



P. H. CAPITAL LIMITED

NOTICE

BOARD OF DIRECTORS

Shri Rikeen P. Dalal	Director
Smt. Tej P. Dalal	Director
Dr. C. A. Varghese	Director
Vithal M. Dahake	Director

AUDITORS

S. P. Jain & Associates
Chartered Accountants

BANKERS

HDFC BANK LIMITED

REGISTERED OFFICE

5D, Kakad House, 5th Floor, 'A' Wing,
Sir Vithaldas Thackersey Marg,
New Marine Lines,
Mumbai - 400 020.
Tel. No. : 022-22019473
Fax No. : 022-22012105

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REGISTRARS & SHARE
TRANSFER AGENTS

M/s. Bigshare Services Pvt. Ltd.
E-2&3, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (East), Mumbai - 400 072.
Tel. No. : 022-40430200

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

NOTICE is hereby given that the 37th Annual General Meeting of the members of **P.H.CAPITAL LIMITED** will be held on Thursday, 30th day of September, 2010 at 11.00 a.m. at the Ahmed A. Fazelbhoj Private Limited , Sunville, 9 Dr. Annie Besant Road, Worli, Mumbai 400 018, to transact with or without modification the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March,2010 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors' and Auditors there on.
2. To appoint a director in place of Smt. Tej P. Dalal , who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoints Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.

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

For and on behalf of the Board of Directors

Rikeen P. Dalal
Director

Date : 23rd August 2010



NOTES FOR SHAREHOLDERS' ATTENTION :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HER SELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE 37TH ANNUAL GENERAL MEETING AT ITS REGISTERED OFFICE.
2. Members are requested to intimate to the Registered Office of the Company, the changes, if any, in their registered addresses, quoting their Folio Numbers.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 24/09/2010 to 30/09/2010 (both days inclusive).
4. Shareholders seeking any information with regard to Accounts are requested to write to the Company at least a week prior to Annual General Meeting so as to enable the management to keep the information ready.

DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting 37th Annual Report and the Audited Statement of Accounts of your Company for the year ended 31st March, 2010.

FINANCIAL RESULTS:

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

	(Rs. In lacs)	
	Year Ended 31.03.2010	Year Ended 31.03.2009
Sales and other Income	926.13	644.26
Gross Profit / (Loss) for the year before Depreciation & Taxation	193.35	(295.23)
Depreciation	4.72	5.97
Profit / (Loss) Before Taxation	188.63	(301.20)
Provision for Taxation (Including Fringe Benefit Tax) (net)	28.05	22.06
Deferred Tax	(0.79)	13.19
Net Profit / (Loss)	161.36	(336.45)

FIXED DEPOSIT:

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

DIRECTORS:

In accordance with Article of 70 of the Article of Association of the Company Smt, Tej P. Dalal, a Director retires by rotation and being eligible offers herself for re-appointment.



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

The Company has no manufacturing activities. Hence, the information pursuant to the provisions of the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 have not been given. The Company has neither earned nor spent any foreign exchange during the accounting year ended 2009 - 10.

PARTICULARS OF EMPLOYEES:

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

AUDITORS:

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

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that:

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed;
- II. Appropriate accounting policies have been selected and applied consistently, and judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March, 31st 2010 and of the Profit & Loss of the Company for the period April 1st 2009 to March, 31st 2010.
- III. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

IV. The annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE:

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

COMPLIANCE CERTIFICATE :

The Compliance Certificate dated 23rd August, 2010 in terms of Section 383 A of the Companies Act, 1956 issued by Mrs. Grishma Khandwala, Company Secretary in Whole time practice is attached.

ACKNOWLEDGEMENT:

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

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Rikeen P. Dalal
Director

Tej P. Dalal
Director

Place : Mumbai

Date : 23rd August 2010.



MANAGEMENT DISCUSSION AND ANALYSIS

A) Industry Structure and Development :

The Indian economy has performed with remarkable stability in the last two years when most countries witnessed a period of economic instability and financial crisis. Even through this turmoil, the Indian economy showed a GDP growth of 6.7% in the financial year 2008-09 and a further growth 7.2% in 2009-10 when most countries were striving to get back on their feet with massive financial support from their governments for their banking and financial sectors. The credit for our remarkable performance in these difficult years must go to the conservative and yet pragmatic –policies followed by our economic and monetary authorities by taking appropriate measures to regulate and stimulate fiscal policies as required from time to time.

B) Opportunities and Threats

With the continuing growth of the Indian economy there has been an increase in both FDI and FII inflows during 2009-10. This has again been a major contributor to the upsurge in the stock market during 2009-10 with the BSE Sensex increasing by 80% (from 9700 in March 2009 to 17500 in March 2010) and the BSE-200 Index increasing by 93% (from 1140 in March 2009 to 2200 in March 2010). The current index levels reflect an average price/earnings (P/E) ratio of about 20 times FY09-10 earning.

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

C) Segment-wise Performance

The Company has only one business segment viz Trading in Shares / Securities and Financing Investment and hence product-wise performance is not provided.

D) Outlook

Since the start of the current financial year (2010-11), the BSE Sensex has shown a declining trend from the level of 17500 as at 31st March, 2010 partly due to similar trends in foreign markets. It is difficult to predict the trend of the stock market during the rest of the year, partly due to the unpredictability of capital inflows or outflows.

E) Risk and Concerns

India is not isolated from global markets worldwide. Any major upheavals in Europe or the western world can affect India and eastern world. Therefore it can have impact on the Indian companies' performance.

