

Dated: 07/10/2016

To,

The Corporate Relationship Manager
Department of Corporate Services
BSE Ltd.
P. J. Towers, Dalal Street,
Mumbai-400001

Dear Sir,

Scrip Code: 534060

Subject: Annual Report for the year ended 31st March, 2016

In compliance with Regulation 34(1) of the SEBI (Listing of Shares and Disclosure Requirements) Regulation 2015, please find enclosed herewith the Annual Report of the Company for the year ended 31st March, 2016 for records. It may be noted that 31st Annual General Meeting of the Company was held on 24th September 2016 at 12.30 P.M. at Mood Food Restaurant, Opposite Ambedkar Park, Civil Lines, Rampur, Uttar Pradesh - 244901.

Kindly take this on record & oblige.

Thanking you,
Yours faithfully,
For PMC Fincorp Limited


(Nidhi Pathak)
Company Secretary



PMC Fincorp Limited

31st Annual Report 2015-16



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31st ANNUAL GENERAL MEETING	
DATE	24th September, 2016
DAY	Saturday
TIME	12:30 P.M.
PLACE	MoodFood Restaurant Opposite Ambedkar Park, Civil Lines, 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> M/s M. M. Goyal & Co. Chartered Accountants, Firm Registration No.007198N 208, Allied House, Inderlok, Delhi-110035.		CIN L27109UP1985PLC006998 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> M/s. Krishan K Aggarwal & Associates Chartered Accountants, Firm Registration No.019471N 107, Padma Tower - 1, Rajendra Place, New Delhi		<u>SECRETARIAL AUDITORS</u> 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> HDFC Bank Ltd. ICICI Bank Limited Kotak Mahindra Bank Ltd.		<u>REGISTRAR & TRANSFER AGENT</u> 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> B-10, VIP Colony, Civil Lines, Rampur - 244901 (U.P.)		<u>CORPORATE OFFICE</u> 14/5, Old Rajender Nagar, New Delhi - 110 060.
<u>COMPANY SECRETARY</u> Ms. Nidhi Patahk		<u>CHIEF FINANCIAL OFFICER</u> Mr. Vijay Kumar Yadav
CONTACT DETAILS		
Tel : 011 - 42436847 Mob : 09810513994		Email : pritimercantile@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.

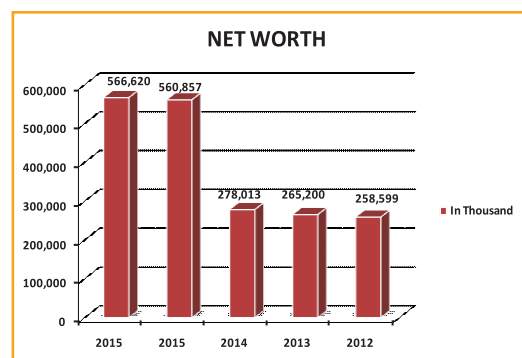
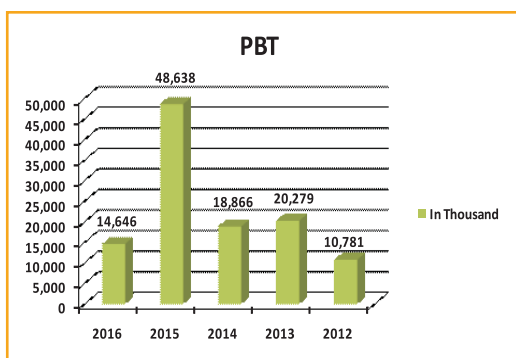
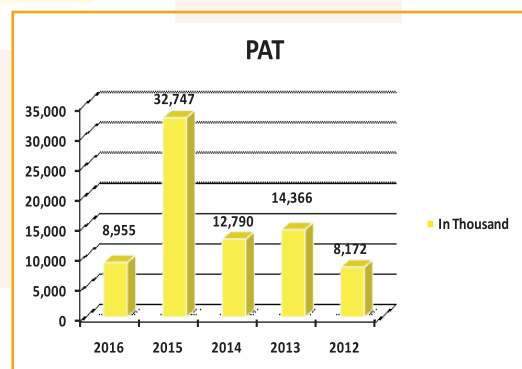
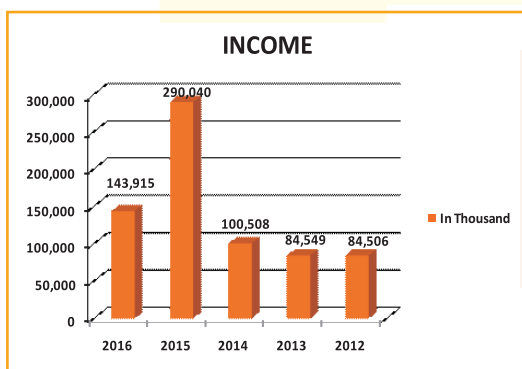


LAST FIVE YEARS AT A GLANCE

(₹ in Thousand)

Sl. No.	Particulars/Financial Year	2015-16	2014-15	2013-14	2012-13	2011-12
1	Sales/Income from operation	143915	290040	100508	84549	84506
2	PBT	14646	48638	18866	20279	10781
3	Tax/Deferred Tax	5691	15890	6077	5913	2609
4	PAT	8955	32747	12790	14366	8172
5	Dividend	—	—	—	5%	5%
6	Equity Capital	486561	243281	240780	133767	133767
7	Reserve & Surplus	80059	317576	37233	131433	124832
8	Net Worth	566620	560857	278013	265200	258599
9	EPS (₹1/- per share)	0.02	0.13	0.29*	0.53*	0.71**
10	Book Value (₹1/- per share)	1.16	2.31	5.77*	9.91*	19.33**

* (₹5/- per share) ** (₹10/- per share)





NOTICE

Notice is hereby given that the 31st Annual General Meeting of the Members of **PMC FINCORP LIMITED** will be held on **Saturday, the 24th day of September, 2016 at 12.30 P.M.** at the MoodFood Restaurant, Opposite Ambedkar Park, Civil Lines, Rampur, Uttar Pradesh - 244901 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016 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 as per the directions issued by Bombay Stock Exchange (BSE), correct Record Date (24.11.2015) for the purpose of determining the issue price of the convertible warrants and the correct lock in period for pre-preferential holding "from the Relevant Date up to a period of six months from the date of trading approval i.e. (18.08.2017)" as per Regulation 78(6) of SEBI (ICDR) Regulations, 2009, which was inadvertently mentioned wrong in the Notice of Postal ballot issued by the Company dated 19.11.2015, be and is hereby ratified and approved".

5. 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 Section 88, 92 and 94 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any amendment thereto or enactment thereof for the time being in force), consent of the Company be and is hereby accorded to keep the Register of Members and copies of all Annual Returns under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at the Corporate office of the Company at 14/5, Old Rajender Nagar, New Delhi-110060, instead of the Registered Office of the Company.

RESOLVED FURTHER THAT the Board of Directors or any Committee thereof of the Company be and are hereby authorized to do all such things and take all such actions as may be required from time to time for giving effect to the above resolution and matters related thereto."

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

Place : New Delhi
Date : 26.08.2016

(**NIDHI PATHAK**)
Company Secretary
Membership No. A31973
R/o. 18/82, 3rd Floor, East Moti Bagh,
Sarai Rohilla, New Delhi-110007

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. The Explanatory Statement pursuant to under section 102 of the Companies Act, 2013, in respect of special business is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, September 17, 2016 to Saturday September 24, 2016, both days inclusive.**
5. Members holding shares in electronic mode are requested to keep their email addresses updated and intimate immediately any change in their address, bank mandates to their Depository Participants. Members holding shares in physical mode are also requested to update their email addresses, advise any change in their address, bank mandates by writing to M/s. Indus Portfolio Pvt. Ltd., G- 65, Bali Nagar, New Delhi-110015 quoting their folio number(s).
6. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or M/s. Indus Portfolio Pvt. Ltd., G- 65, Bali Nagar, New Delhi- 110015 for assistance in this regard.
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. 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.
11. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their dematerialised accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent M/s. Indus Portfolio Private Limited.
12. Pursuant to Regulation 36 of the SEBI (LODR) Regulations, 2015 and Sections 20, 101 and 136 of the Companies Act, 2013, electronic copy of Annual Report and this Notice inter-alia indicating the process and manner of e- voting along with Attendance Slip and proxy form are being sent by e-mail to those shareholders whose e-mail addresses have been made available to the Company/ Depository Participants unless any member has requested for a hard copy of the same.
13. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, Notice and all other material documents are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and Public holidays up to the date of the Annual General Meeting. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
14. In terms of Section 152 of the Companies Act, 2013, Mrs. Rekha Modi (DIN: 01274200), Director retires by rotation at the meeting and being eligible, offers herself for re-appointment. The relevant details of Mrs. Rekha Modi (DIN: 01274200), as required under Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, ("SEBI (LODR) Regulations, 2015") is annexed to this notice.



15. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for identification. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
16. 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 prtimercantile@gmail.com.
17. The Company has designed an exclusive e-mail ID prtimercantile@gmail.com for redressal of shareholder's complaints/grievances.

18. 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 and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on the resolutions proposed to be passed in the 31st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

"Remote e-voting" means the facility of casting votes by a member using an electronic system from a place other than the venue of the General Meeting.

2. The e-voting period commences on **Wednesday, September 21, 2016 (10:00 am) till Friday, September 23, 2016 (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 Saturday, September 17, 2016, 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.
3. The Notice of the **31st 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.
4. The procedure to login to e-Voting website is given below:
 - (i) Open the attached PDF file "e-Voting.pdf" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting.
 - (ii) 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. i to Sl. No. xii.
 - (iii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iv) Click on Shareholder - Login
 - (v) Put user ID and password as initial password noted in step (i) above. Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com.
 - (vi) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
 - (vii) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
 - (viii) Select "EVEN" of PMC Fincorp Limited. Members can cast their vote online from **Wednesday, September 21, 2016 (10:00 am) till Friday, September 23, 2016 (5:00 pm)**.

Note: e-Voting shall not be allowed beyond said time.



