

PAL CREDIT & CAPITAL LIMITED

53rd Annual Report 2014-2015

53rd ANNUAL GENERAL MEETING	
Day, Date, Time :	Monday, 28th September, 2015 at 3.30 P. M.
Venue :	M.C Ghia Hall (of Indian Textile Accessories & Machinery Manufacturer's Association), Bhogilal Hargovindas Building, 4th Floor, 18 / 20, Kaikhushru Dubash Marg, Mumbai - 400 001
Note :	Notice of 53rd Annual General Meeting is sent separately

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BOARD OF DIRECTORS

Shri J. H. Shah - Chairman
 Shri M. D. Adhikari - Director
 (up to 26th March, 2015)
 Shri K. D. Mankikar - Director
 Shri Jayesh Dadia - Director
 Shri Jatin D Jhaveri - Director
 Smt. Urmila U. Nagarkar - Director
 (from 30th March, 2015)

KEY MANAGERIAL PERSONNEL

Chief Manager & Chief Executive Officer (CEO)
 Shri. M. Sudalaikannu

Company Secretary & Compliance Officer
 Ms. Kavita A. Javheri

Chief Financial Officer (CFO)
 Ms. Rajeshree V. Parekh

REGISTERED OFFICE

Amarsons Bhavan, 3rd floor
 Shri Vile Parle K.V.O. Seva Samaj,
 68, Misquitta Street, Vile Parle (East),
 Mumbai - 400 057
 Tel/Fax: +91-22-2612 6875
 Website: www.palcc.co.in
 E-mail: investors@palcc.co.in
 CIN NO. L51010MH1962PLC012287

AUDITORS

M/s. M. B. Agrawal & Co.
 Chartered Accountants

INTERNAL AUDITORS

M/s. A. G. Thakkar & Co.

SECRETARIAL AUDITORS

M/s. N. L. Bhatia & Associates

SOLICITORS

M/s. Desai & Diwanji

BANKERS

HDFC Bank Ltd.

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited
 C-13, Pannalal Silk Mills Compound,
 L.B.S. Marg, Bhandup (West),
 Mumbai- 400 078
 Tel: +91-22-2594 6970, Fax: +91-22-2594 6969
 Website: www.linkintime.co.in
 E-mail: rnt.helpdesk@linktime.co.in
 CIN NO. U67190MH1999PTC118368



Directors' Report

To,

The Members,

Your Directors present the 53rd Annual Report with Audited Statements of Accounts for the year ended 31st March, 2015.

1. Financial Results ₹ (in Lakhs)

Particulars	Current Year 2014-15	Previous Year 2013-14
Profit/(Loss) for the year before providing for depreciation and Tax	(60.35)	(39.22)
Less: Depreciation	0.78	0.79
Profit/(Loss) before Tax	(61.13)	(40.01)
Less: Income Tax	Nil	Nil
Profit/(Loss) for the year	(61.13)	(40.01)

During the year the Company has suffered a loss of ₹ (60.35) lakhs, before provision of depreciation as against the loss of ₹ (39.22) lakhs for the previous year. The loss after provision of depreciation of ₹ 0.78 lakhs (previous year ₹ 0.79 lakhs) but before tax works out to ₹ (61.13) lakhs as against the loss of ₹ (40.01) lakhs for the previous year. There is no tax liability this year and also in the previous year.

2. Dividend

In view of the loss incurred during the year, no dividend is recommended.

3. Management Discussion and Analysis

Affairs of the Company are continued to be carried out on most economical scale by containing the expenses to minimal level. Due to lengthy process of the legal system required to be followed much could not be done towards recovery of old dues.