F) Internal Control Systems and their Adequacy

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

G) Human Resources

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



REPORT ON CORPORATE GOVERNANCE

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

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

The Company has adopted a Code of Conduct as required under clause 49 of the listing Agreement with the stock Exchanges. The Directors have confirmed compliance with the code of conduct for the year ended 31st March, 2010.

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

2) Board of Directors

Composition and size of the Board

The present strength of the Board is 4. All the Directors are Non – Executive Directors. The size and composition of the Board confirms with the requirements of Corporate Governance under the Listing Agreement with the Stock Exchanges and applicable laws. The Independent Non Executive Directors of the Company do not have any other material or pecuniary relationship or transaction with the Company, its promoters, its management or its subsidiaries, which in the judgment of the Board may affect independence of judgment of the Directors. Non-Executive Directors are not paid any remuneration.

In the financial year 2009 – 2010, the Board met seven times. The Board meetings were held on (1) 3rd April, 2009, (2) 27th April, 2009, (3) 30th July, 2009 (4) 28th August, 2009, (5) 29th October, 2009, (6) 27th January, 2010 and (7) 26th March, 2010 .

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

Name of the Directors	Status, i.e. Executive, Non-Executive Independent	Shares held	Members of Boards of Other public Companies excluding Directorship in Pvt. Companies	Total No. of Committee Membership held		No of Board Meeting held during the year	Whether attended last AGM	
				As Chairman	As Member			
Smt. Tej.P.Dalal	Promoter NED	108200	Nil	1	1	7	7	Yes
Shri Rikeen P. Dalal	Promoter NED	Nil	Nil	1	1	7	7	Yes
Dr.C.A. Varghese	Independent NED	Nil	1	Nil	1	7	4	No
Mr. Vithal Dahake	Independent NED	Nil	Nil	1	1	7	7	No

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

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

1. Name of Director	Smt. Tej P. Dalal
2. Date of Birth	03.12.1939
3. Date of Appointment	24.12.1984
4. Experience in specific areas	Has been associated with this Company from past more than 25 years, since this Company was started and headed by her (Late) Husband Mr. Pradip Harkison Das Dalal.
5. Academic Qualifications	B.com
6. Directorship in Other Companies	NIL
7. Professional Qualifications	She has been associated with the Company as Director since 1994 and the Company has benefited from her rich experience in varied fields.

3) Audit Committee

Terms of reference, Composition:

The terms of reference of this committee covers the matters specified for Audit committee under Clause 49 of the Listing Agreement. The Chairman of the Audit committee is Mr. Vithal Dahake, an Independent Director.

Audit Committee meetings were held on

(1) 27th April, 2009, (2) 30th July, 2009, (3) 29th October, 2009, and (4) 27th January, 2010 .

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

Member	Position	No. of Meetings held	No. of Meetings attended
Mr. Vithal Dahake	Chairman	4	4
Dr. C.A. Varghese	Member	4	4
Shri. Rikeen P. Dalal	Member	4	4

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



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

4) Remuneration Committee

The Company does not have a Remuneration Committee.

5) Investors'/ Share Holders' Grievances Committee

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

Member	Position	No. of Meetings attended
Smt. Tej.P.Dalal	Member	4
Dr. C.A. Varghese	Member	4
Shri. Rikeen P. Dalal	Chairman	4

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

Sr. No.	Nature of Complaints	No. of Complaints		
		Received	Resolved	Pending as on 31/3/2010
1)	Non receipt of Annual Report	2	2	Nil
2)	Complaints relating to Dematerialisation of Shares	Nil	Nil	Nil
3)	Non – receipt of Shares certificates After transfer / duplicate / Name correction	Nil	Nil	Nil
4)	Others			Nil
TOTAL		2	2	Nil

6) General Body Meeting

Date of AGM	Financial Year	Venue/Location	Time of Meeting
28-9-2007	2006 – 2007	Sachivalaya Gymkhana, Jagannathrao Bhosle Marg Mumbai	10.00 a.m.
25-9-2008	2007– 2008	Sachivalaya Gymkhana, Jagannathrao Bhosle Marg Mumbai	11.00 a.m.
30-9-2009	2008– 2009	Ahmedd A.Fazelbhoy Pvt. Ltd. Sunville, 9 Dr. Annie Besant Road, Worli, Mumbai.	11.00 a.m.

SPECIAL RESOLUTION PASSED :

- 1 In 2006 – 2007 AGM:
 - No Special Resolution was passed in this AGM.
- 2 In 2007 – 2008 AGM:
 - No Special Resolution was passed in this AGM .
3. In 2008– 2009 AGM:
 - No Special Resolution was passed in this AGM .

7) Disclosures

1. There are related party transactions i.e. transactions of the Company with its Promoters, Directors or Management, their associates companies or relatives, not conflicting with Company's interest, the details of which have been shown in Schedule 13 Notes forming part of the Accounts for the year ended 31st March, 2010.
2. Code of Conduct
The Board of Directors of the Company has laid down two separate Codes of Conduct – one for Directors and other for Senior Management and Employees.
All Board Members and Senior Management personnel have affirmed compliance with the Code of conduct for the year review. A Declaration signed by CFO/Director to this effect is annexed to this report.
3. CEO/CFO Certification
As required under Clause 49 V of the Listing Agreement with the Stock Exchanges, the CFO of the Company has certified to the Board regarding his review on the Financial Statements, Cash flow Statements and matters related to internal controls etc. in the prescribed format for the year ended 31st March, 2010.

