares into the folio in the name of "Unclaimed Suspense Account".
13. As a part "green initiative in the corporate governance", the ministries of corporate affairs vide its circular no's. 17/2011 and 1/2011 dated 21.04.2011 respectively, has permitted the companies to serve the documents, namely, notice of the general meeting, balance sheet, profit and loss account, auditors' report, directors' report, etc. to the members through E-mail. The shareholders holding shares in physical form are requested to register their E-mail address with the registrar and share transfer agents by sending duly signed requested letter quoting their folio no., name address in case of shares held in demat form, the shareholders may register their E-mail addresses with their DPs (Depository Participants).



14. Brief resume of all directors proposed to be appointed, nature of their expertise in specific functional area, name of companies in which they hold directorships and memberships/ chairmanships of board of committees, shareholding and relationships between directors inter-se as stipulated under clause 49 of the Listing Agreement with the stock exchange are provided in the report on Corporate Governance forming part of the Annual Report.
15. The notice of the AGM alongwith the Annual Report 2014-15 is being sent by the electronic mode to those members whose e-mail address registered with the company/depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail address, physical copies are being sent by the permitted mode.
16. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays between 11.00 a.m. to 4.00 p.m. up to the date of declaration of the result of the 30th Annual General Meeting of the Company.
17. In compliance of clause 35B of Listing Agreement, members are hereby informed that if any member does not have access to e-voting facility may ask for Ballot form to cast their vote either by writing to the Corporate office of the Company or may mail at pritimercantile@gmail.com.
18. The Company has designed an exclusive e-mail ID investors@pmcfinance.in for redressal of shareholder's complaints/grievances.
19. **Voting through electronic means**

1. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and clause 35B of Listing Agreement the Company is pleased to provide members facility to exercise their right to vote on the resolutions proposed to be passed in the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

- (i) The e-voting period commences on **September 25, 2015 (9:00 am) till September 27, 2014 (5:00 pm)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 21, 2015, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (ii) The Notice of the **30th AGM** of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form is being dispatched to all the Members. Initial password is provided as below /at the bottom of the Attendance Slip for the 30th AGM:

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

- (iii) NSDL shall also be sending the User-ID and Password, to those members whose shareholding is in the dematerialized format and whose email addresses are registered with the Company/Depository Participants(s). For members who have not registered their email address, can use the details as provided above and please follow all steps from Sl. No. III to Sl. No. XII.
- (iv) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (v) Click on Shareholder - Login
- (vi) Put user ID and password as initial password noted in step (i) above. Click Login.
- (vii) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



- (viii) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
 - (ix) Select "EVEN" of PMC Fincorp Limited. Members can cast their vote online from September 25, 2015 (9:00 am) till September 27, 2015 (5:00 pm).
 - (x) Now you are ready for e-Voting, as Cast Vote page opens
 - (xi) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (xii) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. September 21, 2015 may obtain the login ID and password by sending a request at bharatb@indusinvest.com or www.evoting.nsdl.com by mentioning his/her Folio no. / DP ID and client ID No. However, if such a shareholder is already registered with NSDL for e-voting then existing user ID and password can be used for casting vote.
 - (xiii) Upon confirmation, the message "Vote cast successfully" will be displayed
 - (xiv) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xv) Note for Non-Individual Shareholders and Custodians:
 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through an e-mail on pritimercantile@gmail.com with a copy marked to evoting@nsdl.co.in.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com (In case the same is not resolved, you may contact to Mr. Raj Kumar Modi, Managing Director, email ID pritimercantile@gmail.com & Contact no. 011-47631026).
 3. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
 4. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 5. The Facility through ballot paper shall be made available at the AGM and the members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM through ballot paper.
 6. The Members who have cast their vote by e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 7. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on, Monday, **September 21, 2015**.
 8. Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **September 21, 2015** and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
 9. **Ms. Ashu Gupta** (CP no. 6646) of M/s. Ashu Gupta & Co., Companies Secretaries New Delhi has been appointed as the Scrutinizer to scrutinize the voting and e-voting process in a fair and transparent manner.
 10. The Scrutinizer shall within a period of not exceeding three(3) days from the conclusion of the meeting make a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit the same to the Chairman of the Company. The Chairman shall declare the results of the voting forthwith.
 11. The Results declared by the Chairman along with the Consolidated Scrutinizer's Report shall be placed on the Company's website www.pmcfinance.in and on the website of NSDL. The results shall be simultaneously communicated to the BSE Limited.



EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4, 5, 6 & 7 of the accompanying Notice:

Item no. 4 & 5:

The Board of Directors of your Company, after reviewing provisions of the Companies Act, 2013 and based on the recommendations of the Nomination & Remuneration Committee, at their meeting held on 26th March, 2015, have decided to re-appoint Mr. Vishnu Bhagwan Aggarwal and Mr. Pramod Gupta for a term of (5) Five consecutive years with effect from the 30th April, 2015 to 29th April, 2020, as Independent Directors of the Company.

Mr. Vishnu Bhagwan Aggarwal and Mr. Pramod Gupta, Independent Directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, both the directors fulfill the conditions specified in the Act and the Rules framed thereunder for re-appointment as Independent Director and they are independent of the management.

In compliance with the provisions of sub-section 10 of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Your Directors recommend the resolution for your approval.

Except Mr. Vishnu Bhagwan Aggarwal & Mr. Pramod Gupta, being appointees, none of the Directors & Key Managerial Personnel of the Company including their relatives are, in any way concerned or interested in the said Resolution. This statement may also be regarded as a disclosure under clause 49 of the Listing agreement with the Stock Exchanges.

Item No. 6:

The Register of Members and other Registers, Returns under Section 94 of the Companies Act, 2013 is presently required to be maintained in the Registered Office. In terms of proviso to Section 94(1) and Rule 5(2) of Companies (Management and Administration) Rules, 2014, the Register of Members and other Registers, Returns required to be maintained at the Registered office can be maintained at any other place in India, in which more than one-tenth of total Members resides, if so authorised by way of a Special Resolution. It is proposed to maintain these registers & returns at the Company's Corporate Office at 14/5, Old Rajender Nagar, New delhi-110060, since more than 10% of the Members reside in Delhi which needs the approval of Members by way of Special Resolution.

Your Directors recommend the resolution for your approval.

None of the Directors & Key Managerial Personnel of the Company including their relatives are, in any way concerned or interested in the said Resolution.

**Item No. 7:**

In terms of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) (Second Amendment) Regulations, 2014, a Registered Foreign Portfolio Investor ("RFPI") may purchase shares or convertible debentures of an Indian company under the Foreign Portfolio Investment (FPI) Scheme subject to the terms and conditions specified in the Schedule 2A and the limits and margin requirements prescribed by RBI/ SEBI and other conditions stipulated by Reserve Bank from time to time. The total holding by each RFPI shall be below 10% (ten percent) of the total paid up equity share capital or below 10% (ten percent) of the paid up value of each series of convertible debentures issued by the Indian company. Further, the total holdings of all RFPI shall not exceed 24% (twenty-four percent) of the total paid up equity share capital or paid up value of each series of convertible debentures (hereinafter called "aggregate limit"). These Regulations also provide that the aggregate limit of 24% referred to above may be increased up to the sectoral cap/ statutory ceiling, as applicable, by the Indian Company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its General Body.

Hence, the Board of Directors of the Company vide its resolution passed on March 26, 2015, subject to the approval of the Members by way of Special Resolution, approved and recommended the increase in the RFPI investment limit up to 49% (forty-nine percent) of the equity share capital of the Company under the FPI Scheme.

The Board recommends the passing of the Special Resolution set out under item 7 of this Notice.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives are concerned or interested, either financially or otherwise, in passing of the above resolution except to the extent of their shareholding, if any, in the Company.

By Order of the Board
For PMC FINCORP LIMITED

Place : New Delhi
Date : 25.08.2015

(NIDHIPATHAK)
Company Secretary
Membership No. 31973
R/o. 18/82, 3rd Floor, East
Moti Bagh, Sarai Rohilla,
New Delhi-110007



Name of the Director alongwith DIN	Mr. Raj Kumar Modi (DIN: 01274171)	Mrs. Rekha Modi (DIN: 01274200)	Mr. Vishnu Bhagwan Aggarwal (DIN: 02852498)	Mr. Pramod Gupta (DIN: 03174350)
Date of Birth	13/11/1967	07/02/1970	30/11/1960	12/09/1961
Relationship with other Directors inter-se	Husband of Mrs. Rekha Modi	Wife of Mr. Raj Kumar Modi	None	None
Date of Appointment	27/01/2003	17/12/2009	30/04/2010	30/04/2010
Expertise in specific functional areas	Rich & vast experience of over 20 years in Financial Market	Experience in Capital Market, Company Law & Finance	Experience in Financial Matters & Corporate Law /Income Tax	Experience in Marketing in Financial Products Financial Matters
Qualification	B. Com	Bsc, LLB	B.Com, FCA	B.Com
No. of Equity Shares held in the Company	810000	4320000	NIL	NIL
Number of Directorships held in Public Limited Companies	1	NIL	NIL	NIL
List of Committees of the Board of Directors (across all companies) in which Chairmanship / Membership	NIL	NIL	NIL	NIL

Note:

1. Directorships and Committee memberships in PMC Fincorp Limited and its Committees are not included in the aforesaid disclosure.
2. Alternate directorship, directorships in Private Limited Companies, Foreign Companies and Section 8 Companies and their Committee memberships are excluded.
3. Membership and Chairmanship of Audit Committees and Investor Grievance Committees of only public Companies have been included in the aforesaid table.



DIRECTORS' REPORT

To,
The Shareholders,
PMC FINCORP LIMITED

Your Directors have pleasure in submitting their 30th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2015.

FINANCIAL SUMMARY/HIGHLIGHTS

The Company's financial performance for the year under review along with previous year's figures are given hereunder:

Particulars for the Year ended 31st March, 2015.

	Year ended 31.03.2015	Year ended 31.03.2014
Gross Income	290,040,402	100,508,331
Total Expenditure	241,401,848	81,641,366
Net Profit for the year	48,638,554	18,866,965
Less: Provision for Tax	15,856,290	6,068,121
Profit after Tax	32,782,264	12,798,844
Add/Less: Deferred Tax Liabilities	34,600	8,669
	<u>32,747,664</u>	<u>12,790,175</u>
Profit brought from previous year	30,797,369	20,780,972
Profit available for Appropriation	63,545,033	33,571,147
Transfer to Statutory Reserve	6,549,533	2,773,778
Balance Carried to Balance Sheet	<u>56,995,500</u>	<u>30,797,369</u>

Your Company achieved an all time high performance both in turnover & its profits. Income from operation and profit before tax aggregated to Rs. 29.00 Crores and Rs. 4.86 Crores, respectively as compared to Income Rs. 10.05 Crores and Profit Rs. 1.88 Crores during the previous year.

DIVIDEND

To build up the reserve funds, Your directors have not recommended any dividend on equity shares during the year under consideration.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply and no amount is due for transfer to investor protection fund.

REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS AND DISCLOSURE REGARDING CHANGE IN THE NATURE OF BUSINESS, IF ANY

Your Directors wish to present the details of Business operations done during the year under review:

- a. Corporate and Personal Finance;
- b. Debt Syndication;
- c. Private Placement, Arranger;
- d. Distribution & Marketing of financial Products;
- e. Dealing & Investment in Stock Market;

During the year under review, there is no change in the Business Activities or Nature of Business of the Company.



MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

ISSUE OF BONUS SHARES THROUGH POSTAL BALLOT

The Company has proposed to Issue Bonus shares by capitalizing its free reserves. The same was duly approved by members of the Company on 13th August, 2015 through postal ballot. Accordingly, Company is in a process to issue **243,280,600 (Twenty Four Crores Thirty Two Lakhs Eighty Thousand Six Hundred) Bonus Shares of Rs. 1/- each** to those shareholders who holds shares in physical/demat mode as on the Record Date.

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

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. There was no foreign exchange inflow or Outflow during the year under review.

RISK MANAGEMENT FRAMEWORK

The Company has a robust internal business management framework to identify, evaluate business risks and opportunities which seeks to minimize adverse impact on the business objectives and enhance the Company's business prospects. As an NBFC, PMC is exposed to credit risk, liquidity risk and Interest rate risk. Risk Management is an Integral part of the Company's business strategy.

LISTING INFORMATION

The Company's Share are Listed with BSE Limited, Mumbai. Your Company has paid the Annual Listing Fee up to date and there are no arrears. The BSE have nation-wide trading terminals and therefore provide full liquidity to the investors.