As the company is having no funds, pending Infusion of fresh funds, Premier Ltd., the Promoters have continued to provide the funds to the company to keep the Company going. Up to 31st March, 2015 total amount disbursed to the company amounted to ₹ 221.73 lakhs. With the stringent provisions with regard to contravention of provisions of section 186(7) of the Companies Act, 2013, with regard to charging of interest on loans given by a Company, the promoters having no option but to charge interest on this borrowings, effective 1st April, 2014, at the rate at which they pay interest to their Banks. As at 31st March, 2015 total interest accrued amounted to ₹ 24.38 lakhs. With that total amount debited by the promoters as on 31st March, 2015 works out to ₹ 246.11 lakhs.

4. Restructuring of Equity Share Capital

Reduction of Capital

In the year 2012-13 Company implemented the Scheme of Reduction of Capital by reducing face value of Equity Shares from ₹ 10 per equity share to Re. 1 per equity

share. Cancelled Capital of ₹ 1944.03 lakhs and Capital Reserve and Share Premium amounting to ₹ 767.47 lakhs are adjusted and accumulated losses are reduced to that extent.

Infusions of Funds

To achieve the positive Net Worth and to raise the funds required for revival of the business as a next step, a special resolution was passed by the members at an EGM held in December, 2013 for "Rights Issue" in ratio of 2:1 amounting ₹ 432 lakhs. As Merchant Banker appointed to act as Manager to the Issue, lost the concerned officials looking after this type of jobs, was unable to proceed further. Therefore, another Merchant Banker was appointed. By the time the Draft Letter of Offer was ready, and company was working for completing the process of filling the Draft Letter of Offer with SEBI, a Show Cause Notice was served by RBI to the Company for cancellation of Company's Registration as NBFC, details of which are given hereafter. In the circumstances, the Merchant Banker has advised the Company to (i) first adequately address the show cause notice and ensure that the same is withdrawn, so that the company continues to have a valid NBFC license and that they will proceed with the filling of offer document with SEBI only once the show cause notice is withdrawn/disposed of ensuring status quo as an NBFC (ii) the draft letter of offer should be filed with SEBI only after the show cause notice is withdrawn/disposed off. Accordingly, filling of draft letter of offer is withheld for the time being.

5. Revival of NBFC Business

Company has negative net worth, and is not complying with RBI Guidelines with regard to adequacy of Net Owned Funds. Therefore, Show Cause Notice has been served upon the company by RBI, stating as to why the Certificate of Registration issued to the Company by RBI should not be cancelled in terms of provisions contained in Section 45-IA of the Act. Show Cause Notice received from RBI is replied explaining steps already taken by the company and being taken for Restructuring of Capital by the company to restore the net worth. The same was followed with the concerned Officers of RBI. During the meeting with them company's present situation, steps taken and how the Show Cause Notice will hinder the efforts of the company to restore the net worth is explained. RBI suggested that the company may furnish future plans and a Road Map in this regard. Company is in process of working towards best solutions for revival of the business by the company.

6. Change of Name

Members have passed a special resolution for Change of Name of the Company at the EGM held on 16th December, 2013. Being NBFC, Company requires approval of RBI for Change of Name of the company. An application is made to RBI for the same. However, the company is given to understand that the permission will be given by RBI for change of name only after we achieve the required level

of net owned funds. Therefore, we will move in the matter further only at an appropriate time.

7. Reserves & Surplus

Change in Reserves & Surplus compared to previous year is as under

	As at 31.03.2015 ₹ in lakhs	As at 31.03.2014 ₹ in lakhs
Statutory Reserve as per Section 45-IC of The RBI Act, 1934	69.66	69.66
Accumulated Loss	(524.44)	(463.31)
Total	(454.78)	(393.65)

8. Taxation

Return of income has been filed up to Financial Year 2013-14, Assessment year 2014-15. Assessment has been completed up to the Financial Year 2011-12, Assessment Year 2012-13.

Assessment for the Financial Year 2006-07 was reopened under section 263 of Income Tax Act. In the revised assessment, Capital Receipts arising on account of one time settlement with the banks, which were treated as non-taxable in the original assessment, were considered as taxable Income. A demand of ₹ 196.49 lakhs was raised. This was contested by the company. Vide its order dated 31-12-2012, Income Tax Appellate Tribunal (ITAT) decided the matter in favour of the Company. Income Tax department has preferred an appeal before Hon'ble High Court, Bombay against the order of ITAT. Directors are advised by the Tax Consultants of the Company that the appeal is not tenable and no demand is expected in this regard.