8) Means of Communication

The Company publishes its Unaudited quarterly, half yearly and yearly financial results in leading national newspapers; namely "The Asian Age – English Edition" and "Mumbai Lakshadeep / Mumbai Mitra – Marathi Edition". The Company also sends the financial results to the Stock Exchanges immediately after its approval by the Board. The Company is not displaying the financial results on website. The company has not sent the half yearly report to the Shareholders. No presentations were made to the institutional investors or analysts during the year under review.



9) General Shareholder Information

- a. AGM Day, Date, Time Thursday, 30th September, 2010 at 11.00 a.m.
Venue A, Fazelbhoj Private Limited, Sunville, 9 Dr. Annie Besant Road, Worli, Mumbai - 400018
- b. Financial Calendar 01.04.2010 to 31.03.2011
- c. Un-Audited Financial Results 1st Quarter Last Week of July
2nd Quarter Last Week of October
3rd Quarter Last Week of January
4th Quarter Last Week of April
- d. Book Closure Period 24.09.10 to 30.09.10 (both days inclusive)
- e. Dividend Payment Date Not Applicable

Listing on Stock Exchanges

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

The Annual listing fees of these exchanges have been paid by the Company for the year 2009 – 2010.

Market Price Data

High/Low of the Company's Shares traded in the Stock Exchange, Mumbai, during the financial year 2009- 2010 is furnished below:

Month & Year	Company's Share Price	
	High	Low
April 2009	3.66	3.44
May 2009	4.60	3.84
June 2009	6.09	4.83
July 2009	5.12	3.81
August 2009	4.11	3.43
September 2009	5.70	4.31
October 2009	5.96	4.97
November 2009	6.60	5.17
December 2009	8.58	5.53
January 2010	10.18	7.51
February 2010	9.36	7.07
March 2010	10.81	7.42

Dematerialisation of Shares

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

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

Depository Connectivity : NSDL and CDSL

Registrar and Transfer Agent (RTA) :

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

Share Transfer System:

The Company has continued the appointment of Registrar and Transfer Agents for accepting transferring and delivering the transferred Share Certificates. All the transfers received in order,are processed within a period of 30 days from the date of receipt.

Shareholding Pattern of the Company as on 31st March, 2010.

Sr. No.	Holders	No. of Shares Held	% of paid up Capital
A.	Promoters Holding	22,49,700	74.99
B.	Mutual Funds and UTI, Banks and Financial Institutions	100	0.00
C.	Bodies Corporate	79,431	2.65
D.	Indian Public	6,70,855	22.36
E.	NRI's / OCB's	14	0.00
Total		30,00,100	100.00

Broad Shareholding Distribution

Range of Shares	Number of Shares Holders	Percentage of Shares Holders	Number of Share	Percentage to total	
1 to 5000	1841	87.42	2,60,126	8.67	
5001 to 10000	124	5.89	98,942	3.30	
10001 to 20000	63	2.99	93,664	3.12	
20001 to 30000	39	1.85	1,05,277	3.51	
30001 to 40000	12	0.57	41,650	1.39	
40001 to 50000	8	0.38	35,858	1.19	
50001 to 100000	3	0.14	23,111	0.77	
100001 to 99999999	16	0.76	23,41,472	78.05	
		2106	100%	30,00,100	100%



Dematerialization of Shares and Liquidity :

87.91% of Company's Equity Shares have been dematerialized as on 31st March, 2010.

Investor's Correspondence :

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

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

10. COMPLIANCE OF NON-MANDATORY REQUIREMENTS

1) Chairman of the Board

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

2) Board Procedure

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

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

3) Shareholders Rights

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

4) Postal Ballot

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

5) Audit Qualification.

There is no Audit Qualification by the Statutory Auditors.

6) Training of Board Members

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

7) Whistle Blower Policy

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

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Rikeen P. Dalal
Director

Tej P. Dalal
Director

Place : Mumbai

Date : 23rd August 2010.

Declaration on Code of Conduct

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

To,
The Member of
P.H.Capital Limited

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

For P. H. Capital Limited

Rikeen P. Dalal
Director

Place : Mumbai.

Dated : 23rd August, 2010



COMPLIANCE CERTIFICATE

To

The Members

P.H. Capital Limited

I have examined the registers, records, books and papers of **P.H. Capital Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial year ended 31st March, 2010. In my opinion and to the best of my information and according to the examination carried out by me and explanation furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate as per the provisions of the act and the rules made thereunder and all the entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate with the Registrar of Companies Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company is a Public Limited Company and has a paid up share capital of Rs. 30,001,000/-.
4. The Board of Directors duly met Seven times respectively on 03rd April, 2009, 27th April, 2009, 30th July, 2009, 28th August, 2009, 29th October, 2009, 27th January, 2010 and 26th March, 2010 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. No circular resolutions were passed during the year.
5. The Company has closed its Register of Members from 24th September, 2009 to 30th September, 2009 and has duly complied with the provisions of Section 154 of the Act in respect of the same.
6. The Annual General Meeting for the financial year ended 31st March, 2009 was held on 30th September, 2009 after giving due notice to members of the Company and resolutions passed thereat were duly recorded in the minutes book maintained for the purpose.
7. No Extra ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or Companies referred in Section 295 of the Act.
9. The Company has duly complied with the provisions of section 297 of the Act, in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act,
11. As there were no instances falling within the purview of Section 314 of the Act, the Company was not required to obtain any approvals from the Board of Directors, members or the Central Govt., as the case may be.
12. A Committee of Directors has approved the issue of duplicate share certificate.
13. The Company has:
 - (i) Delivered all the certificates on allotment of securities and on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act;
 - (ii) Not made any allotment of securities during the financial year.
 - (iii) Not declared any dividend or interim dividend during the financial year.
 - (iv) Duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional Directors, alternate Directors and Directors to fill casual vacancy during the financial year
15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year.
16. The Company has not appointed any Sole Selling Agent during the financial year.
17. The Company was not required to obtain any approval of the Central Govt., Company Law Board, Regional Director, Registrar of Companies and / or such authorities prescribed under the various provisions of the Act, during the financial year.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors Pursuant to the provisions of the Act and rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.