- (ix) Now you are ready for "e-Voting", as "Cast Vote" page opens.
 - (x) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (xi) 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. **Saturday, September 17, 2016** 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.
 - (xii) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xiii) Once you have voted on the resolution, you will not be allowed to modify your vote.
5. 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.
- Further, NSDL is pleased to inform you that NSDL has now integrated its e-Services website (<https://eservices.nsdl.com/>) with the aforesaid e-Voting system of NSDL, which enables you as a registered User of IDeAS facility to also access e-Voting system of NSDL for casting your votes by using your existing login credentials viz.; User ID and password of IDeAS facility. Thus, you would not be required to log-in to e-Voting system separately for casting votes in respect of the resolutions of companies.
- 6. 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 - 42436846).
 - 7. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
 - 8. 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).
 - 9. 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.
 - 10. 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.
 - 11. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on, **Saturday, September 17, 2016**.
 - 12. 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 17, 2016** and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
 - 13. **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.
 - 14. 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.
 - 15. 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 of the accompanying Notice:

Item no. 4 :

As per provisions of section 62(1) C of the Companies, Act, 2013 read with rule 12 & 13 of Companies (Share Capital and Debentures) Rules, 2014, subject to the approval of members of the Company, the Board of Directors of the Company in their board meeting held on 19th November, 2015 approved the preferential issue of convertible warrants to its promoters of the company.

For the said purpose, the approval of shareholders by way of special resolution was required and hence the approval of members was obtained through postal ballot conducted on 24th December, 2015. While applying for the in-principle approval to the BSE for allotment of the equity warrants, it came to the notice that the Company had inadvertently mentioned wrong Record Date i.e. 03rd November, 2015 instead of 24th November, 2015 for determining the issue price of the warrants and accordingly the wrong lock-in period was mentioned in the Notice of Postal ballot dated 19th November, 2015.

As per the directions issued by Bombay Stock Exchange (BSE), correct Record Date for the purpose of determining the issue price of the convertible warrants and the correct lock in period as per Regulation 78 of SEBI (ICDR) Regulations, 2009, should be ratified and approved by the shareholders.

Therefore, Your directors propose to ratify the correct record date and lock-in period by passing a special resolution.

Your Directors recommend the special resolution for your approval.

None of the Directors, Key managerial Persons or their relatives may be deemed to be concerned or interested in any way in the proposed resolution.

Item no. 5:

As required under the provisions of Section 94 the Companies Act, 2013, certain documents such as the Register of Members maintained under section 88 and copies of the Annual Returns filed under section 92 are required to be kept at the registered office of the Company. However, these documents can be kept at any other place within the city, town or village in which the registered office is situated or any other place in India in which more than one-tenth of the total members entered in the register of members reside, if approved by a Special Resolution passed at a general meeting of the Company.

Accordingly, the approval of the members is sought in terms of Section 94(1) of the Companies Act, 2013, for keeping the aforementioned registers and documents at the Corporate office of the Company at 14/5, Old Rajender Nagar, New Delhi-110060, instead of the Registered Office of the Company for the sake of operational convenience.

The Directors recommend the said resolution proposed vide Item No. 5 to be passed as Special Resolution by the members.

None of the Directors, Key Managerial Personnel of the Company, and/or their relatives may be deemed to be concerned or interested in the said resolution.

By Order of the Board
For PMC FINCORP LIMITED

Place : New Delhi
Date : 26.08.2016

(NIDHI PATHAK)
Company Secretary
Membership No. A31973
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 21 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	1620000	8640000	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	3	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, Nomination & Remuneration Committee and Stakeholder Relationship Committee 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 31st Annual Report of the Company together with the Audited Statements of Accounts for the year ended on 31st March, 2016.

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, 2016.

(Amount in ₹)

PARTICULARS	Year ended 31.03.2016	Year ended 31.03.2015
Gross Income	143,914,694	290,040,402
Profit/Loss Before Interest and Depreciation (EBITDA)	38,799,198	79,488,295
Finance Charges	22,880,552	30,637,857
Gross Profit/Loss	15,918,646	48,850,438
Provision for Depreciation	1,272,293	211,884
Net Profit Before Tax	14,646,353	48,638,554
Provision for Tax	5,691,232	15,890,890
Net Profit After Tax	8,955,121	32,747,664

Your Company has achieved Income from operation and profit before tax aggregated to Rs. 14.39 Crores and Rs. 1.46 Crores during the current year, respectively as compared to Income Rs. 29.00 Crores and Profit Rs. 4.86 Crores during the previous year.

DIVIDEND

Your Director's do not recommend any dividend for the financial year ended on 31st March, 2016 and no amount has been transferred to General reserve.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

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

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

Capital Infusion

Pursuant to the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Companies Act, 2013 and the approval of members and of the Board of Directors, the Company raised funds through:

Preferential issue of warrants - On 2nd April, 2016 the Company's Stakeholders Relationship Committee allotted 22,500,000 (Two Crores Twenty Five Lakhs) equity warrants to the promoters namely RRP Management Services Private Limited and Prabhat Management Services Private Limited, at a price of Rs. 3.50 (Rupees Three and Fifty paise) per warrant, which are convertible into equivalent number of equity shares of face value of Rs. 1 each within 18 months from the date of allotment of warrants i.e. on or before 1st October, 2017. The Company has received 25% of the issue price of warrants.



SHARE CAPITAL

During the period, the total share capital of the Company has increased from Rs. 500,000,000/- (Rupees Fifty Crores) to Rs. 520,000,000/- (Rupees Fifty Two Crores). Pursuant to allotment of 22,500,000 (Two Crores Twenty Five Lakhs) equity warrants to two of the Promoters of the Company at a price of Rs. 3.50/- (Rupees Three and Fifty Paise) per warrant under provisions of the Companies Act, 2013.

PREFERENTIAL ISSUE OF EQUITY WARRANTS THROUGH POSTAL BALLOT

The Company has proposed to Issue equity warrants to two of the promoters on Preferential Basis. The same was duly approved by members of the Company on 24th December, 2015 through postal ballot. Accordingly, Company is in a process to issue 22,500,000 (Two Crores Twenty Five Lakhs) at a face value of Rs. 1/- each at a price of Rs. 3.50/- per warrant to two of the Promoters of the Company. The process of allotment of equity warrants is completed in the month of April 2016.

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

Conservation of energy and technology absorption

The Company, being a non-banking finance company (NBFC), does not have any manufacturing activity. The directors, therefore, have nothing to report on 'conservation of energy and technology absorption'.

Foreign Exchange

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.

LISTING AGREEMENT

The Securities and Exchange Board of India (SEBI), on September 2, 2015 issued SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. The said regulations which became effective December 1, 2015 required all Listed Companies to enter into the fresh Listing Agreements within six months from the effective date. Accordingly, the Company entered into Listing Agreement with BSE Limited during February, 2016.

DISCLOSURES

Committees of the Board

The Company has the following Committees constituted in accordance with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015:

- ❖ Audit Committee
- ❖ Nomination & Remuneration Committee
- ❖ Stakeholders Relationship Committee



The details of all the Committees along with their composition, terms of reference and meetings held during the year are provided in the "Report on Corporate Governance" forming part of this Annual Report in **Annexure -IV**.

VIGIL MECHANISM & WHISTLE BLOWER POLICY

The Company has a vigil mechanism and a whistle blower policy. The same has been posted on the Company's website and the details of the same are given in the Corporate Governance Report.

POLICIES

The Company has adopted the various policies in compliance with the provisions of SEBI (LODR) Regulations, 2015 at their duly convened Board meetings held on 29th December, 2015:

1. Policy for Determination of Materiality of Disclosures.
2. Policy on Materiality of Related Party Transactions.
3. Adoption of policy on preservation of documents.
4. Adoption of archival policy.

The details of the Policy are available on the website of the Company at www.pmcfinance.in.

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 Section 73 of Companies Act, 2013.

DEMATERILISATION OF SHARES

Your Company has connectivity with NSDL & CDSL for dematerilisation of its equity shares. The ISIN no. INE793G01027 has been allotted for the company. Therefore, the member and/or investors may keep their shareholding in the electronic mode with their Depository Participates.

REMUNERATION AND PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) 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. 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

The Company, being a non-banking finance company registered with the Reserve Bank of India and engaged in the business of giving loans, is exempt from complying with the provisions of section 186 of the Companies Act, 2013 in respect of loans and guarantees. Accordingly, the disclosures of the loans given as required under the aforesaid section have not been given in this Report.

Information regarding investments covered under the provisions of section 186 of the said Act are detailed in the financial statements.



RELATED PARTY TRANSACTIONS

Transaction entered with related parties for the year under review were in the ordinary course of business and are placed before the Audit Committee on regular basis. All the transactions entered with related parties do not attract the provisions of Section 188 of the Companies Act, 2013 except one related party transaction which is covered under subsection (1) of section 188 of the Companies Act, 2013, the particulars of said contract or arrangement with related party in the Form AOC-2 is annexed as **Annexure 'I'**.

A policy on materiality of related party transactions and dealing with related party transactions is placed on the Company's website www.pmcfinance.in.

SECRETARIAL STANDARDS OF ICSI

Pursuant to the approval from the Ministry of Corporate Affairs, the Institute of Company Secretaries of India (ICSI) has, on 23 April 2015, notified the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) effective from 1 July 2015. The Company is compliant with the same.

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 2015-16. The Secretarial Audit report MR-3 submitted by Company Secretary in Practice is enclosed as part of this report **Annexure-II**.

INTERNAL AUDITORS

M/s. Krishan K Aggarwal & Associates, Chartered Accountants (FRN: 019471N), appointed to act as Internal Auditors of the Company for the period of three (3) years commencing from the FY 2015-16 and their reports reviewed by the Audit Committee time to time.

INTERNAL FINANCIAL CONTROLS

The Company has adequate Internal Financial Controls with proper checks to ensure that transactions are properly authorised, recorded and reported apart from safeguarding its assets. These systems are reviewed and improved on a regular basis. It has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis.

The internal auditors of the Company review the controls across the key processes and submits reports periodically to the Management and significant observations are also presented to the Audit Committee for review. Follow up mechanism is in place to monitor the implementation of the various recommendations.

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 e-forms. 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 12 times during the financial year from 1st April, 2015 to 31st March, 2016.

BOARD EVALUATION

Pursuant to provisions of the Companies Act, 2013, and Regulation 17(10) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, The Board of Directors has carried out an annual performance evaluation of its own performance, the Directors individually including Independent Directors. 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.

In compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Independent Directors held a meeting on 13th February, 2016, and they, inter alia:

1. Reviewed the Performance of Non-Independent Directors and the Board as whole.
2. Reviewed the performance of the chairperson of the Company.
3. Assessed the quality, quantity and timeliness of flow of Information between the Company Management and the Board, which is necessary for the Board to effectively and reasonably perform their duties.

DECLARATION OF INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Directors under section 149(7) of the Companies Act, 2013 that he/she fulfills all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

SIGNIFICANT AND MATERIAL ORDERS

The Company had received order passed by the Central Government vide order no. CG-1-C63672778 dated 14th Day of October, 2015 for Condonation of delay under section 460(b) of the Companies Act, 2013 with respect to non-filing of e-form MGT-14 by the Company.

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 from the public or its employees under Section 73 of Companies Act, 2013 and rules made thereunder during the year under review.

KEY MANAGERIAL PERSONNEL AND BOARD OF DIRECTORS

According to the Companies Act, 2013, at least two-thirds of the total number of directors (excluding independent directors) shall be liable to retire by rotation. Mrs. Rekha Modi (DIN 01274200), Non-Executive Director, being the longest in the office amongst the directors liable to retire by rotation, retires from the Board by rotation this year and, being eligible, has offered her candidature for re-appointment. Necessary resolution for this purpose is proposed in the notice of the ensuing annual general meeting for the approval of the members.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 of the Companies Act, 2013, Corporate Social Responsibility Policy is not applicable on your Company. Accordingly the CSR Committee was not constituted.

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-III** and is attached to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (LODR) Regulations, 2015, forms part of this Annual Report .

CORPORATE GOVERNANCE

The Report on corporate governance as stipulated under the SEBI (LODR) Regulations, 2015 forms part of this Report in **Annexure-IV** along with the Report on "Management Discussion and Analysis Report". The requisite certificate from M/s M.M. Goyal & Co., Chartered Accountant confirming compliance with the conditions of corporate governance is attached to the Corporate Governance Report.

All Board members and Senior Management personnel have affirmed compliance with the code of conduct for FY 2015-16. A declaration to this effect signed by the Managing Director of the Company is attached to the Corporate Governance Report.

The Managing Director and Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as specified in the SEBI (LODR) Regulations, 2015 is attached to the Corporate Governance Report.

**COMPLIANCE WITH RBI GUIDELINES**

Your Company has complied with all the regulations of Reserve Bank of India as on 31st March, 2016; applicable to it as Non-Deposit taking Non-Banking Finance 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

During the year, the Company had issued 243,280,600 Equity Bonus Shares at its duly convened Board Meeting held on 02nd September, 2015 at the registered office of the company.

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 : 26.08.2016

(RAJ KUMAR MODI)
(Chairman-Managing Director)
DIN- 01274171
14/5, Old Rajinder Nagar
New Delhi - 110060



Annexure - I
FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	N.A.
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
1.	Rekha Modi (Shareholder-Promoter & Director)	Rent for office premises	Agreement dated 01st April, 2011 as amended on 01st September, 2015 which is ongoing.	As per the Agreement.	25.08.2015	Nil



Annexure - II 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, 2016** ('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, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (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 thereunder 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'):-
 - (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 & 2015;
 - (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 (**Not Applicable to the Company during the Audit Period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable to the Company during the Audit Period**);
 - (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 (**Not Applicable to the Company during the Audit Period**); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not Applicable to the Company during the Audit Period**).
- (vi) Other Laws applicable specifically to the Company, namely:
 - (a) Reserve Bank of India Act, 1934 and Rules, Regulations and Guidelines issued by the Reserve Bank of India
 - (b) Payment of Bonus Act, 1965;
 - (c) Payment of Gratuity Act, 1972;



- (d) Payment of Wages Act, 1936;
- (e) Minimum Wages Act, 1948;
- (f) Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- (g) Maternity Benefit Act, 1961;
- (h) Indian Stamp Act, 1899;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India effective from 01.07.2015;
- (ii) The Listing Agreement entered into by the Company with Bombay Stock Exchange till 30.11.2015 and the provisions envisaged in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from 01.12.2015.

During the period under review and based on the information, explanations and management representation, the company has substantially complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

1. *The Company has not filed Form DIR-12 with the Registrar of Company as required under the provisions of Section 149 under the Companies Act, 2013, in respect of the re-appointment of Independent Directors.*
2. *The Company had increased the authorized Capital of the company under the provisions of Section 61 sub section (1) of the Companies Act, 2013 but not filed the resolution(s) in Form SH-7 with the Registrar of Companies.*
3. *The Company had issued Bonus shares to the Members but not filed the Return in Form PAS-3 with the Registrar of Companies, as required under the provisions of the Section 39 sub section (4) of the Companies Act, 2013.*

I further report that the Board 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.

Adequate notice is given to all the directors to schedule the Board Meetings at least seven days in advance, agenda was 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 on the basis of Statutory Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has 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 has no specific event/ actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except referred below:

1. had issued 243,280,600 fully paid Bonus Shares to the Members of the company at its duly convened Board Meeting held on 02nd September, 2015.
2. had passed a special resolution for preferential allotment of 22,500,000 convertible warrants of Rs. 1/- each at a price of Rs. 3.50/- per warrant for cash to RRP Management Services Pvt. Ltd. & Prabhat Management Services Pvt. Ltd., two promoters of the Company on 24th December, 2015 through postal ballot. The process of allotment of equity warrants was completed in the month of April 2016.

Place: New Delhi
Date : 26.08.2016

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

Note: This Report is to be read with our letter of even date which is annexed as Annexure A and forms integral part of this Report.



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 efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : New Delhi
Date : 26.08.2016

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



Annexure - III To Directors Reports

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

AS ON FINANCIAL YEAR ENDED ON 31.03.2016

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 01.04.2015				No. of Shares held at the end of the year 31.03.2016				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	7314300	—	7314300	3.01	14628600	—	14628600	3.01	—
b) Central Govt. or State Govt.	—	—	—	—	—	—	—	—	—
c) Bodies Corporates	33068500	—	33068500	13.59	66137000	—	66137000	13.59	—
d) Bank/FI	—	—	—	—	—	—	—	—	—
e) Any other	—	—	—	—	—	—	—	—	—
SUB TOTAL:(A) (1)	40382800	—	40382800	16.60	80765600	—	80765600	16.60	—



Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2015				No. of Shares held at the end of the year 31.03.2016				% 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)"	40382800	—	40382800	16.60	80765600	—	80765600	16.60	—
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	136352104	8560000	144912104	59.56	18725311	—	18725311	3.85	-55.71
i) Indian	—	—	—	—	—	—	—	—	—
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals	—	—	—	—	—	—	—	—	—
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	8830215	1089300	9919515	4.08	209282880	1938600	211221480	43.41	39.33
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	40747389	1620000	42367389	17.42	135482889	3240000	138722889	28.51	11.09
c) Others-NRI	9173	—	9173	—	26042753	—	26042753	5.35	5.35
(c-i) Clearing Member	951099	—	951099	0.39	2778487	—	2778487	0.57	0.18
(c-ii) Clearing House	4261170	—	4261170	1.75	8304680	—	8304680	1.71	0.04
(c-iii) Trust	—	—	—	—	—	—	—	—	—
SUB TOTAL (B)(2):	191151150	11269300	202420450	83.20	400617000	5178600	405795600	83.40	0.20
Total Public Shareholding (B)= (B)(1)+(B)(2)	191628500	11269300	202897800	83.40	400617000	5178600	405795600	83.40	—
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	232011300	11269300	243280600	100.00	481382600	5178600	486561200	100.00	—



(ii) SHARE HOLDING OF PROMOTERS

SI 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.	16815500	6.91	—	33631000	6.91	—	0.00
2	Prabhat Management Services (P) Ltd.	16253000	6.68	—	32506000	6.68	—	0.00
3	Rekha Modi	4320000	1.78	—	8640000	1.78	—	0.00
4	Gouri Shanker Modi	1104300	0.46	—	2208600	0.46	—	0.00
5	Raj Kumar Modi	810000	0.33	—	1620000	0.33	—	0.00
6	Puspa Devi Modi	810000	0.33	—	1620000	0.33	—	0.00
7	Raj Kumar Modi HUF	270000	0.11	—	540000	0.11	—	0.00
	Total	40382800	16.60	—	80765600	16.60	—	0.00

(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	16815500	6.91	16815500	6.91
	By Issue of Bonus shares (1:1)	16815500	6.91	33631000	6.91
	At the end of the year	33631000	6.91	33631000	6.91
2	Prabhat Management Services P Ltd.				
	At the beginning of the year	16253000	6.68	16253000	6.68
	By Issue of Bonus shares (1:1)	16253000	6.68	32506000	6.68
	At the end of the year	32506000	6.68	32506000	6.68
3	Rekha Modi				
	At the beginning of the year	4320000	1.78	4320000	1.78
	By Issue of Bonus shares (1:1)	4320000	1.78	8640000	1.78
	At the end of the year	8640000	1.78	8640000	1.78
4	Gauri Shanker Modi				
	At the beginning of the year	1104300	0.46	1104300	0.46
	By Issue of Bonus shares (1:1)	1104300	0.46	2208600	0.46
	At the end of the year	2208600	0.46	2208600	0.46
5	Raj Kumar Modi				
	At the beginning of the year	810000	0.33	810000	0.33
	By Issue of Bonus shares (1:1)	810000	0.33	1620000	0.33
	At the end of the year	1620000	0.33	1620000	0.33



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
6	Pushpa Devi Modi				
	At the beginning of the year	810000	0.33	810000	0.33
	By Issue of Bonus shares (1:1)	810000	0.33	1620000	0.33
	At the end of the year	1620000	0.33	1620000	0.33
7	Raj Kumar Modi HUF				
	At the beginning of the year	270000	0.11	270000	0.11
	By Issue of Bonus shares (1:1)	270000	0.11	540000	0.11
	At the end of the year	540000	0.11	540000	0.11