9. Internal Financial Control

Company has appointed a firm of Practicing Chartered Accountant as Internal Auditors of the Company. The company has in place an adequate internal financial control procedure commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and payment for expenses. Internal Auditors issue quarterly report on their findings and the same is being placed before Audit Committee and the Board of Directors.

10. Auditors' Report

Independent Auditors Report to the members of the company is part of Annual Report for the year. There is no adverse comment in the same.

11. Acceptance of Fixed Deposits

Company is not accepting and has not accepted any fixed deposit within the meaning of Section 73 of the Companies Act, 2013 and Non-Banking Financial Companies (Reserve Bank) Directions, 1998. There were no fixed deposits outstanding at the beginning or at the end of the year.

12. Statutory Auditors

M/s. M. B. Agrawal & Co., Chartered Accountants, holds office until the conclusion of the 53rd Annual General Meeting of the Company and shall accordingly retire at the conclusion of the Meeting. The Company has received a consent letter from them to the effect that their appointment for the financial year 2015-2016, if approved, at the ensuing Annual General Meeting would be within the limits laid down under the Companies Act, 2013 and are not disqualified for such appointment under section 141 of the Companies Act, 2013. Accordingly, M/s. M. B. Agrawal & Co., Chartered Accountants, are proposed to be appointed as Auditors of the Company at the 53rd Annual General Meeting. If M. B. Agrawal & Co., are appointed as Auditors of the Company for Financial Year 2015-16 their appointment will be in accordance with the provisions of Section 139 of the Companies Act, 2013.

13. Secretarial Audit Report

As required under Section 204 of the Companies Act, 2013, M/s. N L Bhatia & Associates, Practicing Company Secretaries were appointed as Secretarial Auditor of the Company for the financial year 2014-15. The Secretarial Audit Report along with the comments of the Board of Directors on the observations of the Secretarial Auditor is attached to this report. The same is forming part of this report.

14. The Extract of the Annual Return

The extract of the Annual Return, in prescribed Form No. MGT – 9 is enclosed and is forming part of this report.

15. Corporate Social Responsibility Initiatives

As the Company is not having profit, this provision is not applicable.

16. Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings And Outgoing

The information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is as follows:

- a. Activities of the Company do not require any specific action for conservation of energy or technology absorption.
- b. The company does not have any Foreign Exchange earnings and outgo.

17. Directors

The Board regrets to report that Shri M. D. Adhikari, Director of the company expired on 26th March, 2015. The Board places on record its appreciations of the valuable services rendered by Shri M. D. Adhikari, as a "Director" and also a member of the "Stakeholders Relationship Committee" (Formally known as "Investors & Shareholders Grievance Redressal Committee"). Effective from 30th March, 2015, Shrimati Urmila U. Nagarkar has been appointed as a Director of the Company in place of the casual vacancy



caused by demise of Shri M. D. Adhikari. She being a woman her appointment as a director of the company also satisfy the requirement of provision of section 149(1) of Companies Act, 2013 and Clause 49(II)(A)(1) of Listing Agreement.

At 52nd Annual General Meeting Shri K. D. Mankikar and Shri Jatin D Jhaveri were appointed as Independent Directors of the Company, by a resolution passed by the members as per provisions of section 149(4), 149(10) of Companies Act, 2013. Both Shri K. D. Mankikar and Shri Jatin D Jhaveri were already directors of the company, appointed by Board as Independent Directors as per requirement of clause 49 of Listing Agreement. They hold the office as Independent Director for a period of five years from 19th September, 2014, and are not liable to retire by rotation.

A declaration by the company has been received from both the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed both under the Companies Act, 2013 and clause 49 of the Listing Agreement with the Stock Exchange.