21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights dividends, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act during the financial year.
24. The Company has not made any borrowings during the financial year ending 31st March, 2010
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum of Association with respect to the situation of the Company's Registered Office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum of Association with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum of Association with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum of Association with respect to the Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year under scrutiny.
31. There was no prosecution initiated against or Show Cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not deducted any contribution towards Provident Fund during the year under scrutiny.

Place: Mumbai
Dated: 23rd August, 2010

Grishma Khandwala
Company Secretary
CP No : 1500

ANNEXURE 'A'

Registers as maintained by the Company:

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

Place: Mumbai
Dated: 23rd August, 2010

Grishma Khandwala
Company Secretary
CP No : 1500

ANNEXURE 'B'

Forms and Returns as filed by the Company with the Registrar of Companies Regional Director, Central Government or other authorities during the financial year ending 31st March, 2010.

*With Registrar of Companies

Sr. No.	Form	Section	Particulars	Date of Filing	Whether filed within prescribed Time Yes/No	If delay in filing whether requisite additional fees paid Yes/No
1.	Annual Report	Section 220	For the year ending 31-3-2009 adopted in Annual General Meeting held on 30-09-2009	28/10/09	Yes	No
2.	Annual Return	Section 159	Upto the date of Annual General Meeting Held on 30-09-2009	28/10/09	Yes	No
3.	Form 20B	Section 159	Upto the date of Annual General Meeting Held on 30-09-2009	16/11/2009	Yes	No.

*With Regional Director : Not applicable
*With Central Government or other Authorities : Not applicable

Place: Mumbai
Dated: 23rd August, 2010

Grishma Khandwala
Company Secretary
CP No : 1500



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

To the Members of P.H.CAPITAL LIMITED

We have examined the compliance of conditions of Corporate Governance by P.H.CAPITAL LIMITED, for the year ended 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

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

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

As per the records maintained by shareholders committee and according to the information and explanation provided to us, we state that no Investor grievance is pending as at 31st March 2010.

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

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

KAPIL K. JAIN
(PARTNER)

Membership No. 108521

Place : Mumbai.

Date : 23rd August, 2010

AUDITOR'S REPORT

To,
The Members,
P.H.CAPITAL LIMITED

We have audited the attached Balance Sheet of **P.H.CAPITAL LIMITED**, Mumbai as at 31st March, 2010 and the Profit and Loss Account and also the Cash Flow Statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements based on our audit.

1. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall Financial Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of Sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in Annexure hereto a Statement on the matters specified in paragraph 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that:
 - (a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of accounts, as required by law, have been kept by the Company, so far as appears from our examination of those books;



- (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
- (d) In our opinion, Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standard referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- (e) In our opinion, and to the best of our information and explanations given to us none of the directors are disqualified as on 31st March, 2010 from being appointed as directors in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view, in conformity with the accounting principles generally accepted in India :
- (i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
- (ii) In so far as it relates to the Profit and Loss Account, of the Profit of Company for the year ended on that date and;
- (iii) In the case of Cash Flow Statement, of cash flow for the year ended on that date.

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

KAPIL K. JAIN
(PARTNER)

Membership No. 108521

Place : Mumbai.
Date : 23rd August, 2010

ANNEXURE TO AUDITORS' REPORT

(Referred to in Paragraph 2 of our report of even date)

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year and asset sold do not effect its going concern.
2. The Inventories of the company comprises of shares and securities and accordingly the clause for physical verification is not applicable.
3. In respect of loans, secured or unsecured taken or granted by the Company from/to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 :
 - a. The Company has taken loans from 3 (Three) (P.Y. Four) parties covered in the register maintained U/s. 301 of the Companies Act, 1956 aggregating to Rs. 446.12 lacs (P.Y. Rs. 850.73 lacs) during the year and year End balance is Rs. 201.34 lacs (Previous Year 444.78 lacs).
The company has not any granted loans to parties covered in the register maintained U/s. 301 of the Companies Act, 1956.
 - b. In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the Company.
 - c. There is no overdue amount in respect of loans given/ taken by the Company and as same is repayable on demand.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.



- b) In our opinion and according to the information and explanations given to us, the transactions in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding Rs. 5,00,000/- (Rupees Five Lakhs only) in respect of any party during the year have been made at price, which are reasonable having regard to prevailing market price at the relevant time.
- 6. As explain to us the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the Rules framed there under.
- 7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
- 8. The company is not required to maintain cost record U/s. 209(1)(d) of the Companies Act, 1956.
- 9. a) According to the information and explanation given to us, and records being made available to us, the undisputed statutory dues including, Income-tax, Sales Tax, Wealth Tax, and other statutory dues wherever applicable have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2010 for a period of more than six months from the date of becoming payable.
- b) In our opinion and according to the information and explanations given to us, following are the disputed statutory dues pending before any Authority.

Sr. No.	Name of Statute	Nature of Dues	Forum where Dispute is pending	Amount (In Rs.)
1	I.T.Act 1961	Income Tax	ITAT- MUMBAI	8,43,938
2	I T ACT 1961	Income Tax (Penalty)	I T AT – MUMBAI	17,17,108

- 10. The Company has accumulated losses of Rs. 295.92 lacs at the end of the financial year which is more than the 50% of its Net worth. It has not incurred cash loss during the year, but it incurred cash loss of Rs. 291.61 lacs in the immediately preceding previous year.
- 11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not borrowed any money from Banks and financial Institutions.
- 12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.