(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	RAJESH DHASAYYAN	0	0.00	5618110	1.15
2	SUMAN CHATTERJI	0	0.00	4520093	0.93
3	KARVY STOCK BROKING LIMITED	8927	0.01	3672958	0.75
4	SHRI PARASRAM HOLDINGS PVT. LTD.	1276865	0.52	3337518	0.69
5	SHEETAL PUGALIA	0	0.00	3152341	0.65
6	HARSHULKUMAR ANILKANT SHAH	0	0.00	2400000	0.49
7	DEBABRATA PAUL	0	0.00	2300302	0.47
8	RAJIV GARG	1147500	0.47	2295000	0.47
9	SUSHIL GARG	1080000	0.44	2160000	0.44
10	REENA GARG	1080000	0.44	2160000	0.44

**(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	810000	0.33	810000	0.33
	By Issue of Bonus shares (1:1)	810000	0.33	1620000	0.33
	At the end of the year	1620000	0.33	1620000	0.33
2	Mrs. Rekha Modi				
	At the beginning of the year	4320000	1.78	4320000	1.78
	By Issue of Bonus shares (1:1)	4320000	1.78	8640000	1.78
	At the end of the year	8640000	1.78	8640000	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
Indebtedness at the beginning of the financial year				
i) Principal Amount	—	390270797	—	390270797
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	22880552	—	22880552
Total (i+ii+iii)	—	413151349	—	413151349
Change in Indebtedness during the financial year				
Additions	—	515716104	—	515716104
Reduction	—	336503139	—	336503139
Net Change	—	179212965	—	179212965
Indebtedness at the end of the financial year				
i) Principal Amount	—	569483762	—	569483762
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	22880552	—	22880552
Total (i+ii+iii)	—	592364314	—	592364314


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	68,000	68,000	1,36,000
	(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)	68,000	68,000	1,36,000
	Total Managerial Remuneration (A+B)			25,36,000
	Overall Cieling as per the Act.	—	—	—



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

Sl. 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.	—	3,41,067	2,04,075	5,45,142
	(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	—	3,41,067	2,04,075	5,45,142

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 the Reserve Bank of India has been engaged in the business of financing activities, investment in Securities of Listed and Unlisted Companies and fee based advisory services in the field of Money market.

Further considering the pressure in Real estate market over last few years, the company is looking great opportunities in the field and initiated some investments in real estate as well during the year.

For FY 2015-16 on a standalone basis, the Company's profit after tax stood at ₹89.55 Lakhs as against ₹327.47 Lakhs in 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

Retail credit growth for NBFCs slowed considerably with a sluggish economy adversely affecting demand for credit, especially in the asset financing segments. NBFC sector faced significant stresses on asset quality, liquidity and funding costs due to the global economic slowdown & its impact on the domestic economy. While all the NBFCs were affected, the impact varied according to the structural features of each NBFC. A robust banking and financial sector is crucial for facilitating higher economic growth and financial intermediaries like NBFCs have a definite and very important role in the financial sector, particularly in a developing economy like ours. With Indian economy recovering rapidly over the last few quarters, demand side of NBFCs has improved and challenges to asset quality have also come down. As such, the sector is now more robust due to the lessons learned from this crisis. However, profits are at the same time expected to be much more stable & less susceptible to liquidity related pressures going forward. NBFCs provide a vital link among various building blocks in a financial system. Hence, NBFCs in India are expected to flourish in the medium-long term since they serve a strong source of finance to infra and auto segments which will be the key sectors for the country's economic growth in the coming years.

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.

SEGMENT-WISE OR PRODUCT WISE PERFORMANCE

The company operates in only single segment. Hence segment wise performance is not applicable.

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

To remain competitive, NBFCs are undertaking product and geographical expansion, which introduce new risks and challenge imposed by rapid growth. As Non Banking Finance Companies (NBFCs) grow and operate as regulated financial intermediaries, internal control becomes essential to long-term institutional viability. The number and types of stakeholders concerned with the NBFC's financial well-being increases; board members want to protect their reputations and fulfil their obligations; investors are interested in preserving capital; borrowers are concerned with continuous access to loans; depositors want to ensure the safety of their savings; and regulators want to protect the financial environment and depositor's interests. An effective system of internal control allows the NBFCs to assume additional risks in a calculated manner while minimizing financial surprises and protecting itself from significant financial loss. Thus, internal control is an integral component of risk management. The Internal control checks and internal audit programmes adopted by our Company plays an important role in the risk management feedback loop, in which the information generated in the internal control process is reported back to the Board and Management. The internal control systems are modified continuously to meet the dynamic changes in the business condition and to comply with applicable laws, regulations, statutory and accounting requirements. The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and the corrective actions taken. The Company has engaged a competent firm of Chartered Accountants to conduct internal audit, examine and evaluate the adequacy and effectiveness of the Internal Control System. The internal audit ensures that the systems designed and implemented, provides adequate internal control commensurate with the size and operations of the Company. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal controls systems and suggests improvements for strengthening them. The Company has a strong Management Information System which is an integral part of the control mechanism.

OUTLOOK - 2016-17

Today, India has vibrant NBFC sector and industry players have established an identity of their own, with presence in niche market segments. NBFCs have registered steady and consistent growth by maintaining a strong through-the -cycle operating performance, stable asset quality, adequate capital buffers and diversified funding profits.

NBFCs are likely to sustain a steady growth, owing to their capability for product innovation and high customer reach. Moreover, increased income in the semi-urban and rural markets is also expected to drive industry demand. There is a recent surge in economic activities with stalled projects getting clearances and growing prospects of investment revival. Such a scenario is expected to drive credit demand and augurs well for the industry as a whole.

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-IV TO DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE

This Corporate Governance Report relating to the year ended on 31st March, 2016 has been issued in compliance with the applicable provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and forms a part of the Report of the Directors to the members of the Company.

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

PMC Fincorp Limited (PMC "The Company") follows the highest standards of governance and disclosure. The Company firmly believes that adherence to business ethics and sincere commitment to corporate governance will help the Company to achieve its vision of being the most respected company in the financial services space in India. Since inception, the promoters have demonstrated exemplary track record of governance and utmost integrity. The Company is in compliance with the requirements of the guidelines on corporate governance stipulated under clause 49 of the Listing Agreement and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. With the implementation of stringent employee code of conduct policy and adoption of Whistle Blower Policy, the Company has moved ahead in its pursuit of excellence in Corporate Governance.

The Board of Directors fully supports and endorses corporate governance practices as enunciated in Clause 49 of the Listing Agreement and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

II. 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, 2016 and out of which the 2 are Non-Executive independent Directors. The Chairman of the Board is an Executive Director and the minimum requirement of one half of the Board consisting of independent director is duly complied with. The Composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015").

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, Twelve (12) meetings of the board were held on 30th April, 2015, 15th May, 2015, 15th June, 2015, 09th July, 2015, 16th July, 2015, 25th August, 2015, 02nd September, 2015, 13th October, 2015, 02nd November, 2015, 19th November, 2015, 29th December, 2015 and 13th February, 2016. 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. Necessary quorum was present for all meetings. The independent directors have confirmed that they satisfy the 'criteria of independence' as stipulated in Regulation 16(2) of the SEBI (LODR) Regulations, 2015. The independent directors have confirmed that they satisfy the 'criteria of independence' as stipulated in Regulation 16(2) of the SEBI (LODR) Regulations, 2015.

Particulars of Directors, their attendance at the Annual General Meeting and Board Meetings mentioned hereinabove held during the Financial year 2015-16 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, 2016 are as under.

Name	Category Membership	Attendance Particulars	
		Board Meeting	Last AGM
Sh. Raj Kumar Modi	Managing Director	12	Yes
Mrs. Rekha Modi	Director (Non-Executive)	12	Yes
Sh. Pramod Gupta	Director (Independent)	12	Yes
Sh. V. B. Aggarwal	Director (Independent)	12	Yes



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 21 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	1620000	8640000	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	3	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, Nomination & Remuneration Committee and Stakeholder Relationship Committee of only public Companies have been included in the aforesaid table.



Membership on other Boards

Independent Directors are expected not to serve on the Boards of competing Companies. None of the Directors on the Board are Members of more than ten Committees or Chairman of more than five committees across all the companies in which they are Directors. Every Director informs the Company about the Committee positions he/she occupies in other companies and notifies the changes as and when takes place.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually and the Committees viz., Audit, Nomination & Remuneration, Stakeholders Relationship and Risk Management Committee. A structured questionnaire was prepared after taking into consideration the inputs received from the Directors covering various aspects such as attendance, quality contributions to Board deliberations, providing perspectives and feedback going beyond the information provided by the management, commitment to shareholder and other stakeholders interests etc.

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, independence of judgement, safeguarding the interests of the Company and its minority shareholders etc. The performance evaluation of Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors at their meeting held separately on 13th February, 2016, in compliance with the provisions of the Companies Act, 2013 and Regulation 25 SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Board Committees

The Board has constituted Committees consisting of Executive and Non-Executive Directors to ensure focused attention on various facets of business and for better accountability. Pursuant to the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, as on March 31, 2016 the Company has the following Committees:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholders Relationship Committee

Each of the above Committees has been mandated to operate within a given framework. The Company Secretary acts as Secretary to all the Committees. The Minutes of the proceedings of the Committee Meetings are circulated to the Directors and noted at the Board Meeting.

III. Audit Committee

A. Composition, Meetings and Attendance of the Audit Committee during the year:

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (LODR) Regulations, 2015. As on March 31, 2016, the Audit Committee of the Board comprises three members viz., Mr. V B Aggarwal, Mr. Pramod Gupta and Mrs. Rekha Modi, Independent Directors. Mr. V.B. Aggarwal was elected as the Chairman of the Committee. The Company Secretary acts as the Secretary of the Committee.

During the financial year 2015-16, meetings of the Audit Committee were held 4 (Four) times i.e. on April 30, 2015, July 16, 2015, November 2, 2015 and February 13, 2016 and the maximum gap between the two Audit Committee Meetings did not exceed one hundred and twenty days. The necessary quorum was present for all the meetings.