Shri J. H. Shah, Director retires by rotation and being eligible offer himself for re-appointment.

All the Directors of the Company are Non Executive Directors. None of the Director paid any remuneration, commission or amount in any form except sitting fees for attending meetings of the Board/ Committee of the Board of Directors and conveyance expense for attending the meeting. Therefore, Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel, 2014) is not applicable to the Company.

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, an annual performance evaluation of its own has been carried out by the Board.

Nine Meetings of Board of Directors were held during the year. Details of dates of meeting amount paid as sitting fees and attendance are given in Compliance Report on Corporate Governance.

18. Committee of Directors

Names of the Chairman and Members of each following Committee, number of meetings held and all other relevant details are given in Compliance Report on Corporate Governance.

- i. Audit Committee
- ii. Nomination & Remuneration Committee
- iii. Stakeholders Relationship Committee

19. Key Managerial Personnel

To meet with the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, following Key Managerial Personnel are appointed by the Company.

i. Manager and CEO

Shri M. Sudalaikannu is appointed as Manager of the Company under Companies Act, 1956 and is Chief Executive Officer (CEO) of the Company.

ii. Company Secretary

Ms Kavita A Javheri is appointed as Company Secretary of the Company and also Compliance Officer.

iii. Chief Financial Officer (CFO)

Ms Rajeshree Parekh is appointed as Chief Financial Officer (CFO) of the Company.

20. Details of policies and practices of the company being followed as required under various sections of Companies Act, 2013

Details of establishment of Vigil Mechanism (whistle Blower Policy) for Directors and Employees, Risk Management Policy and Prevention, Prohibition Redressal Mechanism with regard to the sexual harassment of women and Remuneration Policy enclosed and the same is forming part of this report.

The Company has not received any written complaint on sexual harassment during the financial year.

21. Particulars of Employees

During the year, no employee of the company was in receipt of remuneration in excess of ₹ 60,00,000/-.

22. Particulars of loans, guarantees or investments under section 186 of Companies Act, 2013

Company or its Director on behalf of the Company has not given any loan or guarantee covered under the provisions of Section 186 of the Companies Act, 2013.

23. Compliance Report on Corporate Governance

As a part of this Annual Report, the report on compliance with clause 49 of the Listing Agreement relating to Corporate Governance is enclosed as Annexure. Information given in Corporate Governance Report is also forming part of Directors Report. Corporate Governance Compliance Certificate thereon from Statutory Auditors of the Company is also enclosed.

24. Disclosure about Cost Audit

Cost Audit is not applicable to your Company.

25. Issue of employees stock options

No Stock option scheme was provided during year.

26. Significant and Material Orders

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

27. Transfer of Amounts to Investor Education and Protection Fund

There is no amount required to be transferred to Investor Education and Protection Fund in accordance with the

Section 205C of the Companies Act, 1956 (1 of 1956)/
Section 125 of the Companies Act, 2013 and rules made
there under.

**28. Material changes and commitments, after the close of
the financial year**

No material changes have occurred after the close of the
financial year on 31st March, 2015 till the date of Directors'
Report, which could affect the financial position of the
Company.

29. Joint venture subsidiaries and holding companies

The Company has no holding, subsidiary and joint venture.

30. Listing with Stock Exchanges

Details of Listing and Dematerialization are given in the
Corporate Governance Report.

31. Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause
(c) of sub-section (3) of Section 134 of the Companies Act,
2013.

- a. In the preparation of the annual accounts, the applicable
accounting standards have been followed along with
proper explanation relating to material departures, if
any;
- b. the directors have 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 have 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 have prepared the annual accounts on a
going concern basis;
- e. The directors have laid down internal financial controls
to be followed by the company and that such internal
financial controls are adequate and were operating
effectively, and
- f. The directors have devised proper systems to ensure
compliance with the provisions of all applicable laws
and that such systems were adequate and operating
effectively.