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

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

KAPIL K. JAIN
 (PARTNER)

Place : Mumbai.
 Date : 23rd August, 2010

Membership No. 108521



BALANCESHEET AS AT 31ST MARCH, 2010

	SCHEDULE NO.	AS AT 31-03-2010 Rs.	AS AT 31-03-2009 Rs.
SOURCES OF FUNDS :			
SHAREHOLDERS FUNDS			
Share Capital	1	30,001,000	30,001,000
Reserves and Surplus		-	-
LOAN FUNDS			
Secured Loans		-	-
Unsecured Loans	2	20,134,191	44,478,490
DEFERRED TAX LIABILITY		<u>1,141,310</u>	<u>1,220,322</u>
TOTAL		<u>51,276,501</u>	<u>75,699,812</u>
APPLICATION OF FUNDS :			
FIXED ASSETS			
Gross Block	3	6,585,553	6,574,603
Less : Depreciation		<u>2,204,535</u>	<u>1,732,195</u>
Net Block		4,381,018	4,842,408
INVESTMENTS	4	200	7,500,200
CURRENT ASSETS LOANS & ADVANCES			
Stock In Trade	5	16,263,036	13,460,261
Sundry Debtors	6	-	2,182,820
Cash & Bank Balances	7	298,896	1,107,487
Loans & Advances	8	<u>4,300,264</u>	<u>1,963,477</u>
		20,862,196	18,714,045
Less : Current Liabilities and Provisions :	9		
Liabilities		426,216	954,280
Provisions		<u>3,133,000</u>	<u>130,167</u>
		3,559,216	1,084,447
NET CURRENT ASSETS		<u>17,302,980</u>	<u>17,629,598</u>
Balance as per Profit and Loss Account		<u>29,592,303</u>	<u>45,727,606</u>
TOTAL		<u>51,276,501</u>	<u>75,699,812</u>
NOTES TO ACCOUNTS	13		

As per our report of even date

For and on behalf of the Board of Directors

FOR S.P.JAIN & ASSOCIATES
Firm Reg. No. 103969W
CHARTERED ACCOUNTANTS

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

(RIKEEN. P. DALAL)
Director

(TEJ. P. DALAL)
Director

Place : Mumbai
Date : 23rd August, 2010

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	SCHEDULE NO.	2009-2010 Rs.	2008-2009 Rs.
INCOME			
Sales		91,964,393	63,115,561
Other Income	10	648,885	1,311,132
TOTAL		<u>92,613,278</u>	<u>64,426,693</u>
EXPENDITURE			
Cost of Sales	11	67,492,907	88,776,331
Administrative and Other Expenses	12	5,785,308	5,173,690
Depreciation	3	472,340	596,689
TOTAL		<u>73,750,555</u>	<u>94,546,710</u>
PROFIT/(LOSS) BEFORE TAX		<u>18,862,723</u>	<u>(30,120,017)</u>
PROVISION FOR TAX			
Income Tax (MAT)		3,065,000	-
Defferred Tax Assets		79,012	1,319,252
Fringe Benefit Tax		-	40,000
Less : Short provision for taxation		66,202	2,169,921
Add : Excess provision for taxation		324,769	3,806
PROFIT/(LOSS) AFTER TAX		<u>16,135,302</u>	<u>(33,645,384)</u>
Balance as per Last Accounts		(45,727,606)	(12,082,222)
BALANCE CARRIED TO BALANCE SHEET		<u>(29,592,303)</u>	<u>(45,727,606)</u>
Basic / Diluted Earning per Share (Face value Rs. 10/- each)		5.38	(11.21)
(Refer Note No.12 of Schedule 13)			
NOTES TO ACCOUNTS	13		

As per our report of even date

For and on behalf of the Board of Directors

FOR S.P.JAIN & ASSOCIATES
Firm Reg. No. 103969W
CHARTERED ACCOUNTANTS

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

(RIKEEN. P. DALAL)
Director

(TEJ. P. DALAL)
Director

Place : Mumbai
Date : 23rd August, 2010



	AS AT	AS AT
	31-03-2010	31-03-2009
	Rs.	Rs.

" Schedules 1 to 13 annexed to and forming part of Balance Sheet as at 31st March,2010 and Profit & Loss Accounts for the year ended on that date ."

SCHEDULE - 1 SHARE CAPITAL

AUTHORISED :

4,000,000 Equity Shares of Rs.10/- each	<u>40,000,000</u>	<u>40,000,000</u>
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ISSUED, SUBSCRIBED AND PAID UP :

3,000,100 Equity Shares of Rs.10/- each fully paid up	<u>30,001,000</u>	<u>30,001,000</u>
	<u><u>30,001,000</u></u>	<u><u>30,001,000</u></u>

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

SCHEDULE - 2 UNSECURED LOANS

Inter Corporate Loan (Include Interest Accrued & due)	<u>20,134,191</u>	<u>44,478,490</u>
(Due to a Company under same Management)	<u><u>20,134,191</u></u>	<u><u>44,478,490</u></u>