The composition of the Audit Committee and particulars of meetings held and attended by the members of the Audit Committee are given below:

Name of Directors	Category	Meetings held	Meeting Attended
Sh. V. B. Aggarwal	Independent Director	4	4
Sh. Pramod Gupta	Independent Director	4	4
Mrs. Rekha Modi	Non-Executive Director	4	4

B. Terms of reference of Audit Committee:

The Terms of reference of the Committee are given below:

Terms of Reference

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions
 - Modified opinion(s) in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary and appointment of valuers;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;



14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. To recommend to the Board appointment of Cost Auditors and review of the reports thereon;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
21. Oversee the vigil mechanism established for directors and employees - [Section 177(10) read with rule 7(2) Companies (Meetings of Board and its Powers) Rules, 2014].
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The scope of the Audit Committee also includes matters which are set out in SEBI (LODR) Regulations, 2015 read with Section 177 of the Companies Act, 2013 and the rules made thereunder, as amended from time to time.

IV. Nomination & Remuneration Committee:

In Compliance with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI (LODR) Regulations, 2015. As on March 31, 2016, the Nomination & Remuneration Committee comprises three members viz, Mr. V. B. Aggarwal, Mr. Pramod Gupta and Mrs. Rekha Modi, Independent Directors, Mr. V.B. Aggarwal was elected as the Chairman of the Committee. The Company Secretary acts as the Secretary of the Committee.

During the financial year, meeting of the Nomination & Remuneration committee was held on June 15, 2015.

The composition of the Nomination & Remuneration Committee and particulars of meetings held and attended by the members of the Nomination & Remuneration Committee are given below:

Name of Directors	Category	Meetings held	Meeting Attended
Sh. V. B. Aggarwal	Independent Director	1	1
Sh. Pramod Gupta	Independent Director	1	1
Mrs. Rekha Modi	Non-Executive Director	1	1

Terms of Reference

The role of the Nomination and Remuneration Committee shall, inter-alia, include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with criteria laid down and recommend to the board their appointment, removal and shall carry out evaluation of every director's performance.
3. Formulation of criteria for evaluation of Independent Directors and the Board;
4. Devising a policy on Board diversity;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.



6. Determine and recommend to the Board, the remuneration payable including any revision in remuneration payable to Managing Director/Executive Directors/ Non-Executive Directors.
7. Take into consideration and ensure compliance of the provisions under Schedule V of the Companies Act, 2013 and the rules made thereunder while determining the remuneration.
8. Consider such other matters as the Board may advise the Committee.

Performance evaluation criteria for Independent Directors

A structured questionnaire was prepared after taking into consideration the inputs received from the Directors covering various aspects such as attendance, quality contributions to Board deliberations, providing perspectives and feedback going beyond the information provided by the management, commitment to shareholder and other stakeholders interests etc. The performance evaluation of Independent Directors was carried out by the entire Board.

V. Remuneration of Directors

There are no pecuniary relationship or transactions between the Company and the Non Executive Directors.

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 2016 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.	68000.00	68000.00
3.	Sh. Pramod Gupta	N.A.	68000.00	68000.00
4.	Mrs. Rekha Modi	N.A.	0.00	0.00

The Company does not have any Employees Stock Option Scheme.

VI. Stakeholders Relationship Committee

Functions of the Committee

The role of the Stakeholders Relationship committee shall, inter-alia, include the following:

1. Dealing with the investors complaints like delay in transfers of shares, non-receipt of balance sheet, non-receipt of declared dividends/share certificates, dematerialization of shares, replacement of lost/ stolen/ mutilated share certificates, etc.
2. Investigate into investors complaints and take necessary steps for redressal thereof
3. To perform all functions relating to the interest of the stakeholders of the Company as may be required by the provisions of the Companies Act, 2013 and the rules made thereunder, Listing Agreements/SEBI (LODR) Regulations, 2015 and the guidelines issued by SEBI or any other regulatory authority.
4. Approval of the share transfers and/or delegation thereof.

Composition and the details of the Meetings of the Stakeholder Relationship Committee held and attended during the year 2015-16.

As on March 31, 2016, the Stakeholders Relationship Committee comprises Mrs. Rekha Modi and Mr. R. K. Modi.

Mrs. Rekha Modi, is the Chairman of the Committee. The composition of the Committee is as per Regulation 20 of the SEBI (LODR) Regulations, 2015. The Company Secretary acts as the Secretary of the Committee.

During the financial year 2015-16, the Committee met four times on April 30, 2015, July 16, 2015, November 2, 2015 and February 13, 2016.



The composition of the Stakeholders Relationship Committee and particulars of meetings held and attended by the members of the Committee are given below:

Name of Directors	Category	Meetings held	Meeting Attended
Mrs. Rekha Modi	Non-Executive Director	4	4
Mr. R.K Modi	Executive Director	4	4

Details of number of complaints received and redressed including the complaints received through SEBI's SCORES Portal during the year are given below:

Opening Balance	Received during the financial year 2015-16	Redressed during the Financial year 2015-16	Closing Balance
Nil	Nil	Nil	Nil

No pledge has been created over the Equity Shares held by the Promoters as on March 31, 2016.

The Name, Designation and address of Compliance Officer of the Company is as under:

Name & Designation	R. K. Modi Managing Director & Compliance Officer
Address for Correspondence	14/5, Old Rajender Nagar, New Delhi-110060
Contacts	+91-11-42436846, 47, 49

VII. General Body Meetings

A. Details of location, time and date of last three AGM are given below:-

Financial year	Date	Time	Place
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.)
2014-2015 (AGM)	28.09.2015	03.30 P.M.	Modipur Hotel, Bareilly Road, Rampur, (U.P.)

Special Resolutions Passed at the Annual General Meetings:-

- Re-appointment of Mr. Vishnu Bhagwan Aggarwal as an Independent Director of the Company w.e.f. 30th April, 2015 to 29th April, 2020 in the AGM held on 28.09.2015.
- Re-appointment of Mr. Pramod Gupta as an Independent Director of the Company w.e.f. 30th April, 2015 to 29th April, 2020 in the AGM held on 28.09.2015.
- Maintenance of Registers & Returns at the Corporate Office of the Company as per Section 94 of Companies Act, 2013 in the AGM held on 28.09.2015.
- Increase in the RFPI investment limit up to 49% (forty-nine percent) of the equity share capital of the Company in the AGM held on 28.09.2015.
- Re-Appointment of Mr. Raj Kumar Modi Managing Director of the Company w.e.f. 03.11.2014 passed SR 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.
- 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.



B. Postal Ballot

Two postal ballots were conducted in the year 2015-16 seeking Members' approval for approving the business mentioned below. The Company had also offered e-voting facility through National Securities Depository Limited (NSDL), to enable the shareholders to cast their votes electronically instead of dispatching the Postal Ballot Form.

M/s. Ashu Gupta & Co., Practicing Company Secretary was appointed as the Scrutiniser to conduct the Postal Ballot and e-Voting activities.

The details of the voting pattern on postal ballot and e-voting are given below:

Postal Ballot Resolution dated August 13, 2015:

	No. of Votes Polled	No. of Votes -in favour	No. of Votes - Against	% of Votes in favour on votes polled	% of Votes against on votes polled
Ordinary Resolution for Increasing the Authorized Share Capital of the Company	167598673	167421644	177029	99.89	0.11
Special Resolution for Alteration in the Capital Clause of Memorandum of Association of the Company	167593973	167417647	176326	99.89	0.11
Ordinary Resolution for Approval for Issue of Bonus Shares.	167590473	167583447	7026	99.99	0.01

Postal Ballot Resolution dated December 24, 2015:

	No. of Votes Polled	No. of Votes -in favour	No. of Votes - Against	% of Votes in favour on votes polled	% of Votes against on votes polled
Ordinary Resolution for Increasing the Authorized Share Capital of the Company	272838671	272699951	138720	99.95	0.05
Special Resolution for Preferential allotment of warrants to the Promoters of the Company	195821574	194997554	824020	99.58	0.42

No resolution is proposed to be conducted through postal ballot at the AGM to be held on September 24, 2016.

C. Procedure for postal ballot

In compliance with Sections 108, 110 and other applicable provisions of the Act, read with related Rules, the Company provides electronic voting facility to all its Members, to enable them to cast their votes electronically.

The Company dispatches the postal ballot notices and forms along with postage pre-paid business reply envelopes to its Members whose names appear in the Register of Members/the List of beneficiaries as on a cut-off date. The Postal Ballot Notice is sent to members in electronic form to the email addresses registered with their depository participants (in case of electronic shareholding)/the Company's Registrar and Transfer Agents (in case of physical shareholding). The Company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and the applicable Rules.



The Company engages the services of National Securities Depository Limited (NSDL) for the purpose of providing e-voting facility to all its Members. The Members have the option to vote either by physical ballot or by e-voting.

Voting rights are reckoned on the paid-up value of shares registered in names of Members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms are requested to return the forms duly completed and signed, to the Scrutinizer on or before the end of the voting period. Members desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last day of e-voting.

The Scrutinizer submits his/her report to the Chairman, after the completion of scrutiny and the consolidated results of the voting by postal ballot are then announced by the Chairman or Director authorised by the Board. The results are also displayed on the website of the Company, www.pmcfinance.in besides being communicated to the Stock Exchanges and the Registrar and Transfer Agent.

VIII. Means of Communication

As per the statutory requirements under SEBI (LODR) Regulations, 2015

- (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) Under the SEBI Complaints Redress System (SCORES), the investor complaints are processed in a centralised web based complaints redress system wherein the concerned Companies can upload Action Taken Reports (ATRs) for the complaints uploaded therein and the investors can view the action taken on their complaints and its current status online.
- (e) Designated e-mail-id - The Company has designated the e-mail id viz. prtimercantile@gmail.com, in order to ensure prompt redressal of investor's requests/complaints.

IX. 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.**

During the year, there were no material related party transactions that may have potential conflicts with the interests of the Company at large. Transactions with related parties are disclosed in Notes to Accounts. Disclosures from Senior Management that there had been no material financial and commercial transactions that had a potential conflict with the interest of the Company at large, were placed before the Board.

- (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) The Company has complied with all the mandatory requirements on Corporate Governance as specified in SEBI (LODR) Regulations, 2015 with the Stock Exchanges. Compliance reports in the prescribed format has been submitted to the Stock Exchanges for all the quarters.
- (iv) Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015, the Company has a Whistle-Blower Policy and Vigil Mechanism for Directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The said mechanism also provides for adequate safeguards against victimization of the persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. No employee of the Company was denied access to the Audit Committee. The said whistle blower policy and vigil mechanism has been hosted on the website of the Company at: www.pmcfinance.in.
- (v) The Company has complied with all mandatory requirements specified under SEBI (LODR) Regulations, 2015. The following non-mandatory requirements have also been complied with.