NBFC REGISTRATION

The company has been registered with Reserve Bank of India as Non Banking Finance Company vide Registration No. 12.00128 Dated 1st April 1998. Your Company is categorized as a Non-deposit taking Non-Banking Financial Company. The Company has not accepted any deposit from the public during the year pursuant to the provisions of Companies Act, 2013.

DEMATERILISATION OF SHARES

Your Company has connectivity with NSDL & CDSL for dematerilisation of its equity shares. The ISIN no. INE793G01035 has been allotted for the company. Therefore, the member and/or investors may keep their shareholding in the electronic mode with their Depository Participates.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employee's particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company up to the date of ensuing AGM. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.



STATUTORY AUDITORS

M/s. M.M. Goyal & Co., the Statutory Auditors (FRN: 007198N) retire at the ensuing Annual General Meeting but being eligible offer themselves for re-appointment. The Company has received the letter from the auditors to the effect that their appointment if made it would be within the prescribed limits under Section 141(3)g of the Companies Act, 2013. Your Directors recommend reappointment of M/s M.M. Goyal & Co. as the Statutory Auditors of the Company.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204(1) of the Companies Act 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the company has appointed **M/s Ashu Gupta & Co.**, Company Secretaries as Secretarial Auditors of the Company, to undertake the secretarial audit of the Company for the FY 2014-15. The Secretarial Audit report MR-3 submitted by Company Secretary in Practice is enclosed as part of this report **Annexure - A**.

INTERNAL AUDITORS

During the year under review **M/s. Krishan K Aggarwal & Associates**, Chartered Accountants(FRN: 019471N) have been appointed to act as Internal Auditors of the Company and their reports reviewed by the Audit Committee time to time.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORTS

There were no qualifications, reservations or adverse remarks made by the Auditors in their respective reports. As required under section 204(1) of the Companies Act, 2013 the Company has obtained a secretarial audit report. Certain observations made in the report with regard to non filing of some forms were mainly due to ambiguity and uncertainty of the applicability of the same for the relevant period. However, the company is in process of filling these forms and would ensure in future that all the provisions are complied to the fullest extent.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules issued thereunder and Clause 49 of the Listing Agreement, the Board of Directors at their meeting held on 28th September, 2014 formulated and/or reconstituted the Nomination and Remuneration Committee and Policy of your Company on the recommendations of Nomination and Remuneration Committee. The salient aspects covered in the Nomination and Remuneration Policies relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Board of Directors duly met 13 times during the financial year from 1st April, 2014 to 31st March, 2015.

BOARD EVALUATION

Pursuant to provisions of the Companies Act, 2013, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Director being evaluated. The performance evaluation of the Chairman and the non-Independent Directors was carried out by the Independent Directors. The Board also carried out annual performance evaluation of the working of its Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committees. The Directors expressed their satisfaction with evaluation process. All the non-executive and Independent Directors are eminent personalities having wide experience in the field of business, industry & administration. Their presence on the Board is advantageous and fruitful in taking business decisions.



SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operation in future.

INTERNAL FINANCIAL CONTROL

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:-

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

KEY MANAGERIAL PERSONNEL AND BOARD OF DIRECTORS

Mr. Raman Kumar, Company Secretary has resigned from the post of Company Secretary of the Company with effect from 01.02.2015. The Board places on record its appreciation for the assistance & guidance provided by Mr. Raman Kumar during his tenure as Company Secretary of the Company.

Ms. Nidhi Pathak, Company Secretary has been appointed as company Secretary of the Company with effect from 01.02.2015.

The Companies Act, 2013, provides for the appointment of Independent Directors. Sub-section (10) of Section 149 of the Companies Act, 2013 provides that Independent Directors shall hold office for a term of up to five consecutive years on the Board of a company and shall be eligible for re-appointment on passing special resolution by shareholders of the Company. Accordingly, Mr. V.B. Aggarwal & Mr. Pramod Gupta, whose term of office expired on 29th April, 2015 as Independent Directors were re-appointed as Independent Directors at their duly convened Board Meeting held on 28th April, 2015 for a further period of five years up to 29.04.2020 subject to the approval of members in the ensuing Annual General Meeting as required under section 149(10).

Mrs. Rekha Modi, retire at this Annual General Meeting and being eligible offer herself for re-appointment.

Mr. Vijay Kumar Yadav, Appointed as whole time KMP -Chief Finance Officer of the Company with effect from 15.06.2015.



DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

CORPORATE GOVERNANCE REPORT

As required by clause 49 of the Listing Agreement with the Stock Exchanges, the Corporate Governance Report, Management Discussion & Analysis and Auditor's Certificate regarding compliance of conditions of Corporate Governance forms part of the Annual Report.

ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure 2 and is attached to this Report.

COMPLIANCE WITH RBI GUIDELINES

Your Company has complied with all the regulations of Reserve Bank of India as on 31st March, 2015; applicable to it as Non-Banking Finance Company.

COMPLIANCE WITH THE CODE OF CONDUCT

A declaration by the Managing Director affirming compliance with the company's Code of Conduct by Directors and senior Management for FY 2014-15, as required under Clause 49 of the Listing Agreement with Stock Exchange is annexed and forms part of this Report.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The Board of Directors at their meeting held on 28th September, 2014 reconstituted the Audit Committee of the Board. The Audit Committee consists of the following members:-

- a. Mr. V. B. Aggarwal,
- b. Mr. Pramod Gupta, and
- c. Mrs. Rekha Modi

The above composition of the Audit Committee consists of two independent Directors viz., Mr. V. B. Aggarwal and Mr. Pramod Gupta, who form the majority.

The Company has established or adopted a **Vigil Mechanism Policy** pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and overseas through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company.

SHARES

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.



ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

And your Directors would also like to take this opportunity to express their appreciation for the dedicated efforts of the employees of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : New Delhi
Date : 25.08.2015

(RAJ KUMAR MODI)

Managing Director
DIN- 01274171

S-353 IIND FLOOR, GREATER
KAILASH-I, NEW DELHI, 110048



Annexure - A To Directors Reports

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,
PMC Fincorp Limited,
(CIN: L27109UP1985PLC006998)
Regd. Office: B-10, VIP Colony,
Civil Lines, Rampur, Uttar Pradesh-244901

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PMC Fincorp Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has during the audit period covering the Financial year ended on 31st March, 2015 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 1956 (wherever applicable)/ Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client ;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.



(vi) Other applicable Laws, namely,

- (a) The Reserve Bank of India Act, 1934;
- (b) The Regulations and guidelines prescribed under The Reserve Bank of India Act, 1934 specifically applicable to Non Banking financial Companies(Non Deposit taking);
- (c) Master Circulars issued by RBI from time to time.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not applicable to the Company during the audit period ending 31st March 2015)**.
- (ii) The Listing Agreement entered into by the Company with Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

The Board of Directors of the Company had approved the quarterly financial results, financial statements & director report, disclosure of interest in other firms/Companies, allotment of shares in the Board Meeting. However, the Company has not filed the resolutions in form MGT-14 with the Registrar of Companies as required under the provision of the Section 117(3)(g) read with Companies (Meetings of Board and its Powers) Rules, 2014.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Notice is given to all directors to schedule the Board Meetings in advance, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through and there was no dissent raised by any member of the Board.

Based on the compliance mechanism established by the company and as per the explanations given to us and the representations made by the Management and relied upon by us, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Company:

- a) has obtain consent of the members by way of ordinary resolution pursuant to the provisions of Section 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 in the 29th AGM held on 27.09.2014 for the sub-division of the nominal value of the existing equity shares of the Company from Rs. 5/- each into Rs. 1/- each.
- b) has obtain consent of the members by way of special resolution pursuant to the provision of Section 180(1)(c) of the Companies Act, 2013 in the 29th AGM held on 27.09.2014 for borrowing upto Rs. 100 Crores (Rupees One Hundred Crores) in excess of the aggregate of the paid-up capital and free reserves of the Company

Place: New Delhi

Date : 25.08.2015

(Ashu Gupta)
Company Secretary in Practice
FCS No.:4123
CP No.: 6646



The Members,
PMC Fincorp Limited,
(CIN: L27109UP1985PLC006998)
Regd. Office: B-10, VIP Colony,
Civil Lines, Rampur, Uttar Pradesh-244901

My Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place : New Delhi
Date : 25.08.2015

(Ashu Gupta)
Company Secretary in Practice
FCS No.:4123
CP No.: 6646



Annexure - B To Directors Reports

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

AS ON FINANCIAL YEAR ENDED ON 31.03.2015

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS :

i	CIN	L27109UP1985PLC006998
ii	Registration Date	02-04-1985
iii	Name of the Company	PMC FINCORP LIMITED
iv	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
v	Address of the Registered office & Contact details	B-10, VIP COLONY, CIVIL LINES, RAMPUR-244901, UTTAR PRADESH
vi	Whether Listed Company	BSE LIMITED
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	INDUS PORTFOLIO PRIVATE LIMITED G-65, BALI NAGAR, NEW DELHI-110005 PHONE: 011-47671214 EMAIL ID: bharatb@indusinvest.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Company is engaged in to the activity of financing and registered as a Non Banking Financial Company with the Reserve Bank of India.

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associates	% of Shares held	Applicable Section
N.A.					

IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2014				No. of Shares held at the end of the year 31.03.2015				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1462860	—	1462860	3.01	7314300	—	7314300	3.01	NO Change
b) Central Govt. or State Govt.	—	—	—	—	—	—	—	—	—
c) Bodies Corporates	6113700	—	6113700	12.73	33068500	—	33068500	13.59	0.86
d) Bank/FI	—	—	—	—	—	—	—	—	—
e) Any other	—	—	—	—	—	—	—	—	—
SUB TOTAL:(A) (1)	7576560	—	7576560	15.74	40382800	—	40382800	16.60	0.86



Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2014				No. of Shares held at the end of the year 31.03.2015				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRI- Individuals	—	—	—	—	—	—	—	—	—
b) Other Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corp.	—	—	—	—	—	—	—	—	—
d) Banks/FI	—	—	—	—	—	—	—	—	—
e) Any other	—	—	—	—	—	—	—	—	—
SUB TOTAL (A) (2)	—	—	—	—	—	—	—	—	—
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)"	7576560	—	7576560	15.74	40382800	—	40382800	16.60	0.86
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	—	—	—	—	—	—	—	—	—
b) Banks/FI	—	—	—	—	—	—	—	—	—
c) Central govt	—	—	—	—	—	—	—	—	—
d) State Govt.	—	—	—	—	—	—	—	—	—
e) Venture Capital Fund	—	—	—	—	—	—	—	—	—
f) Insurance Companies	—	—	—	—	—	—	—	—	—
g) Foreign Institutional Investors	—	—	—	—	477350	—	477350	0.20	0.20
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i) Others (specify)	—	—	—	—	—	—	—	—	—
SUB TOTAL (B)(1):	—	—	—	—	477350	—	477350	0.20	0.20
(2) Non Institutions									
a) Bodies corporates	25810429	—	25810429	53.60	136352104	8560000	144912104	59.56	5.96
i) Indian	—	—	—	—	—	—	—	—	—
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals	—	—	—	—	—	—	—	—	—
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	1313311	103860	1417171	2.94	8830215	1089300	9919515	4.08	1.14
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	12322407	414000	12736407	26.45	40747389	1620000	42367389	17.42	-9.03
c) Others-NRI	45	—	45	—	9173	—	9173	—	—
(c-i) Clearing Member	161128	—	161128	0.33	951099	—	951099	0.39	0.06
(c-ii) Clearing House	454314	—	454314	0.94	4261170	—	4261170	1.75	0.81
(c-iii) Trust	—	66	66	—	—	—	—	—	—
SUB TOTAL (B)(2):	40061634	517926	40579560	84.26	191151150	11269300	202420450	83.20	-1.06
Total Public Shareholding (B)= (B)(1)+(B)(2)	40061634	517926	40579560	84.26	191628500	11269300	202897800	83.40	-0.86
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	47638194	517926	48156120	100.00	232011300	11269300	243280600	100.00	—

**(ii) SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	RRP Management Services (P) Ltd.	3113100	6.48	—	16815500	6.91	—	0.43
2	Prabhat Management Services (P) Ltd.	3000600	6.25	—	16253000	6.68	—	0.43
3	Rekha Modi	864000	1.78	—	4320000	1.78	—	0.00
4	Gouri Shanker Modi	220860	0.46	—	1104300	0.46	—	0.00
5	Raj Kumar Modi	162000	0.33	—	810000	0.33	—	0.00
6	Puspa Devi Modi	162000	0.33	—	810000	0.33	—	0.00
7	Raj Kumar Modi HUF	54000	0.11	—	270000	0.11	—	0.00
	Total	7576560	15.74	—	40382800	16.60	—	0.86