32. Acknowledgements

The Directors wish to place on record their sincere
appreciation to the Company's valued shareholders and
associates for their continued support to the Company.
The Directors place on record their sincere gratitude and
appreciation to the employees of the Company for the hard
work and commitment exhibited throughout the year.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 14th August, 2015

**J. H. SHAH
CHAIRMAN**

Registered Office

PAL Credit & Capital Limited

Amarsons Bhavan, 3rd Floor,
Shri Vile Parle, K. V. O. Seva Samaj,
68, Misquitta Street,
Vile Parle (East), Mumbai 400 057
Tel /Fax No: 022-26126875
Email: investors@palcc.co.in
Website: www.palcc.co.in
CIN NO: L51010MH1962PLC012287

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

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

To,

The Members,

PAL CREDIT & CAPITAL LIMITED

We have conducted the secretarial audit of the compliance
of applicable statutory provisions and the adherence to good
corporate practices by PAL CREDIT & CAPITAL LIMITED
(hereinafter called the company). Secretarial Audit was conducted
in a manner that provided us a reasonable basis for evaluating
the corporate conducts/statutory compliances and expressing our
opinion thereon.

Based on our 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, We hereby report that in our opinion,
the company has, during the audit period covering the financial
year ended on March 31, 2015 complied with the statutory
provisions listed hereunder. The Company has proper Board-
processes and compliance mechanism in place to the extent, in
the manner and subject to the reporting made hereinafter:

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

- (1) The Companies Act 2013 (the Act) and the Rules made
thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA')
and the Rules made thereunder;



- (3) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment;
- (5) 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, 2013;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, **Not Applicable**.
 - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, Not Applicable.
- (6) Other Laws applicable to the Company;
 - a. Reserve Bank of India Act, 1934
 - b. Income Tax Act, 1961.
 - c. Finance Act (Notification issued with regard to Service Tax from time to time)
 - d. Trade Mark Act, 1999
 - e. Bombay Shop & Establishment Act, 1998
 - t. Payment of Gratuity Act, 1972
 - g. Negotiable Instrument Act, 1881
 - h. Indian Contract Act, 1872
 - i. Professional Tax Act, 1975
 - j. Employees Provident Funds & Miscellaneous Provisions Act, 1952
 - k. Employees State Insurance Act, 1948
 - l. The Limitation Act, 1963
 - m. Bombay Stamp Act, 1958
 - n. Payment of Bonus Act, 1965

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not Notified hence not applicable to the Company during the audit period).**
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

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

1. **During the year under Report, the company has not carried out any NBFC Business due to inadequacy of Net Owned Funds (NOF) as required under RBI Act, 1934.**
2. **RBI has issued show cause notice number DNSB. MRO.NO. 4047/13. 16.054/2014-15 dated February 13, 2015 indicating that the Net Owned Funds (NOF) of the Company are not positive.**

3. **The Company has received the notice from BSE imposing the penalty of Rupees 7865/- for delay in filing of Annual Report by 7 (seven) days. A representation has been made by the Company to BSE Limited to waive this penalty. Decision of BSE Limited is awaited.**
4. **Appeal (no. 427 of 2009) under section 14 of the Consumer protection Act, 1986 has been filed before the Maharashtra state Consumer Redressal Commission, Nagpur Bench by Mr. Dharmesh Agarwal (the original complainant) against the order dated April 9, 2009 passed by the District Forum, Bhandara seeking**
 - i. **Revision of interest at 18% from the awarded 9% on Rupees 1.36 Lacs.**
 - ii. **Instead of ordering return of the unused post-dated cheques with original promissory note, the District Forum, Bhandara should have directed the company to provide a new vehicle along with the accessories of the seized vehicle,**
 - iii. **sought higher compensation than that awarded in the order. The appeal is currently pending.**
5. **Provisions of CSR are not applicable to the Company.**