SCHEDULE - 3 FIXED ASSETS

DESCRIPTION	GROSS BLOCK AT COST			DEPRECIATION			NET BLOCK			
	AS AT 01.04.2009	ADDITION	DEDUCTION	AS AT 31.03.2010	UP TO 31.03.2009	FOR THE YEAR	DEDUC- TIONS	UP TO 31.03.2010	AS AT 31.03.2010	AS AT 31.03.2009
Office Premises	*4,214,422	-	-	4,214,422	1,060,226	68,695	-	1,128,921	3,085,501	3,154,196
Leasehold Improvements	1,526,425	-	-	1,526,425	305,285	305,285	-	610,570	915,855	1,221,140
Office Equipments	328,300	-	-	328,300	162,295	15,594	-	177,889	150,411	166,005
Computers & Printers	505,456	10,950	-	516,406	204,389	82,766	-	287,155	229,251	301,067
T O T A L	6,574,603	10,950	-	6,585,553	1,732,195	472,340	-	2,204,535	4,381,018	4,842,408
PREVIOUS YEAR	6,828,079	1,703,475	1,956,951	6,574,603	1,953,450	596,689	817,944	1,732,195	4,842,408	

* Refer point 4 of notes to accounts

	AS AT	AS AT
	31-03-2010	31-03-2009
	Rs.	Rs.

SCHEDULE - 4 INVESTMENTS (LONG TERM)

A) EQUITY (UNQUOTED)- FULLY PAID :

2 Equity Shares of Rs.100/- each in Indian Silk Manufacturing Company Pvt.Ltd.	200	200
	<u>200</u>	<u>200</u>

B) INVESTMENT IN MUTUAL FUND (QUOTED) :

4,23,298.341 Units of Prudential ICICI Short Term Plan - Cummulative	-	7,500,000
TOTAL	<u>200</u>	<u>7,500,200</u>

Agreegate Market Value of Quoted Investments.	NIL	7,574,797
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SCHEDULE - 5 INVENTORIES

Stock In Trade - Shares (At Cost or Market Value Whichever is lower)	16,263,036	13,460,261
	<u>16,263,036</u>	<u>13,460,261</u>



	AS AT 31-03-2010 Rs.	AS AT 31-03-2009 Rs.
SCHEDULE - 6		
DEBTORS		
Sundry Debtors (Unsecured but Considered Good)		
Due for Less than Six Months	-	2,182,820
	-	<u>2,182,820</u>
SCHEDULE - 7		
CASH & BANK BALANCES		
Cash on Hand	203,012	180,511
Balances in Current Accounts :		
With Scheduled Banks	95,884	926,976
	<u>298,896</u>	<u>1,107,487</u>
SCHEDULE - 8		
LOANS & ADVANCES		
(Unsecured but considered Good)		
Advances recoverable in cash or in kind or for value to be received	26,586	31,200
(Unsecured but considered Doubtful)		
Advances recoverable in cash or in kind or for value to be received	355,000	355,000
Less : Provision for bad & doubtful advances	(355,000)	-
Sundry Deposits	34,000	34,000
Income Tax / Self Asst Tax / TDS	4,239,678	1,543,277
	<u>4,300,264</u>	<u>1,963,477</u>
SCHEDULE - 9		
CURRENT LIABILITIES & PROVISIONS :		
CURRENT LIABILITIES		
Sundry Creditors and other liabilities	426,216	954,280
	<u>426,216</u>	<u>954,280</u>
PROVISIONS		
Provisions for Taxation / FBT	3,133,000	130,167
	<u>3,133,000</u>	<u>130,167</u>
	<u>3,559,216</u>	<u>1,084,447</u>

	2009 - 2010 Rs.	2008 - 2009 Rs.
SCHEDULE -10		
OTHER INCOME		
Dividend Earned :		
On Equity Shares	308,780	380,708
On Mutual Funds	-	888,995
Interest on I.T. Refund	-	30,592
Sundry Credit Balance Written Back	-	10,837
Excess Provision of Expenses	649	-
Interest Received (Prior period)	75,548	-
Profit on Derivatives	48,830	-
Profit on Redemption of Mutual Fund	215,078	-
	<u>648885</u>	<u>1311132</u>
SCHEDULE -11		
COST OF SALE		
Opening Stock	13,460,261	23,231,250
Add: Purchase of Shares	70,295,682	79,005,342
	83,755,943	102,236,592
Less: Closing Stock	16,263,036	13,460,261
	<u>67,492,907</u>	<u>88,776,331</u>
Cost of Sales	<u>67,492,907</u>	<u>88,776,331</u>



	2009 - 2010	2008 - 2009
	Rs.	Rs.
SCHEDULE - 12		
ADMINISTRATIVE EXPENSES		
Staff Cost :		
Salary & Bonus	1,500,420	1,471,295
Staff Welfare	28,716	31,750
Lease Rent	108,000	108,000
Advertisement Expenses	21,202	16,360
Professional fees	355,931	783,572
Printing & Stationery	51,345	48,180
Auditor's Remuneration :		
Audit Fees	34,745	35,394
Expenses	597	-
Loss on Sale of Assets	-	342,341
Loss in speculation of shares	3,487	-
Registrar & Transfer Agent Fees	47,712	45,001
Office Expenses	84,182	10,188
Electricity Expenses	119,650	92,857
Listing Fees	19,651	20,413
Filing Fees	1,500	11,500
Vehicle Charges	-	314,353
Travelling Expenses	244,294	95,159
Repairs and Maintenance	299,932	134,667
STT on shares	192,708	175,201
Investment Written Off	-	20,000
Irrecoverable Advances / Deposits Written off	-	21,150
Interest	1,847,915	1,000,787
Professional Tax	2,500	22,545
Provision for Bad & doubtful advances	355,000	-
Miscellaneous expenses	465,822	372,977
	5,785,308	5,173,690