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	RRP Management Services P Ltd.				
	At the beginning of the year	3113100	6.46	3113100	6.46
	By Allotment of Preference shares	250000	0.51	3363100	6.91
	By Sub-Divided of Face Value	16815500	6.91	16815500	6.91
	At the end of the year	16815500	6.91	16815500	6.91
2	Prabhat Management Services P Ltd.				
	At the beginning of the year	3000600	6.23	3000600	6.23
	By Allotment of Preference shares	250000	0.51	3250600	6.68
	By Sub-Divided of Face Value	16253000	6.68	16253000	6.68
	At the end of the year	16253000	6.68	16253000	6.68

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Economy Suppliers P Ltd.	5068056	10.52	25588550	10.52
2	Seabird Distributers P Ltd.	2642605	5.49	19562860	8.04
3	Seabird Vincon P Ltd.	—	—	16460163	6.77
4	Seabird Retails P Ltd.	3758174	7.80	18810020	7.73



Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
5	Embassy Sales P Ltd.	2821516	5.86	13900630	5.71
6	Famous Investment Cons P Ltd.	1755000	3.64	12789808	5.26
7	Rolex Vinimay P Ltd.	1559366	3.24	10331811	4.25
8	Shivdarshan Sales P Ltd.	900000	1.87	8122289	3.34
9	Ritu Kapur	2260800	4.69	6159000	2.53
10	Raghav Bahl	1243220	2.58	5396463	2.22

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Mr. Raj Kumar Modi				
	At the beginning of the year	162000	0.33	162000	0.33
	By Sub-Divided of Face Value	810000	0.33	810000	0.33
	At the end of the year	810000	0.33	810000	0.33
2	Mrs. Rekha Modi				
	At the beginning of the year	864000	1.78	864000	1.78
	By Sub-Divided of Face Value	4320000	1.78	4320000	1.78
	At the end of the year	4320000	1.78	4320000	1.78

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	—	682981057	—	682981057
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	28229003	—	28229003
Total (i+ii+iii)	—	711210060	—	711210060
Change in Indebtedness during the financial year				
Additions	—	497171873	—	497171873
Reduction	—	817315787	—	817315787
Net Change	—	(320143914)	—	(320143914)



	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the end of the financial year				
i) Principal Amount	—	362837143	—	362837143
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	28229003	—	28229003
Total (i+ii+iii)	—	391066146	—	391066146

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole time director and/or Manager:**

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	Gross salary	Mr. R. K. Modi	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	24,00,000	24,00,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	—	—
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	—	—
2	Stock option	—	—
3	Sweat Equity	—	—
4	Commission - as % of profit - others (specify)	— —	— —
5	Others, please specify	—	—
	Total (A)	24,00,000	24,00,000
	Ceiling as per the Act	—	—

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of the Directors		Total Amount
1	Independent Directors	V. B. Aggarwal	Pramod Gupta	
	(a) Fee for attending board committee meetings	72,000	72,000	1,44,000
	(b) Commission	—	—	—
	(c) Others, please specify	—	—	—
	Total (1)	—	—	—
2	Other Non Executive Directors	Rekha Modi		
	(a) Fee for attending board committee meetings	—	—	
	(b) Commission	—	—	
	(c) Others, please specify	—	—	
	Total (2)	—	—	
	Total (B)=(1+2)	72,000	72,000	1,44,000
	Total Managerial Remuneration			25,44,000
	Overall Ceiling as per the Act.	—	—	—



C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SI. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	—	2,52,000	—	2,52,000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	—	—	—	—
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	—	—	—	—
2	Stock Option	—	—	—	—
3	Sweat Equity	—	—	—	—
4	Commission - as % of profit - others, specify	— —	— —	— —	— —
5	Others, please specify	—	—	—	—
	Total	—	2,52,000	—	2,52,000

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court) details)	Appeal made if any (give
A. COMPANY					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
B. DIRECTORS					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
C. OTHER OFFICERS IN DEFAULT					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—



MANAGEMENT DISCUSSION & ANALYSIS REPORT

BUSINESS & FINANCIAL PERFORMANCE

The Company being a registered NBFC with RBI has been primarily engaged in the business of Financing and investing in securities of Listed and Unlisted Companies. The investment portfolio of your Company is diversified across various sectors such as retail, packaging, information technology, real estates etc.

For FY 2014-15 on a standalone basis, the Company's profit after tax stood at ₹ 327.82 lakhs as against ₹ 127.98 lakhs in the PY thereby a increase in profits of about 256% as compared to the PY.

Your Company as in the last few years continues to evaluate investment opportunities in asset based transactions with good growth prospects.

ECONOMIC & INDUSTRY OVERVIEW:

India's real GDP growth marginally improved to 7.4% in the FY 2014-15 as compared to 6.9% in FY 2013-14. The Central Statistics Office has recently revised the national accounts aggregates by shifting to new base year of 2011-12 from earlier base of 2004-05. The GDP figures are hence in terms of the revised series. The overall investment climate still remains cautious. While slower growth is a major worry, inflation concerns have subsided with WPI inflation ranging at around 3-4% for the FY 2014-15, falling from around 7.4% for the FY 2013-14. While the CPI inflation which was running close to double-digits at 10.4% for the FY 2013-14 has declined to an average range of 4-5% for FY 2014-15. The Current Account Deficit (CAD) declined sharply from a record high of 4.7% of GDP to 1.9% of GDP in FY 2014-15. The primary reason for such an achievement were the continued steps taken by the Government and RBI in curtailing CAD. The forex reserve position of the country also improved to USD 330 bn at the end of FY 2014-15 from USD 300 bn at the end of FY 2013-14.

The new government under the leadership of Mr. Narendra Modi has been putting in efforts to improve the overall investment climate and there is lot of hope that the new policy framework would support the growth engine. Though there remains some major concerns and industry growth still being subdued. The food prices would need to be consistently watched, to not let the inflation element go out of control. The current situation indicates that there is likely to be a pick-up in consumption and investment, especially with a heavy thrust on infrastructure development and building capacities.

FINANCIAL AND CAPITAL MARKET

FINANCIAL MARKET

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.

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.

CAPITAL MARKET

M&A and PE activity

The key highlight for domestic and inbound deals in FY 2014-15 is the increasing confidence of the global players in India growth story. Domestic M&A deals are mainly driven by the consolidation wave with Sun Pharma acquiring Ranbaxy, Kotak merging with ING Vysya, Flipkart buying Myntra and a few large power sector mergers and acquisitions. On the Inbound deals, though the size of some of the deals were not large, but sectors like Chemicals and Real Estate sector did witness global reputed organisations pursuing inorganic growth by acquiring majority in Indian companies viz. Government of Singapore-owned GIC acquiring majority in Nirlon Ltd. (commercial real estate) as well German Specialty chemical giant Evonik acquiring Monarch Catalysts Pvt. Ltd.



While the value of outbound deals in India witnessed a downfall, there was an increase in the value of inbound deals in the latest FY.

The number of VC deals saw a massive jump – primarily driven by the attractiveness in the e-commerce / technology space. Infact, notable ventures like Olacabs, Paytm, etc. have been valued at multi-billion dollar valuations and attracting investment from global giants like Alibaba group, etc. Significantly, India saw 800 new technology start-ups—taking the total number of start-ups to 3,100—setting up their ventures so in FY 2014-15, as per IT-BPO industry body Nasscom. India is poised to become the second biggest ecosystem option after the US in the next two years on account of the ongoing high growth rates.

PE activity saw a drop of 12.5% in terms of number of deals, however there was an increase of over 25% in terms of value.

Source: Industry

PRIMARY EQUITY MARKETS

The current fiscal - FY 2014-15 - witnessed healthy equity capital market activity in the otherwise declining trend of fund raising, which began in FY 2011-12 and continued up till FY 2013-14. In value terms, Indian Companies raised a significantly higher amount in FY 2014-15 vis-à-vis previous years backed by change in the sentiments in the economy and the steps taken by the Government. Infact, the established Listed Companies were able to harness the QIP route to their advantage by raising a record ` 28,500 crores (approx.) in FY 2014-15.

The victory of the BJP led NDA and the installation of the Modi Government has brought 'Achhe Din' in the capital markets, taking indices to new highs and the investor sentiments has improved albeit of late it has turned cautious as the results of several companies did not meet the expectations.

SECONDARY MARKET EQUITY

Foreign Portfolio Investors (FPIs) made a net investment of over ₹ 1 lakh crore into equity markets during the fiscal ended 31st March, 2015. Mutual funds pumped in over ₹ 40,000 crore in equity markets in 2014-15, making it their first net inflow in six years for an entire fiscal. Besides, fund managers invested a net amount of ₹ 5.87 lakh crore in debt markets in the past FY, which ended on 31st March. The huge inflows also helped the MF industry reach around ₹ 12 lakh crore mark in assets under management (AUM) at the end of the FY. In FY 2014-15, the country's 44 fund houses together saw a growth of 31% in their asset base vis-à-vis FY 2013-14, according to Association of Mutual Funds in India (Amfi). The AUM stood at ₹ 9.05 lakh crore in preceding fiscal and has been on the rise since FY 2011-12. The growth in asset base comes on the back of BSE Sensex surging around 25% in the past FY.

The Sensex was at 22,446 (1st April, 2014 opening) and closed at 27,957 (31st March, 2015), up 24.6%. In addition, the markets have been volatile, the current FY saw the Sensex at a high of 30,024 (4th March, 2015) and at a low of 22,295 (1st April, 2014).

OPPORTUNITIES

The sentiment in the Indian financial market has changed considerably over the past few years; the economic growth, though subdued for last couple of years, is likely to show positive momentum over the coming years. This has presented ongoing opportunities for financial intermediaries to spread and benefit from the investment culture across the country.

Following factors present specific opportunities across our businesses:

- Growing Corporate activities and related need for fund raising, re-organisation and acquisitions;
- Low penetration of financial services and products in India;
- Globalisation - corporates are looking at expanding in domestic/overseas markets through merger & acquisitions;
- Growing midsize segment of corporate activity where the need for customised solution is particularly high;
- Regulatory reforms including policy framework aiding greater participation by all class of investors;
- Growing Financial Services industry's share of wallet for disposable income;
- Wealth management business is transforming from mere wealth safeguarding to growing wealth;



- Regulatory reforms would aid greater participation by all class of investors;
- Emerging technology to enable best practices and processes;
- Size of the Indian capital market and favourable demographics like huge middle class, relatively large younger population with disposable income and investible surplus and risk taking abilities of the youth. In this backdrop, Ladderup Group has evolved into a strong and focused financial services organisation over the years and is set to further accentuate its business growth in the Investment Banking, Merchant Banking, Debt Syndication and Wealth Management.

THREATS

Despite great opportunities, there are significant factors presenting threats to our businesses viz.

- Bad monsoon leading to higher food prices, thus inflation may continue to remain out of control which may lead RBI to continue with monetary tightening policy measures;
- Impact on economic growth of the rising prices of oil and industrial raw materials, decelerating investment demand and high inflation;
- Volatility in the Rupee-US Dollar movement due to various factors including current account deficit;
- Reducing capital expenditure by Industries;
- Regulatory changes impacting the landscape of business;
- Increased competition from local and global players operating in India;
- Continuous downward pressure on the fees, commissions and brokerages caused by an overbanked market and willingness of most players to deliver services at very low fees.

However, your Company is well aware of the above threats and has worked steadily to strengthen its business operations by putting appropriate policies and measures in place and well positioned to counter any adverse threat successfully.

RISK AND CONCERN

In this era of globalization the financial service sector has been integrated with the global markets and is becoming more complex and competitive with introduction of newer and complex products & transactions, stringent legislative and regulatory environment. The ability to manage risks across geographies, products, asset classes, customer segments and functional departments is of paramount importance for the hindrance-free growth of the organisation which helps in delivering superior shareholder value by achieving an appropriate tradeoff between risks and returns.

Risk is inevitable in business and there are various risks associated with your Company as well like portfolio risk, industry risk, credit risk, internal control risk, technology risk, regulatory risk, human resources risk and competition risk. The Company's focus of risk management is all about risk reduction and avoidance. It has comprehensive integrated risk management framework that comprise of clear understanding of the Company's strategies, policies, initiatives, norms, reporting and control at various levels. Timely and effective risk management is of prime importance to our continued success. The risk for the Company arises mainly out of the risks associated with the operations we carry. Experienced professionals review and monitor risks in our Company. We have comprehensive risk management policies and processes to mitigate the risks that are encountered in conducting business activities. The management also periodically reviews the policies and procedures and formulates plans for control of identified risks and improvements in the systems.

A risk/compliance update report is regularly placed before the Audit Committee/Board of Directors of the Company. The Directors/Audit Committee review the risk/ compliance update reports and the course of action taken or to be taken, to mitigate and manage the risks is taken.