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.

Reporting of Internal Auditor

The Internal Auditors of the Company directly report to the Audit Committee.

Modified opinion in audit report

Company's financial statements have an unmodified audit opinion.

- (vi) The Company has no subsidiaries and hence no policy on material subsidiaries has been formed.
- (vii) Weblink of the policy on dealing with material related party transactions and Policy for Determination of Materiality of Disclosures: www.pmcfinance.in.
- (viii) Weblink of the policy on Preservation of Documents and Archival Policy: www.pmcfinance.in.

(ix) Share Capital Audit

A qualified practicing Company Secretary carried out secretarial audit to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Share Capital audit report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL. The audit is carried out every quarter and report thereon is submitted to the Stock Exchanges and is placed before the Board of Directors.

(x) Prevention of Insider Trading.

Under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, which came into effect from May 15, 2015, the Company has formulated a Code of Conduct to regulate, monitor and report trading by insiders in the securities of the Company and a Code for Practices and Procedures for fair disclosure of unpublished price sensitive information. The Code for practices and procedures for fair disclosure of unpublished price sensitive information has been published on the Company's website: www.pmcfinance.in.

(xi) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company did not have any outstanding GDRs/ADRs/Warrants or any Convertible instruments.

**X. GENERAL SHAREHOLDER INFORMATION**

Annual General Meeting	
Date and Time	September 24, 2016 at 12:30 P.M.
Venue	MoodFood Restaurant, Opposite Ambedkar Park, Civil Lines, Rampur, Uttar Pradesh-244901
Financial Calander (2016-17) (Tentative)	
Annual General Meeting for the next year ending 31st March, 2017	On or before September 30, 2017
Book Closure date	17.09.16 to 24.09.16 (both days Including)
Dividend Payment date	not applicable
Listing & Fee Details	
The Equity Shares of the Company are listed on BSE Limited , Phiroze Jeejeephoy Towers, 25th Floor, Dalal Street, Mumbai - 400001. The Company's payment of Listing Fees is up-to-date.	
Stock Code	
BSE Limited	534060
ISIN Number (NSDL/CDSL)	Equity Shares INE793G01035
Face Value of each Equity Share	₹1/-

Registrar and Share Transfer Agent**INDUS PORTFOLIO PVT. LIMITED**

G-65, Bali Nagar, New Delhi-110015

Phones : +91-11-47671214

Email : bharatb@indusinvest.comWeb site : indusinvest.com**Share Transfer Systems:**

Transfer of these shares is done through the depositories with no involvement of the Company. Regarding transfer of shares held in physical form, the transfer documents can be lodged with INDUS PORTFOLIO PRIVATE LIMITED at the above mentioned addresses of the Company. The shares transfers received in physical form are processed within a period of 15 days from the date of receipt subject to the documents being valid and complete in all respects. The Stakeholders Relationship Committee of the Board of Directors has delegated the powers of approving transfers, transmission, issue of duplicate share certificates etc., to the Managing Director, Chief Financial Officer and Company Secretary. The quarterly details of shares transferred, transmitted, dematerialised etc., are placed before the Board. The Company obtains half yearly certificate from a Company Secretary in practice in compliance regarding share transfer formalities and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(9) of the SEBI (LODR) Regulations, 2015.

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.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company did not have any outstanding GDRs/ADRs/Warrants or any Convertible instruments.



Market price Data

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades
Apr-15	41.05	43.00	16.85	17.15	13311741	49662
May-15	17.85	18.50	9.95	10.05	6214416	11224
Jun-15	10.05	10.05	5.93	6.48	6205500	7496
Jul-15	6.80	6.80	3.25	3.76	18217814	14681
Aug-15	3.85	4.50	1.35	1.36	40306242	16946
Sep-15	1.40	1.72	0.93	1.01	68189600	14304
Oct-15	1.04	1.31	1.04	1.28	127488779	19256
Nov-15	1.28	1.30	0.75	0.83	183477938	22107
Dec-15	0.84	0.84	0.47	0.55	373773563	31416
Jan-16	0.56	0.72	0.48	0.61	181743671	14783
Feb-16	0.62	0.69	0.49	0.50	84926721	8428
Mar-16	0.51	0.59	0.45	0.45	52855569	5517

Categories of Shareholders as on 31st March, 2016

Shareholding Pattern

Category	No. of Shares	% of Paid up capital
A Promoters' Holding		
1. Promoters		
a) Indian Promoters		
- Individual	1,46,28,600	3.01
- Corporate Bodies	6,61,37,000	13.59
b) Foreign Promoters	—	—
2. Persons acting in concert	—	—
Sub Total (A)	8,07,65,600	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. Others		
a. Private Corporate Bodies	1,87,25,311	3.85
b. Indian Public	34,99,44,369	71.92
c. Non Resident Indians/Overseas	2,60,42,753	5.35
d. Trust	—	—
e. Clearing Member	27,78,487	0.57
f. Clearing House	83,04,680	1.71
Sub Total (B)	40,57,95,600	83.40
G.TOTAL (A+B)	48,65,61,200	100.00

**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 31.03.2016, 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	12133	59.44	331659300	68.16
2.	CDSL	8109	39.72	149723300	30.77
3.	PHYSICAL	171	0.84	5178600	1.06

Distribution of shareholding as on 31st March, 2016

Distribution	No. of Share holders	% of Shareholders	No of Shares	% of Shareholding
1 - 500	4155	20.35	961721	0.20
501 - 1000	2857	14.00	2600547	0.53
1001 - 5000	6057	29.67	17627816	3.62
5001 - 10000	2737	13.41	22708674	4.67
10001 - 20000	1732	8.48	27121167	5.57
20001 - 30000	768	3.76	19815516	4.07
30001 - 40000	386	1.89	13972584	2.87
40001 - 50000	372	1.82	17678481	3.63
50001 - 100000	692	3.39	52444768	10.78
above 100000	657	3.22	311629926	64.05
	20413	100.00	486561200	100.00

**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
14/5, Old Rajinder Nagar,
New Delhi-110060
Phone : +91-11-42436846, 47, 49
E-mail : pritimercantile@gmail.com
Web site : pmcfinance.in



Declaration regarding compliance by Board Members and Senior Management with the Company's Code of Conduct

This is to confirm that the Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct has also been posted on the website of the Company.

It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2016 as envisaged in Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

For Priti Mercantile Company Ltd.

Place : New Delhi
Date : 26.08.2016

Raj Kumar Modi
Managing Director

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCE OFFICER

To,
The Members of
PMC Fincorp Limited

We certify that:

1. We have reviewed the Financial Statements and Cash Flow Statement of PMC Fincorp Limited for the year ended on 31st March, 2016 and that to the best of our 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 our knowledge and belief, no transaction entered into by the Company during the year which are fraudulent illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintain internal controls for financial reporting and that we have evaluated the effectiveness of the internal control system of the company pertaining to financial reporting and we have not come across any deficiency in the design or operation of such internal control.
4. We have indicated to the Auditors and the Audit Committee:
 - (a) Significant changes in the internal control during the year.
 - (b) Significant changes in accounting policies during the year.
 - (c) That there are no instances of significant fraud of which we have become aware.

Place : New Delhi
Date : 26.08.2016

Raj Kumar Modi
Managing Director
DIN: 01274171

Vijay Kumar Yadav
(Chief Financial Officer)



CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members of
PMC Fincorp Limited

We have examined all the relevant records of PMC Fincorp Limited for the purpose of certifying compliance of the conditions of the Corporate Governance under Clause 49 of the Listing Agreement with the Stock Exchanges for the period from April 01, 2015 to November 30, 2015 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from December 01, 2015 up to March 31, 2016. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the mandatory requirements of Corporate Governance and Clauses (A), (C), (D) and (E) of Part E relating to discretionary requirements as specified in Schedule II of the said Regulations/ Listing Agreement, as applicable.

Place : New Delhi
Dated : 26.08.2016

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

(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 M/s PMC Fincorp Limited which comprise the Balance Sheet as at March 31, 2016, 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

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 mis-statement.

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, 2016;
- 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 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure - A**, a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and 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 aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) amendment Rules 2016;
 - e) On the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure - B**"; and
 - g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - i) The Company does not have any pending litigations which would impact its financial position in its financial statements;
 - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses, if any, on long term contracts including derivative contracts;
 - iii) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund by the Company.

For M. M. GOYAL & CO.

Chartered Accountants
Firm Registration No.007198N

Place : New Delhi
Dated : 30.05.2016

(MANMOHAN GOYAL)
Partner
M.No. 086085



ANNEXURE - A TO THE AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of PMC Fincorp Limited on the accounts of the company for the year ended 31st March, 2016]

On the basis of such checks as we considered appropriate and according to the information and Explanations given to us during the course of our audit, we report that:

- (i) In respect of its 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, the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such physical verification.
- (ii) In respect of its inventory:
 - a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - 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) The Company has maintained proper records of inventories. As per the information and explanation given to us, no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms limited liability partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information & explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 & 186 of the companies act 2013 are applicable and hence not commented upon.
- (v) The company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, for the products & services of the company. Therefore, in our opinion, the provisions of clause 3(vi) of the order are not applicable to the company.
- (vii) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Income-tax, Service Tax and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income-tax, Service Tax and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (viii) Based on our audit procedures performed for the purpose of reporting the true & fair view of the financial statements and according to the information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions, Banks, Debenture holders or government.
- (ix) Based on our audit procedures performed for the purpose of reporting the true & fair view of the financial statements and according to the information and explanations given by the management and on an overall examination of the Balance sheet, we report that monies raised by way of debt instruments in the nature of debentures and commercial papers were applied for the purposes for which they were raised.



- (x) Based on our audit procedures performed for the purpose of reporting the true & fair view of the financial statements and according to the information and explanations given by the management and on an overall examination of the Balance sheet, we report that no fraud on or by the officers and employees of the company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

For M. M. GOYAL & CO.