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	AS AT 31-03-2010	AS AT 31-03-2009
	Rs.	Rs.
A CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	18,862,723	(30,120,017)
ADJUSTMENTS FOR :		
Depreciation	472,340	596,689
Loss on sale of Fixed Assets	-	342,341
Investment W.off	-	20,000
Provision for Doubtful Debt	355,000	-
Interest received	(75,548)	(30,592)
Dividend received	(308,780)	(1,269,703)
Excess Provision of Expenses	(649)	-
Interest paid	1,847,915	1,000,787
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	21,153,004	(29,460,495)
ADJUSTMENTS FOR :		
Debtors	2,182,820	15,377,734
Stock-in-Trade	(2,802,775)	9,770,989
Loans and Advances	(191,787)	3,171,398
Trade and Payables	(331,015)	(31,234,072)
CASH GENERATED FROM OPERATION	20,010,246	(32,374,446)
DIRECT TAXES (PAID)/REFUND	(2,500,000)	(40,000)
CASH FLOW BEFORE EXTRAORDINARY ITEMS		
NET CASH FROM OPERATING ACTIVITIES	17,510,246	(32,334,446)
B CASH FLOW FROM INVESTING ACTIVITIES		
PURCHASE OF ASSETS	(10,950)	(1,588,199)
SALE OF ASSETS	-	796,666
PURCHASE OF INVESTMENTS	-	(7,500,000)
SALE OF INVESTMENTS	7,500,000	-
INTEREST RECEIVED	75,548	30,592
DIVIDEND RECEIVED	308,780	1,269,703
NET CASH FROM INVESTING ACTIVITIES	7,873,378	(6,991,238)
C CASH FLOW FROM FINANCING ACTIVITIES :		
UNSECURED LOANS TAKEN (REPAYMENT)	(24,344,300)	38,032,067
INTEREST PAID	(1,847,915)	(1,000,787)
	(26,192,215)	37,031,280
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(808,591)	(2,294,404)
OPENING CASH AND CASH EQUIVALENTS	1,107,487	3,401,892
CLOSING CASH AND CASH EQUIVALENTS	298,896	1,107,487

Previous year figures have been regrouped/rearranged wherever necessary.

As per our report of even date

For and on behalf of the Board of Directors

FOR S.P.JAIN & ASSOCIATES
Firm Reg. No. 103969W
CHARTERED ACCOUNTANTS

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

(RIKEEN. P. DALAL)
Director

(TEJ. P. DALAL)
Director

Place : Mumbai
Date : 23rd August, 2010



SCHEDULE – 13

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

I. SIGNIFICANT ACCOUNTING POLICIES

- (A) Basis of preparation of Financial Statements.
 - (a) The financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956, as adopted consistently.
 - (b) Accounting policies not specially referred to otherwise are consistent with generally accepted accounting principles followed by the Company.
 - (c) The company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.
- (B) Fixed Assets and Depreciation:
 - (a) Fixed assets are stated at cost less depreciation adjusted by revaluation in case of Office Premises.
 - (b) Depreciation
 - (i) Depreciation on fixed assets is provided on the straight line method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.
 - (ii) Leasehold Improvements is written off / depreciated over the period of 5 years.
- (C) Investments:

Long Term Investments are stated at cost.
- (D) Sales:

Sales are accounted net of brokerage and taxes.
- (E) Employees Benefits:

The Provident Fund contribution and Gratuity is not required to be provided as the Company does not fulfill the criterion of minimum number of Employees employed during the year.
- (F) Stock In Trade:
 - a) In respect of securities held as stock-in-trade, brokerage and stamp duty are included in cost.
 - b) The securities held as stock-in-trade are valued at cost or market value whichever is lower.
- (G) Taxation:

Current Taxes, if any, are provided as per the provision of Income Tax Act 1961.

Deferred Tax is recognized on the timing difference being the difference between taxable income and accounting income that originate in one period and are capable of reversal in future. Deferred Tax Assets is recognized only upon actual certainty of sufficient taxable profit, in the future against which such deferred tax asset can be rectified.

- (H) Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.
- II. NOTES ON ACCOUNTS:**
 1. Previous Year's figures have been regrouped / rearranged wherever necessary.
 2. Contingent Liability:

Claims against the company not acknowledged as debts in respect of relief towards Matter pending with Income Tax Tribunal for Rs. 25 Lacs. (Previous Year Rs. 25 Lacs.)
 3. The company does not have any dealings with any enterprise under the Micro, Small and Medium Enterprises Development Act, 2006.
 4. Fixed assets include office premises in Mumbai held in 50% co-ownership which is in possession with the Court Receiver, Mumbai in view of ongoing litigation matters.
 5. Auditor's Remuneration

	2009-2010	2008 -2009
i) Audit Fees	34,745	35,394
ii) Other Matters / Expenses	597	46,504
T O T A L	35,342	81,898

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

	2009 - 2010		2008 – 2009	
	Qty.	Rs.	Qty.	Rs.
Opening Stock	135339	13460261	135000	23231250
Purchases	751511	70295682	383842	79005342
Sales	806675	91964393	383503	63115561
Closing Stock	80715	16263036	135339	13460261



7. Stock in trade as on 31st March 2010:

S.No.	Script	2009 - 2010		2008 - 2009	
		Qty.	Rs.	Qty.	Rs.
1.	Arshiya International Ltd.	41100	3360108	-	-
2.	Selan Exploration Ltd.	35000	12312664	-	-
3.	E I D Parry Ltd.	4075	590264	11575	1676639
4.	Dhanlakshmi Bank Ltd.	-	-	100000	5015000
5.	Madras Cement Ltd.	-	-	9614	686440
6.	Ranbaxy Laboratories Ltd.	-	-	10000	1656000
7.	State Bank of India Ltd.	-	-	4150	4426182
TOTAL		80175	1,62,63,036	135339	1,34,60,261

8. Prior Period Items .

	2009-2010	2008 -2009
i) Interest Paid	NIL	9,88,679
ii) Professional Fees	NIL	7,304
iii) Professional Tax	NIL	12,500
iv) Interest on Professional Tax	NIL	7,545
v) Leave Salary	86,683	NIL

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

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

11. Related party disclosures:

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

i) Relationships :

(A) Enterprise on which major Shareholders Exercises Significant Influence

- i) Finco Capital Management Pvt.Ltd.
- ii) Prestige Reality Pvt.Ltd.
- iii) Prahar Financial Consultant Management Services Pvt. Ltd.
- iv) Ruby Multimedia Pvt. Ltd.