HUMAN RESOURCES

We are a dynamic and progressive group that actively fosters a challenging work environment and encouraging entrepreneurship. We groom leaders to drive our future in knowledge intensive, people driven business, such as, ours. We strive towards creating an empowering environment to support the development of highly motivated and skilled professionals in their pursuit of excellence. With trust being the critical part of our business belief, we lay strong emphasis on integrity, teamwork, innovation, performance and partnership.

Our organisation is committed and focused on identifying and retaining the right talent to meet the overall business strategy and objective. The broad range of activity includes viz. robust manpower planning process in line with the business objective, enhancement of employee skill-sets by identifying training and development needs, retention programmes, reward and recognition, learning and development.

We aim to continue on the path of pursuing excellence through unorthodox means and out of the box methodologies thereby expanding the horizons of our conventional wisdom. The coming year will see us harnessing the maximum benefits from these initiatives and unleashing the power of human capital.

INTERNAL CONTROL AND THEIR ADEQUACY

Your Company being in service industry, has in place clear processes and well-defined roles and responsibilities for its employees at various levels. The Management has a defined reporting system, which facilitates monitoring and adherence to the process and systems and various statutory compliances. These have been designed to provide reasonable assurance with regard to maintaining proper accounting controls, monitoring economy and efficiency of operations, protecting assets from unauthorised use or losses, and ensuring reliability of financial and operational information published from time to time.

OUTLOOK – 2015-16

Macroeconomic scenario in India significantly improved during current year and the economy is in much better shape vis-à-vis previous few years – primarily driven by services sector as well as picking up industrial activity. This points to buoyancy in domestic consumption. With this sound footing, now the savings-investment dynamics will be crucial for the growth to strengthen further in the coming years in addition to reversal of the subdued export performance being currently witnessed. The key will be the response of savings to improved price and financial market stability, and of investment, particularly in the crucial infrastructure sector, to reform efforts of the Government that are underway. With the government putting its act together to resolve issues related to mining and construction (read coal block auctions, etc.), that will provide much needed impetus to GDP as these two sectors have effect on quite a few industries. Better use of resources is critical to shore up productivity which is currently abysmal as reflected in current ICOR.

Globally, while some economies have shown resilience and improvement – Germany and USA, respectively, others like several European countries, Japan as well as China have shown slowing growth. Hence the global scenario is a mixed bag.

Considering the improving domestic macroeconomic parameters supported by benign crude prices and Government's commitment to reforms, the outlook for Indian economy looks positive, though the uncertainties arising from increasing rate scenario in US and situation prevailing in Eurozone could have an impact in the coming year. Given the above and assuming normal monsoons, growth of around 8.5% looks possible in 2015-16.

CAUTIONARY STATEMENT

The Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied. The Company is not under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events



ANNEXURE TO DIRECTORS' REPORT REPORT ON CORPORATE GOVERNANCE

The Directors have great pleasure in presenting the Report on Corporate Governance for the financial year ended 31st March, 2015 as per Clause 49 of the Listing Agreement.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company's Corporate Governance philosophy rests on the pillars of board's accountability, value creation, strategic guidance, transparency, equitable treatment to all shareholders and environmental responsibility and is committed to the highest standards of Corporate Governance in all its activities and processes. The Company adheres to good corporate practices and is constantly striving to improve them and adopt the best practices.

Corporate Governance refers to the manner, in which a Company is directed, and laws and customs affecting that direction. The Corporate Governance structure specifies the relationship, and the distribution of rights and responsibilities, among primarily three groups of participants, viz, the Board of Directors, Managers and Shareholders. This system spells out the rules and procedures for making decisions on corporate affairs; it also provides the structure through which the Company objectives are set, as well as the means of attaining and monitoring the performance of those objectives.

The Board of Directors fully supports and endorses corporate governance practices as enunciated in Clause 49 of the Listing Agreement as applicable from time to time.

2. BOARD OF DIRECTORS

a) Composition

The Board has a balanced mix of Executive and Non-Executive Independent Directors. The Board consists of 4 members as on 31st March, 2015 and out of which the 2 are Non-Executive independent Directors. The Chairman of the Board is a Executive Director and the minimum requirement of One half of the Board consisting of independent director is duly complied with.

b) Changes during the year

During the year there were no changes in the composition of the Board of Directors.

c) Board Meeting & Procedures

During the financial year under review, Thirteen (13) meetings of the board were held on 21st April, 2014, 25th April, 2014, 28th April, 2014, 28th May, 2014, 30th May, 2014, 14th July, 2014, 16th August, 2014, 28th September, 2014, 01st October, 2014, 14th October, 2014, 16th January, 2015, 20th February, 2015 and 26th March, 2015. The intervening period between any two Board Meeting were well within the maximum time gap of 4 months prescribed under Clause 49 of the Listing Agreement. The annual calendar of meetings is broadly determined at the beginning of each year. The Board Meets at least once a quarter to review the quarterly performance and financial results of the Company. Apart from the statutory requirements, the role of the Board includes periodic review of operations and considering proposals for business re-organization, etc. The board has complete access to any information within the Company. The information periodically placed before the Board includes proceedings/minutes of all committee meetings, significant developments, etc.

Particulars of Directors, their attendance at the Annual General Meeting and Board Meetings mentioned hereinabove held during the Financial year 2014-15 and also their other Directorships held in Public Companies (excluding Foreign Companies and Section 8 Companies) and Membership of other Board Committees as at March 31, 2015 are as under.

Name	Category Membership	Attendance Particulars	
		Board Meeting	Last AGM
Sh. Raj Kumar Modi	Managing Director	13	Yes
Mrs. Rekha Modi	Director (Non-Executive)	13	Yes
Sh. Pramod Gupta	Director (Independent)	13	Yes
Sh. V. B. Aggarwal	Director (Independent)	13	Yes



Particulars of Directors:

Name of the Director alongwith DIN	Mr. Raj Kumar Modi (DIN: 01274171)	Mrs. Rekha Modi (DIN: 01274200)	Mr. Vishnu Bhagwan Aggarwal (DIN: 02852498)	Mr. Pramod Gupta (DIN: 03174350)
Date of Birth	13/11/1967	07/02/1970	30/11/1960	12/09/1961
Relationship with other Directors inter-se	Husband of Mrs. Rekha Modi	Wife of Mr. Raj Kumar Modi	None	None
Date of Appointment	27/01/2003	17/12/2009	30/04/2010	30/04/2010
Expertise in specific functional areas	Rich & vast experience of over 20 years in Financial Market	Experience in Capital Market, Company Law & Finance	Experience in Financial Matters & Corporate Law /Income Tax	Experience in Marketing in Financial Products Financial Matters
Qualification	B. Com	Bsc, LLB	B.Com, FCA	B.Com
No. of Equity Shares held in the Company	810000	4320000	NIL	NIL
Number of Directorships held in Public Limited Companies	1	NIL	NIL	NIL
List of Committees of the Board of Directors (across all companies) in which Chairmanship / Membership	NIL	NIL	NIL	NIL

Note:

1. Directorships and Committee memberships in PMC Fincorp Limited and its Committees are not included in the aforesaid disclosure.
2. Alternate directorship, directorships in Private Limited Companies, Foreign Companies and Section 8 Companies and their Committee memberships are excluded.
3. Membership and Chairmanship of Audit Committees and Investor Grievance Committees of only public Companies have been included in the aforesaid table.



3. Composition of various Board Committees

Name of the Committee	Name of Directors	Category
Audit Committee	Sh. V B Aggarwal Sh. Pramod Gupta Mrs. Rekha Modi	Chairman Member Member
Securities Transfer and Investors Grievance Committee	Sh. Raj Kumar Modi Mrs. Rekha Modi	Chairman Member
Nomination & Remuneration Committee	Sh. V B Aggarwal Sh. Pramod Gupta Mrs. Rekha Modi	Chairman Member Member

4. Board and Committee functioning

a. Board Meetings

1. The Board meetings are generally held in Delhi with the majority of Directors present at each meeting
2. The detailed Agenda with notes is circulated well in advance and contains all the matters enshrined in clause 49 of the Listing Agreement
3. Sufficient time is allocated for discussing the items of business, more specifically on the operations front with detailed presentations.
4. The Board takes on record the Compliance Confirmation from the head corporate affairs & Company Secretary at each Meeting which contains the Compliance status of all the Applicable legislations to the Company.

5. Audit Committee

A) Composition and Meeting of the Audit Committee:

The Audit Committee acts as a link between the Management, the Statutory Auditors and the Board of Directors. The current composition of the Audit Committee is as under:

During the financial year 2014-15, meetings of the Audit Committee were held 5 (Five) times i.e. on April 21, 2014, May 30, 2014, July 14, 2014, October 14, 2014 and January 16, 2015.

Name of Directors	Meetings held	Meeting Attended
Sh. V. B. Aggarwal	5	5
Sh. Pramod Gupta	5	5
Mrs. Rekha Modi	5	5

B) Powers of Audit Committee

The audit committee of the company is vested with the following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

C) Role of Audit committee

The Terms of reference/role stipulated by the Board for the Audit Committee, as contained under Clause 49 of the Listing Agreement are as follows:

1. Oversight of the company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of audit fee.



3. Approval of payment to statutory auditors for any other services rendered by them.
4. Reviewing with management the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters require to be included in the Director's Responsibility Statement in the Board's Report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
 - b. Changes, if any, in accounting policies, practices and the reasons for the same.
 - c. Significant adjustments made in the financial statement arising out of audit findings.
 - d. Compliance with the listing and other legal requirements relating to the financial statements.
 - e. Disclosure of any related part transactions.
 - f. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the management, performance of statutory and internal auditors and adequacy of internal control systems.
7. Discussions with external auditors before the audit commences, nature and scope of audit as well as have post audit discussions to ascertain any area of concern.
8. To look into reasons for substantial defaults in the payment to the shareholders (in case of non payment of declared dividends).

D) Review of information by Audit Committee

The audit committee reviews the following information:

1. Management Discussion and analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the audit committee), submitted by the management.
3. Management letters/letters of internal control weaknesses issued by the Statutory Auditors.
4. Internal Audit report relating to Internal Control weaknesses, if any and implementation of action points arising there from and
5. The appointment, removal and terms of remuneration of the Internal Auditors.
6. Quarterly and Annual Financial Statements and
7. Risk assessment and minimization procedure.

6. Nomination & Remuneration Committee:

The Company had re-constituted its Nomination & Remuneration Committee on 28th September, 2014 in line with Section 178 of the Companies Act, 2013 to perform the following functions with regard to remuneration of managerial personnel.

1. to identify persons having the desired qualifications for becoming directors or for appointment into the senior management level & recommend to the Board their appointment and/or removal:
2. to carry out evaluation of every director's performance formulating the criteria for determining the qualifications, positive attributes and independence of a director and recommending to the Board a policy, relation to the remuneration for the directors, key managerial personnel and other employees: The policy should be disclosed in the Board's report.
3. formulation of criteria for evaluation of Independent Directors and the Board;
4. devising a policy on Board diversity;



Composition of Committee

Name of Directors	Category	Status
Sh. V. B. Aggarwal	Independent Director	Chairman
Sh. Pramod Gupta	Independent Director	Member
Mrs. Rekha Modi	Non- Executive	Member

During the Financial Year 2014-15 the Nomination & Remuneration Committee met three (3) times On 30th May, 2014, 14th July, 2014 and 26th March, 2015.

No remuneration is paid to Non-executive Directors except sitting fees for attending the meeting of Board of Directors and committee thereof. The fees paid for the year ended 31st March 2015 to the Directors are as follows:

Sl. No.	Name of the Directors	Salary	Sitting Fees	Amount in Rs.
1.	Sh. Raj Kumar Modi	2400000.00	N.A.	2400000.00
2.	Sh. V. B. Agarwal	N.A.	72000.00	72000.00
3.	Sh. Pramod Gupta	N.A.	72000.00	72000.00
4.	Mrs. Rekha Modi	N.A.	0.00	0.00

7. Compliance Report

The Board periodically reviews compliance report of all laws applicable to the company, prepared by the company as well as steps taken by the company to rectify instances of non-compliances, if any.

7.1 Code of Conduct

Pursuant to the provisions of Clause 49 of the Listing Agreement, the Board has laid down a Code of Conduct for all Board Members and Senior Management Team.

All Board Members and Senior Management Team have affirmed compliance of code of conduct as on 31.03.2015 and a declaration to that effect signed by Director is attached and forms part of this report.