We further report that The Board of Directors of the Company is duly constituted. All directors are Non Executive. There is a proper balance of Non Independent Directors, Independent Directors and Woman Director. 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 directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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 decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. **All the decisions at the Board Meetings were passed unanimously and with requisite majority in General Meeting.**

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Mumbai
Date: 16/07/2015

For **N L Bhatia & Associates**
UIN:S1996MH016600

N L Bhatia
Managing Partner
FCS No.1176
CP No.422

Note: - This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

'ANNEXURE A'

Date: July 16, 2015

To,
The Members

PAL CREDIT & CAPITAL LIMITED

Our 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. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
- (2) We 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 the Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- (3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- (4) Where ever required, we 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. Our examination was limited to the verification of procedures on test basis.
- (6) The Secretariat Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **N L Bhatia & Associates**
UIN:S1996MH016600

N L Bhatia
Managing Partner
FCS No.1176
CP No.422

Net Owned Funds (NOF). We are complying with the RBI Regulation.

- 2. RBI has issued show cause notice number DNSB.MRO. NO. 4047/13.16.054/2014-15 dated February 13, 2015 indicating that the net owned funds (NOF) of the Company are not positive.

Comment: Company has replied the Show Cause Notice and taking necessary steps.

- 3. The Company has received the notice from BSE imposing the penalty of Rupees 7865/-for delay in filing of Annual Report by 7 (seven) days. A representation has been made by the Company to BSE Limited to waive this penalty. Decision of BSE Limited is awaited.

Comment: The comment of the Secretarial Auditor is self explanatory.

- 4. Appeal (no. 427 of 2009) under section 14 of the Consumer Protection Act, 1986 has been filed before the Maharashtra State Consumer Redressal Commission, Nagpur Bench by Mr. Dharmesh Agarwal (the original complainant) against the order dated April 9, 2009 passed by the District Forum, Bhandara seeking Revision of interest at 18% from the awarded 9% on Rupees 1.36 Lacs.

Instead of ordering return of the unused post-dated cheques with original promissory note, the District Forum, Bhandara should have directed the Company to provide a new vehicle along with the accessories of the seized vehicle, Sought higher compensation than that awarded in the order.

The appeal is currently pending.

Comment: This is a claim made by a customer. It is contested by the Company to protect the interest of the company.

- 5. Provisions of CSR are not applicable to the Company.

Comment: As the Company is not having profit. Therefore, this provision is not applicable.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 14th August, 2015

J. H. SHAH
CHAIRMAN

ANNEXURE TO THE DIRECTORS' REPORT

Annexure 1

Comments of the Board on Secretarial Audit Report

- 1. During the year under Report, the company has not carried out any NBFC Business due to inadequacy of Net Owned Funds (NOF) as required under RBI Act, 1934.

Comment: As per RBI Regulation, Company can not carried out any business unless it achieves the positive

Annexure 2

Details of various policies and practices of the company being followed as required under various sections of Companies Act, 2013.

- i. **Vigil Mechanism (Whistle Blower Policy) (Section 177 of the Companies Act, 2013)**

The Company has framed a Whistle Blower Policy/Vigil Mechanism providing a mechanism under which an employee/director of the Company may report their genuine concern or grievances, unethical behaviour, suspected or actual fraud, violation of code of conduct or ethics policy.



The Vigil Mechanism provides for adequate safeguards against victimization of Directors and employees to avail the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

The Vigil Mechanism(Whistle Blower Policy) is uploaded on the Company's website: www.palcc.co.in.

ii. Risk Management Policy

Pursuant to Section 134(3)(n) of the Companies Act, 2013 & Clause 49 of the listing agreement, the company has constituted a business risk management committee.

Risk Management Committee has been constituted by the company consisting of members of the Board of Directors (non-executive).

Risk Management Committee consists of Shri J. H. Shah, Shri Jayesh Dadia and Shrimati Urmila U. Nagarkar.