(B) Key Management Personnel :

- i) Rikeen P. Dalal
- ii) Tej P. Dalal

(C) Relative of key Management Personnel :

- i) Sejal R. Dalal
- ii) Rikeen P. Dalal – HUF

(Amt. in Rs.)

Nature of Transactions		Enterprises over which major Shareholders Exercises Significant Influence	Key Management Personnel	Relatives of Key Management Personnel
A) <u>Loan Transaction</u>				
Taken / (Given)	CY CR.	4,46,12,701	—	NIL
During the year	P.Y. CR	(8,50,17,717)		(55,000)
Closing Balances	CY CR.	2,01,34,191	—	—
	P.Y. CR	(4,44,78,490)		(NIL)
B) <u>Interest Paid</u>	CY	18,47,446	—	—
	P.Y.	—	—	—
C) <u>Lease Rent</u>	CY	1,08,000	—	—
	P.Y.	(1,08,000)	—	—
D) <u>Reimbursement of Expenses</u>	CY	1,47,001	180119	—
	P.Y.	(1,04,245)	—	—
E) <u>Reimbursement of Electricity Expenses</u>	CY	1,19,650	—	—
	P.Y.	(1,52,458)	—	—
F) <u>Advances for Expenses & Received Back</u>	CY	—	1,84,703	—
	P.Y.	—	(2,56,734)	(12,389)
G) <u>Sale of Motor Vehicles</u>	CY	—	—	—
	P.Y.	—	(7,96,665)	—



12. Earning per share as per Accounting Standard 20:

	2009-10	2008-09
Profit/(Loss) attributable to the Shareholders.	1,61,35,302	(3,36,45,384)
Equity share of Rs.10/- each (Nos.)	3000100	3000100
Basic / Diluted Earning Per share (Rs.)	5.38	(11.21)

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

The Deferred Tax Assets & liabilities as at 31/03/2010 comprise the following

	Assets/ (Liabilities) 2009- 2010	Assets/ (Liabilities) 2008- 2009
Depreciation	79,012	(88,019)
Reversal of Deferred Tax Assets Carried Forwards Losses/Dep. Created earlier.	—	(14,07,271)
Total Deferred Tax Assets / (Liability) (Net)	(79,012)	(13,19,252)

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

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

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details			
Registration No.	16436	State Code	11
Balance Sheet Dt.	31-3-2010		
II. Capital Raised during year (Amount in Rs. Thousands)			
Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placements	NIL
III. Position of Mobilization and Deployment of Funds (Amount in Rs. Thousands)			
Total Liabilities	51277	Total Assets	51277
Source of Funds			
Paid-up Capital	30001	Reserves & Surplus	NIL
Secured Loans	NIL	Unsecured Loans	20134
Deferred Tax Liability	1142		
Application of Funds			
Net Fixed Assets	4381	Investments	0
Net Current Assets	17303		
Accumulated Losses	29593	Misc. Expenditure	NIL
IV. Performance of Company (Amount in Rs. Thousands)			
Turnover & Other Income	92613	Total Expenditure	73750
Profit/Loss Before Tax	18863	Profit/Loss After Tax	16135
Earning Per Share in Rs.	5.38	Dividend Rate	—
V. Generic Names of Three Principal Products/Services of Company (As per monetary terms)			
Item Code No.	Not Applicable		
Product Description	Not Applicable		

As per our report of even date

For and on behalf of the Board of Directors

FOR S.P.JAIN & ASSOCIATES

Firm Reg. No. 103969W

CHARTERED ACCOUNTANTS

KAPIL K. JAIN

(RIKEEN. P. DALAL)

(TEJ. P. DALAL)

PARTNER

Director

Director

(M. No. 108521)

Place : Mumbai

Date : 23rd August, 2010



P. H. CAPITAL LIMITED

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

PROXY FORM

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

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

or failing him _____ of _____
or failing him _____ of _____

as my/our proxy to attend and vote for me/us on my/our behalf at the 37th Annual General
Meeting of the Members of the Company to be held on 30th September, 2010 at 11.00 a.m. at
any adjournment thereof.

As witness my/our hand(s) this _____ day of _____ 2010.

Signed by the said _____

Affix
Re. 1/-
Revenue
Stamp

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

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



P. H. CAPITAL LIMITED

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

ATTENDANCE SLIP

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

I hereby record my presence at the 37th Annual General Meeting of the Company held at the
Sachivalay Gymkhana, General Jagannathrao Bhosle Marg, Opp. Mantralaya, Mumbai 400
032. on 30th day of September, 2010 at 11.00 a.m.

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

* Applicable for members holding shares in electronic form.

Name of the Shareholder _____

Address _____

(Signature of Member / Proxy)

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

BOOK - POST



If undelivered, please return to :

P. H. CAPITAL LIMITED

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



P. H. CAPITAL LIMITED

37th Annual Report

2009 - 2010