7.2 Code of conduct for prevention of insider trading

Under SEBI (Prohibition of Insider Trading) Regulations, 1992, the company has adopted Code of Conduct for prohibition and prevention of insider Trading. The Code is applicable on all the directors' officers and designated employees of the company. The said persons in addition to giving regular disclosures to the company are also prohibited under the code to deal in shares of the company while in possession of unpublished price sensitive information. All board members, officers and designated employees have confirmed compliance to the code of conduct for the year ended 31st March, 2015.

8. Risk Management

Your Company is aware of the risks associated with its business in the present day business scenario and volatile economic environment.

It has started analyzing various risks involved and has initiated corrective action for mitigating/ managing the same. The company has also laid down procedures to inform the Board members about the risk assessment and procedures for minimising the same.

9. Secretarial Audit

A qualified practicing Company Secretary carry out quarterly secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) certify the total issued and listed capital. The secretarial audit report confirms that the total issued and paid up capital is in agreement with the total number of shares in physical form and the total number of shares held in dematerialised form with NSDL/CDSL.

Pursuant to Clause 47(c) of the listing agreement with the Stock Exchanges, certificates, on half-yearly basis, have been issued a Company Secretary in practice for due compliance of share transfer formalities by the Company.



10. Stakeholder Relationship Committee

Your Company re-constituted this Committee as Stakeholder's Relationship Committee on 28th September, 2014 in line with Section 178 of the Companies Act, 2013 and provisions of listing Agreement.

During the financial year 2014-15, meetings of the Stakeholder's Relationship Committee were held 2 (Two) times i.e. on April 21, 2014 and October 01, 2014.

Name of Directors	Meetings held	Meeting Attended
Sh. Raj Kumar Modi	2	2
Mrs. Rekha Modi	2	2

No complaint were pending at the end of the year.

11. General Body Meetings

Details of location, time and date of last three AGMs/EGM are given below:-

Financial year	Date	Time	Place
2011-2012 (AGM)	24.09.2012	10.00 A.M.	B-10, VIP Colony, Civil Lines, Rampur (U.P.)
2012-2013 (EGM)	14.01.2013	10.00 A.M.	B-10, VIP Colony, Civil Lines, Rampur (U.P.)
2013-2014 (EGM)	27.02.2014	10.30 A.M.	B-10, VIP Colony, Civil Lines, Rampur (U.P.)
2012-2013 (AGM)	23.09.2013	10.00 A.M.	B-10, VIP Colony, Civil Lines, Rampur (U.P.)
2013-2014 (AGM)	27.09.2014	10.00 A.M.	Modipur Hotel, Bareilly Road, Rampur, (U.P.)

Special Resolutions Passed at the General Meetings

- Re-Appointment of Mr. Raj Kumar Modi Managing Director of the Company w.e.f. 03.11.2014 passed Special Resolution in the AGM held on 27.09.2014.
- Sub-division of every Equity Share of Rs. 5/- each in to One Equity Share of Rs. 1/-each in the AGM held on 27.09.2014.
- Change of name from Priti Mercantile Company Limited to PMC Fincorp Limited & sub-divided every equity shares of Rs. 10/- each in two equity share of the Rs. 5/- in the EGM held on 14.01.2013.
- Increase in Authorised Share Capital, alteration of Memorandum & Articles of Association and issue of 2,14,02,720 Bonus Equity Shares and issue of 5,00,000 Preference Shares to promoters in the EGM held on 27.02.2014.
- Approval of limit of borrowing power which shall not exceed the aggregate of Rs. 100 Crores in terms of the provisions of Section 180(1)(c) of the companies Act, 2013 in the AGM held on 27.09.2014.

Note: No Postal ballots were used/invited for voting at these meetings in respect of special resolutions passed as there were no requirements for compliance at that time.

12. Means of Communication

- (a) Quarterly financial results - The quarterly and annual financial results of the Company are published in 'Rashtriya Sahara' (Hindi newspaper), 'Financial Express' (English newspaper).
- (b) Company's Website - Important shareholders' information such as Annual Report of the Company and the shareholding pattern are displayed on the website of the Company, i.e., www.pmcfinance.in and the websites of BSE, www.bseindia.com.
- (c) Annual Report - The Annual Report of the Company, giving a detailed insight on the working of the Company, practices followed, message for Key Managerial personnel etc., is sent to all shareholders at their registered addresses. Keeping in view the "Green Initiative" undertaken by the Ministry of Corporate Affairs, the Annual Report is sent via mail to the shareholders whose e-mail addresses are registered with the Company.
- (d) Management Discussion and Analysis - Management Discussion and Analysis covering the operations of the Company, forms part of the Annual Report.



- (e) Designated e-mail-id - The Company has designated the e-mail id viz. investors@pmcfinance.in, in order to ensure prompt redressal of investor's requests/complaints.

13. Outstanding GDRs/ADRs/Warrants or any convertible instruments.

The Company has not issued GDRs/ADRs etc. There was no outstanding warrants as on 31-03-2015.

14. Management discussion and analysis

A statement of Management Discussion and Analysis is appearing elsewhere in this Annual Report in terms of the requirement of the Code of Corporate Governance.

15. Disclosures

- (i) **Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, subsidiary or the relatives of the directors, etc. that may have potential conflict with the interest of the Company at large.**

All transactions with related parties were in ordinary course of business and at arm's length. The Company has not entered into any transaction of material nature with any of the related parties which are in conflict with the interest of the Company.

The Details of related party transactions are disclosed in Note no. 21 attached to and forming part of the accounts.

- (ii) **Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to the capital markets, during the last three years.**

The Company has fully complied with the requirements of the regulatory authorities on capital markets. There have been no instances of non-compliance by the Company with any matters whatsoever relating to the requirements as stipulated by the regulatory authorities on capital markets or are for the time being in force. No penalty or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority.

- (iii) **Compliance Certificate from the auditors**

Certificate from the Auditors of the company confirming compliance with the mandatory requirements under clause 49 of listing agreement is annexed to this report. This certificate has been also been forwarded to the Stock Exchanges where the shares of the company are listed.

- (iv) **Adoption of non mandatory requirements under clause 49 and as applicable under Companies Act, 2013.**

The company complies with the following non-mandatory requirements under clause 49 with reference to Companies Act, 2013 relating to Audit committee.

1. Remuneration Committee:

Your Company has constituted a Nomination & Remuneration Committee to recommend appointment/re-appointment and to recommend/review remuneration of the Directors.

2. Whistle Blower Policy

The Company has put in place a mechanism of reporting illegal & unethical behavior. Employees are free to report

Violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons.

No personnel of the Company had approached the Audit Committee during the year under reporting.

The Company has never denied access to any personnel to approach the Audit Committee.

3. Risk Management

Your Company has a comprehensive risk management policy. Your company has laid down procedure to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls the risks through properly defined framework.



16. GENERAL SHAREHOLDER INFORMATION

16.1 Annual General Meeting	
Date and Time	September 28, 2015 at 3:30 P.M.
Venue	Modipur Hotel, Bareilly Road, Rampur, Uttar Pradesh-244901
16.2 Financial Calander (2015-16) (Tentative)	
Annual General Meeting for the next year ending 31st March, 2016	On or before September 30, 2016
16.3 Book Closure date	not applicable
16.4 Dividend Payment date	not applicable

16.5 Listing Details

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

BSE Limited
Phiroze Jeejeephoy Towers 25th Floor, Dalal Street Mumbai - 400001

The Company's payment of Listing Fees is up-to-date.

16.6 Stock Code

BSE Limited	534060
ISIN Number (NSDL/CDSL)	Equity Shares INE793G01035
Face Value of each Equity Share	₹1/-

16.7 Registrar and Share Transfer Agent

INDUS PORTFOLIO PVT. LIMITED
G-65, Bali Nagar, New Delhi-110015
Phones : +91-11-47671214
Email : bharatb@indusinvest.com
Web site : indusinvest.com

16.8 Share Transfer Systems:

Share transfers are presently registered within a maximum period of 15 (fifteen) days from the date of receipt provided the documents are complete in all respects. The Board of Directors has authorised the Registrar to approve all share transfers. The Registrar on receipt of Share transfer request, after confirming all details transfer the shares as per law and directly dispatches the same to the transferee.

16.9 Mandatory to submit PAN Card Copy (For Shares held in Physical form):

The Securities and Exchange Board of India (SEBI) has vide its circulars dated May 20, 2009 and January 07, 2010, made it mandatory to submit a copy of PAN card along with other documents for effecting transfer, transmission, transposition and name deletion of deceased holder from share certificate (in case of joint holding) in respect of shares held in physical form. Shareholders are therefore requested to ensure submission of a copy of their PAN Card, as in the absence of the said document, the above said requests in respect of shares held in physical form will stand rejected by the Company/ RTA.



16.10 Market price Data

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades
Apr-14	600.00	761.00	565.00	698.25	582426	8155
May-14	697.95	875.00	693.05	825.30	797017	18687
Jun-14	820.00	880.00	750.00	777.30	503088	9739
Jul-14	750.00	790.00	643.45	715.50	407516	5397
Aug-14	616.05	810.00	616.05	796.90	381845	7564
Sep-14	800.00	813.00	775.00	782.25	515138	11188
Oct-14	780.00	844.35	168.00	206.20	698498	16268
Nov-14	206.50	244.10	184.00	213.75	2105870	14265
Dec-14	212.30	219.00	81.70	81.70	3244307	20987
Jan-15	77.65	77.65	36.65	36.65	763795	5691
Feb-15	35.50	50.50	34.85	45.30	1657313	6910
Mar-15	46.35	65.00	38.00	41.90	7178124	25179

16.11 Categories of Shareholders as on 31st March, 2015

Shareholding Pattern

Category	No. of Shares	% of Paid up capital
A Promoters' Holding		
1. Promoters		
a) Indian Promoters		
- Individual	73,14,300	3.01
- Corporate Bodies	3,30,68,500	13.59
b) Foreign Promoters	—	—
2. Persons acting in concert	—	—
Sub Total (A)	4,03,82,800	16.60
B Non-Promoters Holding		
3. Institutional Investors		
a. Mutual Funds and Unit Trust of India	—	—
b. Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Govt. Institutions)	—	—
c. Foreign Institutional Investor	4,77,350	0.20
4. Others		
a. Private Corporate Bodies	14,49,12,104	59.56
b. Indian Public	5,22,86,904	21.50
c. Non Resident Indians/Overseas	9,173	0.00
d. Trust	0.00	0.00
e. Clearing Member	52,12,269	2.14
f. Clearing House	0.00	0.00
Sub Total (B)	20,28,97,800	83.40
G.TOTAL (A+B)	24,32,80,600	100.00



16.12 Dematerialisation of shares and liquidity

The ISIN of the Company's shares is INE793G01035. After dematerialisation of shares the shareholders must contact their DPs for any information/instructions in respect of their shareholdings.

As on 31.03.2015, the status of dematerialisation of equity shares of the Company was as under:

S. No.	Particulars	Shareholders		Shareholding	
		(In Nos.)	(In %)	(In Nos.)	(In %)
1.	NSDL	1616	59.15	191487745	78.71
2.	CDSL	937	34.30	40523555	16.66
3.	PHYSICAL	179	6.55	11269300	4.63

16.13 Distribution of shareholding as on 31st March, 2015

Distribution	No. of Share holders	% of Shareholders	No of Shares	% of Shareholding
1 - 500	1692	61.86	231556	0.10
501 - 1000	208	7.61	175228	0.07
1001 - 5000	293	10.72	792314	0.33
5001 - 10000	141	5.16	1004964	0.41
10001 - 20000	90	3.29	1438387	0.59
20001 - 30000	67	2.45	1701684	0.70
30001 - 40000	39	1.43	1413623	0.58
40001 - 50000	16	0.59	706347	0.29
50001 - 100000	47	1.72	3646262	1.50
above 100000	139	5.09	232170235	95.43
	2732	100.00	243280600	100.00

16.14 Address for Correspondence:

Share Transfer and Demat

INDUS PORTFOLIO PVT. LIMITED

G-65, Bali Nagar,
New Delhi-110015
Phones : +91-11-47671214
Web site : indusinvest.com

Note: Shareholders holding shares in electronic mode should address all correspondence to their respective depository participants.

Any query on Annual Report:

Secretarial Department
PRITI MERCANTILE COMPANY LIMITED
15/76, IIInd Floor, Old Rajinder Nagar,
New Delhi-110060
Phone : +91-11-42436846,47, 49
E-mail : pritimercantile@gmail.com
Web site : pmcfinance.in



17. Non-mandatory Requirements:

The non mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

1. Remuneration Committee:

Your Company has a Remuneration Committee to recommend appointment/re-appointment and to recommend/review remuneration of the Managing Director/Whole Time Director/Executive Director.

2. Shareholders Right:

The quarterly, half yearly and annual results of your Company with necessary report there on are published in newspapers.