Chartered Accountants
Firm Registration No.007198N

(MANMOHAN GOYAL)

Partner
M.No. 086085

Place : New Delhi
Dated : 30.05.2016



ANNEXURE - B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of PMC Fincorp Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : New Delhi
Dated : 30.05.2016

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

(MANMOHAN GOYAL)
Partner
M.No. 086085



BALANCE SHEET AS AT 31ST MARCH, 2016

(Amount in ₹)

Particulars	Note No.	At the End of 31.03.2016	At the End of 31.03.2015
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	486,561,200	243,280,600
(b) Reserves and Surplus	3	80,059,030	317,576,431
(2) Share Application Money pending allotment		—	—
(3) Non-Current Liabilities			
(a) Deferred Tax Liabilities (Net)	4	—	60,348
(b) Long Term Provision	5	3,191,922	—
(4) Current Liabilities			
(a) Short-Term Borrowings	6	569,483,762	390,270,797
(b) Trade Payables	7	43,729,824	23,133,940
(c) Other Current Liabilities	8	8,429,559	8,486,881
(d) Short-Term Provisions	9	5,955,990	15,856,290
Total Equity & Liabilities		1,197,411,286	998,665,287
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	2,255,128	2,753,303
(b) Investments	11	107,750,567	41,050,567
(2) Deferred Tax Asset	12	204,410	—
(3) Current Assets			
(a) Inventories	13	6,071,193	42,461,758
(b) Cash and cash equivalents	14	10,068,508	3,086,692
(c) Short Term Loans and advances	15	1,071,061,481	909,312,968
Total Assets		1,197,411,286	998,665,287
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.: 086085

(R. K. MODI)

Managing Director

(REKHA MODI)

Director

Place : New Delhi

Date : 30.05.2016

(VIJAY KUMAR YADAV)

Chief Financial Officer

(NIDHI PATHAK)

Company Secretary



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

Sr. No	Particulars	Note No.	At the End of 31.03.2016	At the End of 31.03.2015
I	Revenue from Operations	16	143,900,106	290,040,402
	Other Incomes	17	14,588	—
	Total Revenue		143,914,694	290,040,402
II	Expenses:			
	Purchase of Stocks & Shares		52,867,445	229,681,567
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	18	36,390,565	(34,760,905)
	Employee Benefits Expenses	19	7,369,982	7,626,378
	Finance Cost	20	22,880,552	30,637,857
	Depreciation and Amortization Expense	21	1,272,293	211,884
	Other Administrative Expenses	22	8,487,503	8,005,067
	Total Expenses		129,268,341	241,401,848
III	Profit before exceptional and extraordinary items and tax	(I-II)	14,646,353	48,638,554
IV	Exceptional Items		—	—
V	Profit before extraordinary items and tax	(III-IV)	14,646,353	48,638,554
VI	Extraordinary Items		—	—
VII	Profit before tax	(V-VI)	14,646,353	48,638,554
VIII	Tax expense:			
	(1) Current tax		5,955,990	15,856,290
	(2) Deferred tax asset		(264,758)	34,600
IX	Profit(Loss) from the period	(VII-VIII)	8,955,121	32,747,664
X	Earning per equity share:			
	(1) Basic		0.02	0.13
	(2) Diluted		0.02	0.13
XI	No of weighted average shares used in computing EPS			
	(1) Basic		486,561,200	243,280,600
	(2) Diluted		486,561,200	243,280,600
	Face Value Per Share		1	1
	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.:086085

(R. K. MODI)

Managing Director

(REKHA MODI)

Director

Place : New Delhi

Date : 30.05.2016

(VIJAY KUMARYADAV)

Chief Financial Officer

(NIDHI PATHAK)

Company Secretary


CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2016

	As on 31-03-2016 (₹)	As on 31-03-2015 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax	14,646,353	48,638,554
Adjustment for:		
Depreciation/amortisation	1,272,293	211,884
Expenses W/Off	—	95,000
Less: Profit on sale of asset	(14,588)	—
Operating Profit Before working capital changes	15,904,058	48,945,438
Adjustment for working capital:		
Increase/(Decrease) in Inventories	36,390,565	(34,760,905)
(Increase)/ Decrease in Trade receivables	—	14,513,652
Decrease/(increase) in Short term Loans & advances	(161,952,923)	13,162,668
Increase/ (Decrease) in Short -Term Borrowings	179,212,965	(292,710,260)
Increase/ (Decrease) in Trade Payables	20,595,884	—
Increase/ (Decrease) in Other current Liabilities	(10,017,970)	36,018,274
Cash generated from operations	80,132,579	(214,831,133)
Income taxes paid	(5,691,232)	(15,890,890)
proposed dividend	—	—
Dividend tax	—	—
Net cash outflow from operating Activities	74,441,347	(230,722,023)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Asset	415,412	—
Profit on sale of Fixed Asset	14,588	—
Purchase of Fixed Assets	(1,189,530)	(1,574,282)
Sale of Investments	—	1,005,308
Purchase of investments	(66,700,000)	(18,000,000)
Net cash used in investing activities	(67,459,530)	(18,568,974)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long Term Borrowings	—	—
Secured Loans	—	—
Unsecured Loans	—	—
Proceeds from issue of Share Capital	—	250,000,000
Net cash from/ (used in) Financing Activities	—	250,000,000
Net increase / (decrease) in cash and cash equivalents	6,981,817	709,003
Cash and Cash Equivalents as at March 31 , (Opening balance)	3,086,692	2,377,689
Cash and Cash Equivalents as at March 31 , (Closing balance)	10,068,508	3,086,692

FOR AND ON BEHALF OF THE BOARD

(R. K. MODI)
Managing Director

(REKHA MODI)
Director

Place : New Delhi
Date : 30.05.2016

(VIJAY KUMARYADAV)
Chief Financial Officer

(NIDHI PATHAK)
Company Secretary



AUDITORS' CERTIFICATE

We have verified the above Cash Flow Statement of PMC Fincorp Limited for the year ended March 31, 2016 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 : 30.05.2016

(MAN MOHAN GOYAL)

Partner
M.No. 086085



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 31.03.2016 No.	At the End of 31.03.2016 ₹	At the End of 31.03.2015 No.	At the End of 31.03.2015 ₹
a.	AUTHORISED CAPITAL Equity Shares of ₹ 1/- each (P.Y. ₹ 1/- each)	520,000,000	520,000,000	250,000,000	250,000,000
b.	ISSUED, SUBSCRIBED & PAID UP CAPITAL Equity Shares of ₹ 1/- each (P.Y. ₹ 1/- each)	486,561,200	486,561,200	243,280,600	243,280,600
	Total in ₹	486,561,200	486,561,200	243,280,600	243,280,600

- a. Equity Shares: The Company has one class of equity shares having a par value of ₹1/- each (P.Y. ₹ 1/- 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	19.03.2014	21402720	5
3	1 (One) Equity Share for every 1 (One) Equity Share	02.09.2015	243280600	1

- 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.

2 A Reconciliation of number of Shares

Sr. No	Particulars	At the End of 31.03.2016 No.	At the End of 31.03.2016 ₹	At the End of 31.03.2015 No.	At the End of 31.03.2015 ₹
a.	Shares Outstanding at the beginning of the Year	243,280,600	243,280,600	48,156,120	240,780,600
b.	Share Issued during the year (Bonus Issue) 1 Share for every 1 Share held	243,280,600	243,280,600	—	—
c.	Preferential Issue	—	—	500,000	2,500,000
d.	Shares bought back during the year	—	—	—	—
e.	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	486,561,200	486,561,200	243,280,600	243,280,600



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 31.03.2016 %	At the End of 31.03.2016 No.	At the End of 31.03.2015 %	At the End of 31.03.2015 No.
1.	RRP Management Services Pvt. Ltd.	6.91	32,506,000	6.91	16,815,500
2.	Prabhat Management Services Pvt. Ltd.	6.68	33,631,000	6.68	16,253,000

- 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.
- There are no shares reserved for issue under options and contracts/commitments for sale of shares/ disinvestment.
- There are no unpaid calls from any Director or Officer.

Note : 3 Reserve & Surplus

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
a	Statutory Reserve		
	Opening Balance	12,196,532	5,646,999
	Add: Tfd during the year	1,828,908	6,549,533
	Closing Balance	14,025,440	12,196,532
b	Share Premium Account		
	Opening balance	248,384,400	884,400
	Less: Tfr to Share Capital	(243,280,600)	—
	Add: received during the year	—	247,500,000
	Closing Balance	5,103,800	248,384,400
c	Surplus in Statement of Profit & Loss		
	Opening Balance	56,995,499	30,797,369
	Add: Net Profit for the year	8,955,121	32,747,664
	Less Tfd to Statutory Reserve	1,828,908	6,549,533
	Less Provision for Standard Assets	3,191,922	—
	Closing Balance	60,929,790	56,995,499
d	Misc Expenditure (Dr Balances)		
	Share Issue Expenses	—	—
	Total	—	—
	Total in ₹	80,059,030	317,576,431

Note : 4 Deferred Tax Liabilities

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
a	Deferred Tax Liability due to Diff. in Depreciation as per IT Act & Companies Act	—	60,348
	Total in ₹	—	60,348



Note : 5 Long Term Borrowings

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
a.	Provision for Standard Assets (As per R B I Guidelines)	3,191,922	—
	Total in ₹	3,191,922	—

Note : 6 Short Term Borrowings

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
a	Secured Loans	—	—
b	Unsecured Loans		
	Loans Repayable on Demand		
	From Body Corporates	551,683,762	369,270,797
	From Other	17,800,000	21,000,000
	From Related Parties	—	—
	Total in ₹	569,483,762	390,270,797

Note : 7 Trade Payable

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
1	Sundry Creditor	43,729,824	23,133,940
	Total in ₹	43,729,824	23,133,940

Note : 8 Other Current Liabilities

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
1	Expenses Payable	2,560,505	2,676,239
2	Unclaimed Dividend:-		
	2010-2011	21,000	36,000
	2011-2012	151,672	136,672
	2012-2013	210,211	210,211
3	Duties & Taxes Payable	3,461,172	5,427,760
4	MCA Fee Payable	2,025,000	—
	Total in ₹	8,429,559	8,486,881

Note : 9 Short Term Provisions

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
1	Provision for Taxation	5,955,990	15,856,290
	Total in ₹	5,955,990	15,856,290

(Amount in ₹)