3. Audit Qualifications:

There are no qualifications in the Auditor's Report on the financial statements to the shareholders of the Company.

4. Training of Board Members:

There is no formal policy at present for training of the Board member of the Company as the members of the Board are eminent and experienced professional persons.

5. Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee.

No personnel of the Company had approached the Audit Committee during the year under reporting. The Company has never denied access to any personnel to approach the Audit Committee.

DECLARATION

To,

The Members of
PMC Fincorp Limited

Sub :- Declaration under Clause 49 of the listing Agreement.

I hereby declare that all the Directors and the designated personnel in the senior Mangement of the Company have affirmed compliance with their respective codes for the financial year ended 31st March, 2015.

For Priti Mercantile Company Ltd.

Place : New Delhi
Date : 25.08.2015

Raj Kumar Modi
Managing Director



CERTIFICATION BY MANAGING DIRECTOR

To,
The Members of
PMC Fincorp Limited

Re: Financial Statements for the year ended 31st March, 2015 - Certification by Managing Director

I, Raj Kumar Modi, Managing Director of the Company, to the best of my knowledge and belief, certify that:

1. I have reviewed the Financial Statements and Cash Flow Statement for the year 31st March, 2015 and that to the best of my knowledge and belief :
 - (a) these statement do not contain any materially untrue statement or omit any Material fact or contain statements that might be misleading.
 - (b) these statement together present a true and faire view of the company's affairs and are in compliance with existing accounting standards applicable laws & regulations.
2. There are to the best of my knowledge and belief, no transaction entered into by the during the year which are fraudulent illegal or violative of the Company's code of conduct.
3. I accept responsibility for establishing and maintain internal controls for financial reporting and that I have evaluated the effectiveness of the internal control system of the company pertaining to financial reporting and I have disclosed to the auditors and the audit committee deficiencies in the design or operation of such internal control, if any of which I am aware and the steps I have taken or propose to take rectify theses deficiencies.
4. I have indicate to the Auditors and the Audit Committee :
 - (a) Significant changes in the internal control over financial reporting during the year under review.
 - (b) Significant changes in accounting policies during the year.
5. I further declare that all board members and senior managerial personnel have affirmed compliance with the code of conduct under Clause 49 of the Listing Agreement, for the current year.

Place : New Delhi
Date : 25.08.2015

Raj Kumar Modi
Managing Director



AUDITORS'S CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE AS STIPULATED IN CLAUSE 49 OF THE LISTING AGREEMENT

To,

The Members

PMC Fincorp Limited

1. We have examined the compliance of the conditions of Corporate Governance by **PMC Fincorp Limited** for the year ended 31st March, 2015 as stipulated in clause 49 of the listing a greement of the said company with Stock Exchanges in India.
2. The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was carried out in accordance with guidance not on certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement) issued by the Institute of the Chartered Accountants of India and was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statement of the company.
3. In our opinion and to the best of our information and explanation given to us and the representation made by the Directors and the management we certify that the company has complied in all material respects with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.
4. We Further report that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M. M. GOYAL & CO.
Chartered Accountants
Firm Registration No.007198N

Place : New Delhi
Dated : 25.08.2015

(MANMOHAN GOYAL)
Partner
M.No. 86085



INDEPENDENT AUDITOR'S REPORT

To the Members of
PMC Fincorp Limited

Report on Financial Statements

We have audited the accompanying financial statements of PMC Fincorp Limited (formerly Priti Mercantile Company Limited), which comprise the Balance Sheet as at March 31, 2015, 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") read with general circular 15/2013 dated 13 September 2013 of the ministry of corporate affairs in respect of section 133 of the companies Act 2013. 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, 2015;
- b) in the case of the Profit and Loss Account, of the profit 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 subsection (3C) of section 211 of the Companies Act, 1956 read with general circular 15/2013 dated 13 September 2013 of the ministry of corporate affairs in respect of section 133 of the companies Act 2013;
 - e) on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For M. M. GOYAL & CO.
Chartered Accountants
Firm Registration No.007198N

(MANMOHAN GOYAL)
Partner
M.No. 86085

Place: New Delhi
Dated: 30.04.2015

**ANNEXURE TO THE INDEPENDENT AUDITORS REPORT**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, we report that:

- (i) In respect of fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories.
 - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company has maintained proper records of inventory, and the discrepancies noticed on physical verification between the physical stocks and the book records were not material in relation to the operations of the company.
- iii As informed, the Company has not granted any loan to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- iv In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories and fixed assets and payment for expenses and for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
- v The Company has not accepted any deposits from the public covered under sections 73 to 76 of the Companies Act, 2013.
- vi As per information and explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii In respect of statutory dues:
 - (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2015, for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there is no amount payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes.
 - (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the provisions of Companies Act, 2013 and the rules made thereunder.



- viii The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- ix In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders, as applicable to the company.
- x In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi The Company did not have any term loans outstanding during the year.
- xii According to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For M. M. GOYAL & CO.
Chartered Accountants
Firm Registration No.007198N

Place : New Delhi
Dated : 30.04.2015

(MANMOHAN GOYAL)
Partner
M.No. 86085



BALANCE SHEET AS AT 31ST MARCH, 2015

(Amount in ₹)

Particulars	Note No.	At the End of 31.03.2015	At the End of 31.03.2014
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	243,280,600	240,780,600
(b) Reserves and Surplus	3	317,576,431	37,233,768
(2) Share Application Money pending allotment			
		—	—
(3) Non-Current Liabilities			
(a) Deferred Tax Liabilities (Net)	4	60,348	25,748
(4) Current Liabilities			
(a) Short-Term Borrowings	5	390,270,797	682,981,057
(b) Trade Payables	6	23,133,940	—
(c) Other Current Liabilities	7	8,486,881	5,452,100
(d) Short-Term Provisions	8	15,856,290	6,041,337
Total Equity & Liabilities		998,665,287	972,514,610
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	2,753,303	1,390,905
(b) Investments	10	41,050,567	24,055,875
(2) Current Assets			
(a) Inventories	11	42,461,758	7,700,853
(b) Trade receivables	12	—	14,513,652
(c) Cash and cash equivalents	13	3,086,692	2,377,689
(d) Short Term Loans and advances	14	909,312,968	922,475,636
Total Assets		998,665,287	972,514,610

Significant Accounting Policies

1

Notes referred to above and attached there to form an integral part of Balance Sheet

As per our report of even date attached

FOR M. M. GOYAL & CO.

Chartered Accountants

Firm Registration No.007198N

FOR PMC FINCORP LIMITED

(MANMOHAN GOYAL)

Partner

Membership No.:86085

(R. K. MODI)

Managing Director

(REKHA MODI)

Director

Place : New Delhi

Date : 30.04.2015

(NIDHI PATHAK)

Company Secretary



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in ₹)

Sr. No	Particulars	Note No.	At the End of 31.03.2015	At the End of 31.03.2014
I	Revenue from Operations	15	290,040,402	100,508,331
	Total Revenue		290,040,402	100,508,331
II	Expenses:			
	Purchase of Stocks & Shares		229,681,567	43,149,911
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	16	(34,760,905)	(3,601,974)
	Employee Benefits Expenses	17	7,626,378	6,626,245
	Finance Cost	18	30,637,857	29,385,151
	Depreciation and Amortization Expense	19	211,884	236,385
	Other Administrative Expenses	20	8,005,067	5,845,647
	Total Expenses		241,401,848	81,641,366
III	Profit before exceptional and extraordinary items and tax	(I-II)	48,638,554	18,866,965
IV	Exceptional Items		—	—
V	Profit before extraordinary items and tax	(III-IV)	48,638,554	18,866,965
VI	Extraordinary Items		—	—
VII	Profit before tax	(V-VI)	48,638,554	18,866,965
VIII	Tax expense:			
	(1) Current tax		15,856,290	6,068,121
	(2) Deferred tax		34,600	8,669
IX	Profit(Loss) from the period	(VII-VIII)	32,747,664	12,790,175
X	Earning per equity share:			
	(1) Basic		0.13	0.27
	(2) Diluted		0.13	0.29
XI	No of weighted average shares used in computing EPS			
	(1) Basic		243,280,600	48,156,120
	(2) Diluted		243,280,600	48,156,120
	Face Value Per Share		1	5
	Significant Accounting Policies	1		

Notes referred to above and attached there to form an integral part of Balance Sheet

As per our report of even date attached

FOR M. M. GOYAL & CO.

Chartered Accountants

Firm Registration No.007198N

(MANMOHAN GOYAL)

Partner

Membership No.: 86085

Place : New Delhi

Date : 30.04.2015

FOR PMC FINCORP LIMITED**(R. K. MODI)**

Managing Director

(REKHA MODI)

Director

(NIDHI PATHAK)

Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

	As on 31-03-2015 (₹)	As on 31-03-2014 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax	48638554	18866965
Adjustment for:		
Depreciation/amortisation	211884	236385
Expenses W/Off	95000	23750
Operating Profit Before working capital changes	<u>48945438</u>	<u>19127100</u>
Adjustment for working capital:		
Increase in Inventories	(34760905)	(3601973)
(Increase)/ Decrease in Trade receivables	14513652	(14513652)
Decrease in Short term Loans & advances	13162668	16566015
Increase/ (Decrease) in Short -Term Borrowings	(292710260)	4960366
Increase/ (Decrease) in Other current Liabilities	36018274	(11623237)
Cash generated from operations	(214831133)	10914619
Income taxes paid	(15890890)	(6094905)
Net cash outflow from operating Activities	<u>(230722023)</u>	<u>4819714</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1574282)	(159364)
Sale of Investments	1005308	20230000
Purchase of investments	(18000000)	(23055875)
Net cash used in investing activities	<u>(18568974)</u>	<u>(2985239)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital	250000000	—
Net cash from/ (used in) Financing Activities	<u>250000000</u>	<u>—</u>
Net increase / (decrease) in cash and cash equivalents	709003	1834475
Cash and Cash Equivalents as at March 31, (Opening balance)	2377689	543215
Cash and Cash Equivalents as at March 31, (Closing balance)	<u>3086692</u>	<u>2377690</u>

FOR AND ON BEHALF OF THE BOARD

(R. K. MODI)
Managing Director

(REKHA MODI)
Director

Place : New Delhi
Date : 30.04.2015

(NIDHI PATHAK)
Company Secretary



AUDITORS' CERTIFICATE

We have verified the above Cash Flow Statement of PMC Fincorp Limited for the year ended March 31, 2015 derived from audited financial statements, prepared by the Company in accordance with Clause 32 of the Listing Agreement with the Stock Exchange and found the same in accordance therewith.

For M. M. GOYAL & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.007198N

Place : New Delhi
Date : 30.04.2015

(MAN MOHAN GOYAL)

Partner
M.No. 86085



NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

- (a) Financial Statements are prepared under the historical cost convention on accrual basis in accordance with the generally accepted accounting principles and the Accounting Standards referred to in Section 211(3C) of The Companies Act, 1956. Accounting policies not specifically referred to otherwise are consistent and in consonance with prudent accounting principles.
- (b) **Use of Estimates:** The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date financial statements and reported amounts of revenue and expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.
- (c) All assets and liabilities have been classified as Current or Non-Current as per the operating cycle criteria set out Revised Schedule VI to the Companies Act, 1956.

2. GOING CONCERN DISCLOSURE

The accounts under consideration have been drawn up on going concern basis.

3. REVENUE RECOGNITION:

All income and expenditure are accounted for on accrual basis. Shares/ Securities are capitalized at cost inclusive of brokerage, Service Tax, Education Cess, Depository Charges, Securities Transaction Tax and other miscellaneous transaction charges, which due to practical difficulty cannot be identified/allocated to a particular transaction, are charged directly to Profit & Loss Account.

4. FIXED ASSETS:

Fixed assets are stated at cost less accumulated depreciation and amortization.

5. DEPRECIATION:

Depreciation is provided on fixed assets on Diminishing Balance Method at the rates and in the manner specified in schedule XIV to The Companies Act, 1956.

6. INVESTMENTS:

Investment are classified into Non-Current Investment. Long Term Investments are stated at cost.

7. INVENTORIES:

Inventories are valued at weighted average cost or net realizable value whichever is lower. Cost is determined on First-In-First-Out (FIFO) basis.

8. EMPLOYEE BENEFITS:

Employee Benefits are recognised / accounted for on the basis of revised AS-15 detailed as under:

- (a) Short-term employee benefits are recognised at the undiscounted amount in the Profit and Loss Account of the year in which the related service is rendered.
- (b) Termination benefits are recognised as an expense as and when incurred.
- (c) Employee benefits under defined benefit plans comprise of gratuity, which is accounted for as at the year-end based on actuarial valuation.
- (d) The actuarial gains and losses arising during the year are recognised in the Profit and Loss Account of the year without resorting to amortization.