Note: 10 Fixed Asset

Sr. No	Particulars	Gross Block (Cost/Valuation)				Depreciation/Amortisation/impairment				Net Block	
		01.04.2015	Addition during the year	Disposal during the year	31.03.2016	Upto 31.03.2015	Charge During the Year	Disposal Adjust-ments	Upto 31.03.2016	31.03.2016	31.03.2015
	Tangible Assets										
1	Computer	348,174	35,000	—	383,174	182,218	152,838	—	335,056	48,118	165,956
2	Electric Equipment	86,925	78,750	—	165,675	24,200	20,550	—	44,750	120,925	62,725
3	Furniture & Fixtures	1,672,208	—	—	1,672,208	167,031	472,172	—	639,203	1,033,005	1,505,177
4	Mobile Phone	170,512	—	—	170,512	55,801	40,215	—	96,016	74,496	114,711
5	Office Equipment	68,249	163,335	—	231,584	12,137	61,873	—	74,010	157,574	56,112
6	Vehicles	1,832,711	912,445	988,815	1,756,341	994,480	515,835	573,403	936,912	819,429	838,231
7	Softwares	21,100	—	—	21,100	10,709	8,811	—	19,520	1,580	10,391
	Total (Current Year)	4,199,879	1,189,530	988,815.00	4,400,594	1,446,576	1,272,294	573,403	2,145,467	2,255,127	2,753,303
	Previous Year	2,625,597	1,574,282	988,815.00	4,199,879	1,234,692	211,884	—	1,446,576	2,753,303	1,390,905


Note: 11 Non Current Investments

Sr. No.	Name of Company	No. of Shares		Face Value/ Unit	Amt. in ₹	
		As at 31.03.16	As at 31.03.15		As at 31.03.16	As at 31.03.15
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	Pranvadiya Spinning Mills Ltd.	498,800	498,000	10.00	2,050,567	2,050,567
	Total in ₹				22,050,567	22,050,567
b	Trade Investments (Unquoted)					
1	Gold Squire Builders & Promoters (P) Ltd.	10,000	10,000	10.00	1,000,000	1,000,000
2	Swati Menthol & Allied Chemicals Ltd.	180,000	180,000	10.00	18,000,000	18,000,000
3	Catamaran Corporation (P) Ltd. (Redeemable Non-Cumulative Preference Shares)	150,000	—	10.00	15,000,000	—
4	CSK Infrastructure Private Limited	500,000	—	10.00	5,000,000	—
5	Prakash Ferrous Industries (P) Ltd.	20,000	—	10.00	2,200,000	—
6	S. G. Corporate Moblity (P) Ltd.	21,875	—	10.00	35,000,000	—
7	Value One Retail (P) Ltd.	263,000	—	10.00	9,500,000	—
	Total in ₹				85,700,000	19,000,000
	G.Total in ₹ (a + b)				107,750,567	41,050,567

Note : 12 Non Current Asset

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
1	Deffered Tax Asset	204,410	—
	Total in ₹	204,410	—

Note : 13 Inventories

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
1	Stock of Shares & Securities	6,071,193	42,461,758
	Total in ₹	6,071,193	42,461,758

**Note : 14 Current Asset -Cash & Cash Equivalent**

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
1	Cash-in-Hand		
	Cash in hand	1,318,862	461,284
	Sub Total (A)	1,318,862	461,284
2	Balances at Banks		
	Bank of Baroda	10,295	10,295
	HDFC Bank Ltd. New Delhi	—	49,197
	HDFC Bank Ltd. Rajender Nagar, New Delhi	7,573,495	2,037,989
	HDFC Bank Ltd. Patel Nagar, New Delhi	52,772	52,776
	ICICI Bank Ltd., New Delhi	48,463	630,167
	HDFC Dividend A/C (FY 2010-11)	21,000	21,000
	HDFC Dividend A/C (FY 2011-12)	151,672	151,672
	Kotak Bank	76,938	178,650
	HDFC Dividend A/C (FY 2012-13)	210,211	210,211
	ICICI Bank Ltd., New Delhi	604,800	(716,547)
	Sub Total (B)	8,749,647	2,625,408
	Total [A + B]	10,068,508	3,086,692

Note : 15 Short Terms Loans and Advances

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
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	960,891,795	891,108,561
	<i>Advance Recoverable in cash or in kind or for value to be considered good</i>		
	TDS 2013-14	16,171	36,309
	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	94,788	13,252,619
	TDS 2015-16	514,324	—
	Share Application Money to Corporates	3,000,000	3,000,000
	Security to Landlord- Rampur	25,000	25,000
	Advance Against Property	100,000,000	—
	Total in ₹	1,071,061,481	909,312,968

- 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 : 16 Revenue from Operations

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
1	Sales of stock and shares	60,022,152	152,890,574
2	Interest on FDR	—	2,353,137
3	Interest income	83,858,095	65,121,737
4	Dividend income	591	78,501
5	Income on Sale of Investments	—	57,752
6	Profit on mutual fund	—	116,420
7	Income from Speculative Activities	19,268	192,280
8	Brokerage from Distribution Operation	—	69,230,000
Total in ₹		143,900,106	290,040,402

Note : 17 Other Incomes

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
1	Profit on Sale of Car	14,588	—
Total in ₹		14,588	—

Note : 18 Change in Inventories

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
1	Opening Stock of Shares	42,461,758	7,700,853
2	Closing Stock of Shares	6,071,193	42,461,758
Total in ₹		36,390,565	(34,760,905)

Note : 19 Employee Benefits Expenses

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
1	Salary	7,250,067	7,512,000
2	Staff welfare expenses	119,915	114,378
Total in ₹		7,369,982	7,626,378

Note : 20 Finance Costs

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
1	Interest & Bank Charges	22,880,552	30,637,857
Total in ₹		22,880,552	30,637,857

**Note : 21 Depreciation & Amortisation Expenses**

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
1	Depreciation	1,272,293	211,884
	Total in ₹	1,272,293	211,884

Note : 22 Other Administrative Expenses

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
1	Audit Fee	143,125	112,360
2	Advertisement & Publicity	85,228	90,614
3	Bank charges	12,422	2,294
4	Board Meeting Fee to Directors	136,000	144,000
5	Books & periodicals	98,751	86,086
6	Brokerage & Commission	1,419,600	3,183,600
7	Computer Maintenace	3,600	19,600
8	Conveyance Charges	403,886	451,372
9	Custodian Charges-CDSL/NSDL	339,672	164,774
10	Interest paid on taxes	326,002	226,386
11	Service tax paid on Directors Fee	19,964	17,800
12	Miscellaneous Expenses	1,365	84,890
13	Office Expenses	399,596	371,476
14	Postage & Courier Expenses	263,144	177,049
15	Share Issue Expenses W/Off	—	95,000
16	Printing & Stationery Expenses	340,278	244,260
17	Professional Charges	471,963	376,844
18	Rent Rates & Electricity Charges	601,910	454,238
19	Registrar and transfer agent expenses	112,555	22,696
20	ROC Filling Fees	2,094,200	23,000
21	Stock Exchange Expenses	370,420	198,703
22	Share Trading Expenses	120,758	439,965
23	Telephone Expenses	49,471	102,363
24	Travelling Expenses	264,056	254,635
25	Vehicle Running & Maintainance	409,537	412,613
26	Previous years income tax	—	248,451
	Total in ₹	8,487,503	8,005,067



23. 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	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Rent Paid	475,000	300,000	NIL	NIL	NIL	NIL
Director Remuneration Paid	2,400,000	2,400,000	NIL	NIL	NIL	NIL
Inter Corporate Deposits availed	NIL	NIL	NIL	NIL	NIL	NIL
Inter Corporate Deposits Repaid	NIL	NIL	NIL	NIL	NIL	NIL
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	NIL	250,000,000
Balance Outstanding at year end						
Unsecured Loan	NIL	NIL	NIL	NIL	NIL	NIL
Inter Corporate Deposits	NIL	NIL	NIL	NIL	NIL	NIL

(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.

24. 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.

25. 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.

26. Deferred Tax (Net)

	Deferred tax Liab. As at 31.03.2015	Current Year Deferred Tax Liab.	Deferred tax Liab. As at 31.03.2016
(Difference between book and tax Depreciation)	60,348	—	—

**27. Payment to Director's**

Sr. No	Particulars	At the End of 31.03.2016 (₹)	At the End of 31.03.2015 (₹)
1.	Salary	2,400,000	2,400,000
2.	Director's Sitting Fees	136,000	144,000

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

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

30. Payment of Dividend

Dividend is paid under three modes viz:

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

31. 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	5,909,859	42,461,758
(Previous Year)	2,305,872	7,700,853
Purchases	861,639	52,867,445
(Previous Year)	6,061,547	229,681,567
Sales	3,499,833	78,022,152
(Previous Year)	2,457,560	152,890,574
Closing Stock	3,271,665	6,071,193
(Previous Year)	5,909,859	42,461,758

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.:086085

(R. K. MODI)

Managing Director

(REKHA MODI)

Director

Place : New Delhi

Date : 30.05.2016

(VIJAY KUMARYADAV)

Chief Financial Officer

(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: 14/5, 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]

31st ANNUAL GENERAL MEETING

SATURDAY, 24TH SEPTEMBER, 2016, at 12:30 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 31st Annual General Meeting of the members of the Company, to be held on Saturday, 24.09.2016 at 12:30 P.M. at MoodFood Restaurant, Opposite Ambedkar Park, Civil Lines, Rampur, Uttar Pradesh - 244901 and at any adjournment thereof in respect of such Resolutions listed overleaf/annexed.

Signed on this _____ Day of September, 2016

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, 2016.		
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.	Rectification of w.r.t. correct record date and lock-in period		
5.	Maintenance of Registers & Returns at the Corporate Office of the Company.		

Signed this day of September, 2016

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 31st 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.

PMC Fincorp Limited

(formerly Priti Mercantile Company Limited)

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

Corp. Office: 14/5, Old Rajender Nagar, New Delhi - 110060

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

CIN: L27109UP1985PLC006998

ATTENDANCE SLIP

31ST ANNUAL GENERAL MEETING

Saturday, 24th September, 2016, at 12:30 P.M.

at MoodFood Restaurant, Opposite Ambedkar Park,
Civil Lines, 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

PMC Fincorp Limited

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

Corp. Office: 14/5, Old Rajender Nagar, New Delhi - 110060

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

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.