9. BROKERAGE/COMMISSION INCOME:

Brokerage/Commission Income is accounted for as and when the bills are raised. In respect of contracts pending for execution, the income or brokerage is recognised on the date of performance of the contract.

10. INCOME FROM INVESTMENTS:

Income from investments, where appropriate are taken into full on declaration or receipt and tax deducted at source thereon is treated as advance tax. other privileges to the company.

11. MISCELLANEOUS EXPENDITURE:

All items included in Miscellaneous Expenditure have been amortized in equal installments over a period of ten years.

12. TAXATION:

Tax expenses for the year comprises of Current Tax and Deferred Tax charge or credit. The Deferred Tax Asset and Deferred Tax Liability is calculated by applying tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred Tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax law are recognised only if there is virtual certainty of its realization. Other Deferred Tax assets are recognised only to the extent there is a reasonable certainty of realization in future. Deferred Tax assets/ liabilities are reviewed at each Balance Sheet Date based on development during the year, further future expectations and available case laws to re-assess realization/ liabilities.

13. IMPAIRMENT OF ASSETS:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss is recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

14. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

15. In the opinion of the Board, the Current assets, Loans & Advances are approximately of the value stated if realized in the ordinary course of the business. The provision of all known liabilities is adequate.

(A) In the opinion of Management, the Company is mainly engaged in the activities of Sale/ Purchase of Shares & Securities & other related ancillary services in current year and therefore there are no separate reportable segments as per Accounting Standard (AS-17) "Segment Reporting".

(B) The Company operates in India and hence there are no reportable geographical segment.

16. There are no amounts payable to any micro enterprises & small enterprises as identified by management from the information available with the company & relied upon by auditor.



Note : 2 Share Capital

Sr. No	Particulars	At the End of 31.03.2015 No.	At the End of 31.03.2015 ₹	At the End of 31.03.2014 No.	At the End of 31.03.2014 ₹
a	AUTHORISED CAPITAL				
	Equity Shares of ₹ 1/- each (P.Y. ₹ 5/- each)	250,000,000	250,000,000	50,000,000	250,000,000
b	ISSUED, SUBSCRIBED & PAID UP CAPITAL				
	Equity Shares of ₹ 1/- each (P.Y. ₹ 5/- each)	243,280,600	243,280,600	48,156,120	240,780,600
	Total in ₹	243,280,600	243,280,600	48,156,120	240,780,600

- a. Equity Shares: The Company has one class of equity shares having a par value of ₹1/- each (P.Y. ₹ 5/- each). Each holder of equity shares is entitled to one vote per share.
- b. The company declares and pays dividend in Indian Rupees. The proposed dividend by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.
- c. Detail of Bonus shares issued during previous five years is as under:

S.No	Description	Date of Issue	No of Shares	Face Value
1	1 (One) Equity Share for every 2 (Two) Equity Shares	06.09.2011	4458900	10
2	8 (Eight) Equity Shares for every 10 (Ten) Equity Shares	13.03.2014	21402720	5

- d. There are no shares issued for consideration other than cash and also company has not bought back any share during the period of five years immediately preceding the reporting date.
- e. The Company has sub divided every equity shares of ₹ 5/- each in to Five equity share of ₹ 1/- each during the Year.

2 A Reconciliation of number of Shares

Sr. No	Particulars	At the End of 31.03.2015 No.	At the End of 31.03.2015 ₹	At the End of 31.03.2014 No.	At the End of 31.03.2014 ₹
a	Shares Outstanding at the beginning of the Year	48,156,120	240,780,600	26,753,400	133,767,000
b	Share Issued during the year (Bonus Issue) 8 Shares for every 10 shares held	—	—	21,402,720	107,013,600
	Preferential Issue	500,000	2,500,000	—	—
c	Shares bought back during the year	—	—	—	—
d	Any other movement (Subdivision of Equity Shares of ₹ 5/- to equity Shares of ₹ 1/-)	194,624,480	—	—	—
	Shares Outstanding at the end of the year	243,280,600	240,780,600	48,156,120	240,780,600

**2 B Details of shares held by shareholders holding more than 5 % of aggregate shares in the company**

Sr. No	Particulars	At the End of 31.03.2015 %	At the End of 31.03.2015 No.	At the End of 31.03.2014 %	At the End of 31.03.2014 No.
a	RRP Management Services Pvt. Ltd.	6.91	16,815,500	6.47	864,750
b	Prabhat Management Services Pvt. Ltd.	6.68	16,253,000	6.23	833,500
c	Ecomony Suppliers P. Ltd.	10.52	25,588,550	10.52	5,068,056
d	Seabird Vincon P. Ltd..	6.77	16,460,163	7.80	3,758,174
e	Embassy Sales P. Ltd.	5.71	13,900,630	5.86	2,821,516
f	Seabird Retails P. Ltd.	7.73	18,810,020	5.26	2,534,629
g	Seabird Distributers P. Ltd.	8.04	19,562,860	5.49	2,642,605
h	Famous Investment Cons P. Ltd.	5.26	12,789,808	—	—

- a. As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.
- b. There are no shares reserved for issue under options and contracts/commitments for sale of shares/ disinvestment.
- c. There are no unpaid calls from any Director or Officer.

Note : 3 Reserve & Surplus

Sr. No	Particulars	At the End of 31.03.2015 (₹)	At the End of 31.03.2014 (₹)
a	Statutory Reserve		
	Opening Balance	5,646,999	2,873,221
	Add: Tfd during the year	6,549,533	2,773,778
	Closing Balance	12,196,532	5,646,999
b	Share Premium Account		
	Opening balance	884,400	107,898,000
	Less: Bonus Issue made during the Year	—	107,013,600
	Add: issued during the year	247,500,000	—
	Closing Balance	248,384,400	884,400
c	Surplus in Statement of Profit & Loss		
	Opening Balance	30,797,369	20,780,972
	Add: Net Profit for the year	32,747,664	12,790,175
	Less: Tfd to Statutory Reserve	6,549,533	2,773,778
	Closing Balance	56,995,500	30,797,369
d	Misc Expenditure (Dr Balances)		
	Share Issue Expenses	—	(95,000)
	Total	—	(95,000)
	Total in ₹	317,576,431	37,233,768



Note : 4 DEFFERED TAX LIABILITIES

Sr. No	Particulars	At the End of 31.03.2015 (₹)	At the End of 31.03.2014 (₹)
a	Deffered Tax Liability due to Diff. in Depreciation as per IT Act & Companies Act	60,348	25,748
	Total in ₹	60,348	25,748

Note : 5 Short Term Borrowings

Sr. No	Particulars	At the End of 31.03.2015 (₹)	At the End of 31.03.2014 (₹)
a	Secured Loans	—	—
b	Unsecured Loans		
	Loans Repayable on Demand		
	From Body Corporates	369,270,797	453,981,057
	From Other	21,000,000	22,500,000
	From Related Parties	—	206,500,000
	Total in ₹	390,270,797	682,981,057

Note : 6 Trade Payable

Sr. No	Particulars	At the End of 31.03.2015 (₹)	At the End of 31.03.2014 (₹)
1	Sundry Creditor	23,133,940	—
	Total in ₹	23,133,940	—

Note : 7 Other Current Liabilities

Sr. No	Particulars	At the End of 31.03.2015 (₹)	At the End of 31.03.2014 (₹)
1	Expenses Payable	2,676,239	492,137
2	Unclaimed Dividend:-		
	2010-2011	36,000	36,000
	2011-2012	136,672	136,672
	2012-2013	210,211	—
3	Duties & Taxes Payable	5,427,760	4,787,291
	Total in ₹	8,486,881	5,452,100

Note : 8 Short Term Provisions

Sr. No	Particulars	At the End of 31.03.2015 (₹)	At the End of 31.03.2014 (₹)
1	Provision for Taxation	15,856,290	6,041,337
	Total in ₹	15,856,290	6,041,337



Note: 9 Fixed Asset
SCHEDULE AS PER COMPANIES ACT OF 1956
(Amount in ₹)

Sr. No	Particulars	Gross Block (Cost/Valuation)		Depreciation/Amortisation/Impairment			Net Block				
		01.04.2014	Addition during the year	Disposal during the year	31.03.2015	Upto 31.03.2014	Charge During the Year	Disposal Adjustments	Upto 31.03.2015	31.03.2015	31.03.2014
	Tangible Assets										
1	Computer & Laptop	307,474	40,700	—	348,174	167,674	14,544	—	182,218	165,956	139,800.00
2	Electric Equipments & Inverter	46,090	40,835	—	86,925	16,777	7,423	—	24,200	62,725	29,313.00
3	Furniture & Fixture	270,300	1,401,908	—	1,672,208	139,579	27,452	—	167,031	1,505,177	130,721.00
4	Mobile Handset	130,513	39,999	—	170,512	40,666	15,135	—	55,801	114,711	89,847.00
5	Office Equipment	21,009	47,240	—	68,249	6,165	5,972	—	12,137	56,112	14,844.00
6	Vehicles	1,832,711	—	—	1,832,711	859,043	135,437	—	994,480	838,231	973,668.00
7	Software	17,500.00	3,600	—	21,100	4,788.00	5,921	—	10,709	10,391	12,712.00
	Total (Current Year)	2,625,597	1,574,282	—	4,199,879	1,234,692	211,884	—	1,446,576	2,753,303	1,390,905
	Previous Year	2,466,233	159,364	—	2,625,597	998,307	236,385	—	1,234,692	1,390,904.80	1,467,926



Note: 10 Non - Current Investments

Sr. No.	Name of Company	No. of Shares		Face Value/ Unit	Amt. in ₹	
		As at 31.03.15	As at 31.03.14		As at 31.03.15	As at 31.03.14
a	Trade Investments (Quoted)					
1	Avonmore Capital & Management Services Ltd.	1,000,000	1,000,000	10.00	20,000,000	20,000,000
2	Pranvadya Spinning Mills Ltd.	498,800	500,000	10.00	2,050,567	2,055,875
3	ICICI Mutual Fund	—	76,827	10.00	—	1,000,000
	Total in ₹				22,050,567.00	23,055,875.33
b	Trade Investments (Unquoted)					
1	Gold Squire Builders & Promotors (P) Ltd.	10,000	10,000	10.00	1,000,000	1,000,000
2	Swati Menthol & Allied Chemicals Ltd.	180,000	—	10.00	18,000,000	—
	Total in ₹				19,000,000	1,000,000
	G.Total in ₹ (a+b)				41,050,567.00	24,055,875

Note : 11 Inventories

Sr. No	Particulars	At the End of 31.03.2015 (₹)	At the End of 31.03.2014 (₹)
1	Stock of Shares & Securities	42,461,758	7,700,853
	Total in ₹	42,461,758	7,700,853

Note : 12 Current Asset -Trade Recievables

Sr. No	Particulars	At the End of 31.03.2015 (₹)	At the End of 31.03.2014 (₹)
1	Outstanding for more than six months		
	a) Secured, Considered Good :	—	—
	b) Unsecured, Considered Good :	—	14,513,652
	c) Doubtful	—	—
	Less: Provision	—	—
2	Others		
	a) Secured, Considered Good :	—	—
	b) Unsecured, Considered Good :	—	—
	c) Doubtful	—	—
	Total in ₹	—	14,513,652

**Note : 13 Current Asset -Cash & Cash Equivalent**

Sr. No	Particulars	At the End of 31.03.2015 (₹)	At the End of 31.03.2014 (₹)
1	Cash-in-Hand		
	Cash in hand	461,284	74,240
	Sub Total (A)	461,284	74,240
2	Balances at Banks		
a	Bank of Baroda, Rampur	10,295	10,296
b	HDFC Bank Ltd., New Delhi	49,197	49,197
c	HDFC Bank Ltd., Rajender Nagar, New Delhi	2,037,989	1,363,665
d	HDFC Bank Ltd., Patel Nagar, New Delhi	52,776	404,590
e	ICICI Bank Ltd., New Delhi	630,167	89,960
f	HDFC Dividend A/C (FY 2010-11)	21,000	21,000
g	HDFC Dividend A/C (FY 2011-12)	151,672	151,672
h	Kotak Mahindra Bank Limited, New Delhi	178,650	213,070
i	HDFC Dividend A/C (FY 2012-13)	210,211	—
j	ICICI Bank Ltd, New Delhi	(716,547)	—
	Sub Total (B)	2,625,408	2,303,449
	Total [A + B]	3,086,692	2,377,689

Note : 14 Short Terms Loans and Advances

Sr. No	Particulars	At the End of 31.03.2015 (₹)	At the End of 31.03.2014 (₹)
1	Loans & Advances to related parties		
a)	<u>Secured, Considered Good :</u>		
	Advance to Associate Concerns	—	—
b)	<u>Unsecured, Considered Good :</u>		
c)	<u>Doubtful</u>	—	—
2	Others	891,108,561	909,871,040
	<i>Advance Recoverable in cash or in kind or for value to be considered good</i>		
	TDS 2013-14	36,309	5,189,117
	TDS 2012-13	148,576	148,576
	Refundable from IT Authorities (AY11-12)	232,171	232,171
	Refundable from IT Authorities (AY12-13)	1,509,732	1,509,732
	TDS 2014-15	13,252,619	—
	Share Application Money to Corporates	3,000,000	5,500,000
	Security to Landlord- Rampur	25,000	25,000
	Total in ₹	909,312,968	922,475,636

- a. In the opinion of the Board of Director of the Company, all items of "Current Assets, loans and Advances", continue to have a realizable value of at least the amount at which they are stated in the Balancesheet, unless otherwise stated.



Note : 15 Revenue from Operations

Sr. No	Particulars	At the End of 31.03.2015 (₹)	At the End of 31.03.2014 (₹)
1	Sales of stock and shares	152,890,574	19,714,313
2	Interest on FDR	2,353,137	199
3	Interest income	65,121,737	50,217,027
4	Dividend income	78,501	13,712
5	Income on Sale of Investments	57,752	176,500
6	Profit on mutual fund	116,420	—
7	Income from Speculative Activities	192,280	76,030
8	Brokerage from Distribution Operation	69,230,000	30,310,550
Total in ₹		290,040,402	100,508,331

Note : 16 Change in Inventories

Sr. No	Particulars	At the End of 31.03.2015 (₹)	At the End of 31.03.2014 (₹)
1	Opening Stock of Shares	7,700,853	4,098,879
2	Closing Stock of Shares	42,461,758	7,700,853
Total in ₹		(34,760,905)	(3,601,974)

Note : 17 Employee Benefits Expenses

Sr. No	Particulars	At the End of 31.03.2015 (₹)	At the End of 31.03.2014 (₹)
1	Salary	7,512,000	6,540,000
2	Staff welfare expenses	114,378	86,245
Total in ₹		7,626,378	6,626,245

Note : 18 Finance Costs

Sr. No	Particulars	At the End of 31.03.2015 (₹)	At the End of 31.03.2014 (₹)
1	Interest & Bank Charges	30,637,857	29,385,151
Total in ₹		30,637,857	29,385,151

Note : 19 Depreciation & Amortisation Expenses

Sr. No	Particulars	At the End of 31.03.2015 (₹)	At the End of 31.03.2014 (₹)
1	Depreciation	211,884	236,385
Total in ₹		211,884	236,385

**Note : 20 Other Administrative Expenses**

Sr. No	Particulars	At the End of 31.03.2015 (₹)	At the End of 31.03.2014 (₹)
1	Audit Fee	112,360	112,360
2	Advertisement & Publicity	90,614	84,909
3	Bank charges	2,294	13,963
4	Board Meeting Fee to Directors	144,000	133,000
5	Books & periodicals	86,086	69,785
6	Brokerage & Commission	3,183,600	1,280,555
7	Computer Maintenace	19,600	19,450
8	Conveyance Charges	451,372	432,327
9	Custodian Charges-CDSL/NSDL	164,774	91,833
10	Interest paid on taxes	226,386	279,835
11	Service tax paid on Directors Fee	17,800	16,443
12	Miscellaneous Expenses	84,890	239,415
13	Office Expenses	371,476	344,147
14	Postage & Courior Expenses	177,049	163,972
15	Share Issue Expenses W/Off	95,000	23,750
16	Printing & Stationery Expenses	244,260	204,171
17	Professional Charges	376,844	339,210
18	Rent Rates & Electricity Charges	454,238	463,110
19	Registrar and transfer agent expenses	22,696	25,691
20	ROC Filling Fees	23,000	517,500
21	Stock Exchange Expenses	198,703	242,234
22	Share Trading Expenses	439,965	66,056
23	Telephone Expenses	102,363	78,933
24	Travelling Expenses	254,635	204,600
25	Vehicle Running & Maintainance	412,613	398,398
26	Previous years income tax	248,451	—
Total in ₹		8,005,067	5,845,647

21. Related Party Disclosures:

(A) List of related parties (Where transactions have taken place)

i. Ker Managerial Personnel & their Relatives

S. NO.	NAME	RELATION
1	Raj Kumar Modi	Managing Director
2	Rekha Modi	Director

ii. Enterprise over which Key Management person and his relatives exercise significant influence

S.No.	Name
1	RRP Management Services Pvt. Ltd.
2	Prabhat Management Services Pvt. Ltd.

(B) Transaction with related parties:

Particulars	Key Management Personnel & Relatives		Enterprises having significant influence over the Company		Enterprise over which Key Management person and his relatives exercise significant influence	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Rent Paid	300,000	300,000	NIL	NIL	NIL	NIL
Director Remuneration Paid	2,400,000	15,00,000	NIL	NIL	NIL	NIL
Inter Corporate Deposits availed	NIL	NIL	NIL	NIL	NIL	39,300,000
Inter Corporate Deposits Repaid	NIL	NIL	NIL	NIL	206,500,000	18,700,000
Unsecured Loan Received	NIL	NIL	NIL	NIL	NIL	NIL
Unsecured Loan Repaid	NIL	NIL	NIL	NIL	NIL	NIL
Share Capital Received including share Premium	NIL	NIL	NIL	NIL	250,000,000	NIL
Balance Outstanding at year end						
Unsecured Loan	NIL	NIL	NIL	NIL	NIL	NIL
Inter Corporate Deposits	NIL	NIL	NIL	NIL	NIL	206,500,000

(C) Related parties are identified by the management & relied upon by the Auditor.

(D) No balance in respect of related parties have been written off.

22. Documents of Car No. DL 3C BA 2675 of the company are in the name of Sh. Raj Kumar Modi Managing Director of the company.

23. Provision for tax is made for both Current and Deferred Taxes. Provision for current Income Tax is made on the current tax rates based on assessable income. The Company has provided for deferred tax in accordance with AS-22.

24. Deferred Tax (Net)

	Deferred tax Liab. As at 31.03.2014	Current Year Deferred Tax Liab.	Deferred tax Liab. As at 31.03.2015
(Difference between book and tax Depreciation)	25,748	34,600	60,348

25. Payment to Director's

Sr. No	Particulars	At the End of 31.03.2015 (₹)	At the End of 31.03.2014 (₹)
1.	Salary	2,400,000	1,500,000
2.	Director's Sitting Fees	144,000	133,000

26. Balance due to / from some of the parties are subject to confirmation.

27. Previous year's figures are re-classified, re-grouped, re-arranged where is necessary.

28. Payment of Dividend

Dividend is paid under three modes viz:

- (a) National Electronic Clearing Services (NECS)
- (b) National Electronic Fund Transfer (NEFT)
- (c) Physical dispatch of Dividend Warrants

29. Quantative information pursuant to the provisions of paragraphs 3, 4C, 4D pf Part II of Schedule VI of the Companies Act.

Shares, Securities, Bonds & Commodities	Qty.	Amount
Opening Stock	2,305,872	7,700,853
(Previous Year)	1,770,192	4,098,979
Purchases	6,061,547	229,681,567
(Previous Year)	1,017,270	43,149,911
Sales	2,457,560	152,890,574
(Previous Year)	481,590	19,714,313
Closing Stock	5,909,859	42,461,758
(Previous Year)	2,305,872	7,700,853

As per our report of even date attached

FOR M. M. GOYAL & CO.

Chartered Accountants

Firm Registration No.007198N

(MANMOHAN GOYAL)

Partner

Membership No. : 86085

Place : New Delhi

Date : 30.04.2015

FOR PMC FINCORP LIMITED

(R. K. MODI)

Managing Director

(REKHA MODI)

Director

(NIDHI PATHAK)

Company Secretary



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PMC Fincorp Limited

(formerly Priti Mercantile Company Limited)

Regd. Office: B-10, VIP Colony, Civil Lines, Rampur - 244901 (U.P.)

Corp. Office: 15/76, 2nd Floor, Old Rajender Nagar, New Delhi - 110060

Tel No.: 011 - 42436847, Email Id: pritimercantile@gmail.com Website : www.pmcfinance.in

CIN: L27109UP1985PLC006998

Form No. MGT-11 PROXY FORM

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

30TH ANNUAL GENERAL MEETING

MONDAY, 28TH SEPTEMBER, 2015, at 3:30 P.M.

I/We _____ R/o _____
_____ being a Member/ Members of **PMC FINCORP LIMITED**,
hereby appoint Mr./ Mrs. _____
failing him/ her Mr./ Mrs. _____
R/o _____

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the members of the Company, to be held on Monday, 28.09.2015 at 3:30 P.M at Modipur Hotel, Bareilly Road, Rampur, Uttar Pradesh-244901 and at any adjournment thereof in respect of such Resolutions listed overleaf/ annexed.

Signed on this _____ Day of September, 2015

Signature :

Address :

Folio No. :

No. of Equity Shares held :

Affix a
1 Rupee
Revenue
Stamp

Notes:

1. Any Member entitled to attend and vote at the Meeting is entitled to attend and either vote in person or by Proxy and the proxy need not be a Member.
2. Proxy form duly signed across Revenue Stamp of Re. 1.00 should reach the Company's Registered Office not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a Member of the Company.

S. No.	RESOLUTIONS	OPTIONAL*	
		FOR	AGAINST
Ordinary Business			
1.	Adoption of Audited Financial Statements of the company for the year ended on 31st March, 2015.		
2.	Re-appointment of Mrs. Rekha Modi (DIN: 01274200), Director of Company who retires by rotation and being eligible offering herself for re-appointment		
3.	Re-appointment of Statutory Auditors of the Company till the conclusion of the next Annual General Meeting.		
Special Business			
4.	Re-appoint of Mr. Vishnu Bhagwan Agarwal as an Independent Director in terms of the Companies Act, 2013.		
5.	Re-appoint of Mr. Pramod Gupta as an Independent Director in terms of the Companies Act, 2013.		
6.	Maintenance of Registers & Returns at the Corporate Office of the Company.		
7.	Increase in the RFPI investment limit up to 49% (forty-nine percent) of the equity share capital of the Company.		

Signed this day of September, 2015

Signature of Shareholder

Address :

Folio No. :

No. of Equity Shares held :

Affix a 1 Rupee Revenue Stamp
--

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Office of the Company, not less than 48 hours before the commencement of the meeting.
2. For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of 30th Annual General Meeting and Notice.
3. *It is optional to put (√) in the appropriate column against the Resolutions indicated in the Box. If you leave the "FOR" or "AGAINST" columns BLANK in all or any of 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) & as in the above box before submission.

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Tel No.: 011 - 42436847, Email Id: pritimercantile@gmail.com Website : www.pmcfinance.in

CIN: L27109UP1985PLC006998

ATTENDANCE SLIP

30TH ANNUAL GENERAL MEETING

Monday, 28th September, 2015, at 3:30 P.M.

at Modipur Hotel, Bareilly Road, Rampur, Uttar Pradesh-244901

Members are requested to bring copy of Annual Report, Notice along with them to the Annual General Meeting. Please complete this Attendance Slip and hand-over at the Entrance. Only Members or their Proxies are entitled to be present at the Meeting.

Name of the Shareholder :

Ledger Folio No. :

Address :

No. of Shares held :

Name of the Proxy :

I/ We hereby record my/ our presence at the Annual General Meeting of the Company.

Place :

Dated :

Member's / Proxy's Signature

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CIN: L27109UP1985PLC006998

E-Mail Registration Form for Holding shares in Physical Form

To



Indus Portfolio Pvt. Ltd.

Unit : PMC Fincorp Limited

G-65, Bali Nagar,

New Delhi-110015

Green Initiative in Corporate Governance

I am a shareholder of the Company. I want to receive all communication from the Company including the Notices, Annual Reports etc. through email. Please register my e-mail ID, set out below, in your records for sending communication through e-mail:

Folio/Client Id. & DP Id. _____ E-mail Id. _____

Name of Holder(s) _____

Registered Address _____



Date : _____

Signature: _____

Notes:

- i) On registration, all communications will be sent to the E-mail Id. Registered in the Folio/Client Id. & DP Id.
- ii) Holders of shares in demat form are requested to register/update their e-mail id with their Depository Participant.

PMC Fincorp Limited

-: Corporate Office :-

15/76, 2nd Floor, Old Rajender Nagar, New Delhi - 110060