The Company manages risk through a detailed Risk Management Policy framework which lays down guidelines in identifying, assessing and managing risks that the businesses are exposed to. Risk is managed by the Board/Risk Management Committee of the Board through appropriate structures including suitable reporting mechanism.

This policy applies to all areas of the Company's operations.

iii. Prevention, Prohibition Redressal Mechanism

The Company has zero policy tolerance towards sexual harassment at the workplace and has adopted a Prevention of Sexual Harassment policy that is in the line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder for prevention and redressal of complaints of sexual harassment at workplace, along with a structured reporting and redressal mechanism.

iv. Remuneration Policy

As required under Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee has formulated the Nomination & Remuneration Policy.

Criteria for determining qualifications, positive attributes and independence of Directors:

The Nomination and Remuneration Committee (NRC) has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178(3) of the Act and Clause 49 of the Listing Agreement.

Independence: A Director will be considered as an 'Independent Director' if he / she meet with the criteria for 'Independent Director' as laid down in the Act and Clause 49 of the Listing Agreement.

Qualifications: A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment

of a Director, the NRC considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

Positive Attributes: In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communication skills and soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

The Board has approved the Nomination & Remuneration Policy recommended by the Nomination and Remuneration Committee.

The Nomination & Remuneration Policy are as follows and are also uploaded on the Company's Website: www.palcc.co.in.

Remuneration Policy For Non-Executive Directors

1. Regulatory Provisions:

In terms of the requirement stated under Companies Act, 2013 read with related rules issued thereon and revised clause 49 of the equity Listing Agreement, PAL Credit & Capital Limited ("the Company") has formulated a policy document namely "Remuneration Policy for Non- Executive Directors" which will deal with the remuneration of the Non-Executive Directors. Equity Listing Agreement, Clause 49(VIII) (C) (3) requires every company to publish its criteria of making payments to Non- Executive Directors in its Annual Report. Alternatively, this may be put up on the Company's website and reference may be drawn thereto in its Annual Report. Section 197 of the Companies Act, 2013 and Clause 49(II) (C) require the prior approval of shareholders of the Company for making payment to its Non-Executive Directors.

2. Company Policy:

At PAL Credit & Capital Limited Board of Directors and Management lays great emphasis on adding and practicing good Corporate Governance practices with a view to achieve transparency in its operation so as to boost stakeholders' confidence. The objective of this Policy is to ensure that the Non- executive Directors' are governed by comprehensive compensation criteria, that is based on their merits and valuable contribution made by them towards the success of the Company. Remuneration packages are designed to attract and retain high caliber management people as required to run the Company successfully.

3. Criteria:

Criteria of making payments to Non-Executive Directors will be decided by the Board, it can be on the basis of: Contribution during the Meeting, Active Participation in strategic decision making.

Heads Under Which Payments Can Be Made:

Any fee/remuneration payable to the Non-Executive Directors of the Company shall be in following manner.

i. Sitting Fee:

Non-Executive Directors may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or any other meeting as required by Companies Act, 2013, RBI Act, 1934, Equity Listing Agreement and any other applicable law or for any other purpose whatsoever as may be decided by the Board. Non-Executive Directors' shall be paid a sitting fee of ₹ 2,000/- for all meetings of the Board or Committee attended by them as member on any particular day.

ii. Remuneration and Commission:

Under the Companies Act, 2013, Section 197 allows a company to pay remuneration to its Non-Executive Directors either by way of a monthly payment or at a specified percentage of the net profits of the company. The Company is however not obligated to remunerate its Non-Executive Director(s). Further, the section 197 of the Act provides that the remuneration payable to directors who are neither managing directors nor whole time directors, shall not exceed- (a) one percent of the net profits of the Company, if there is a managing or whole time director or manager, (b) three percent of the net profits in any other case. Additional commission, apart from remuneration referred above, may be paid to Non-Executive Directors as may be decided by the Board of Directors of the Company from time to time, depending on the extra time and effort as may be devoted and contribution as may be made by the Non-Executive Directors.

iii. Refund of excess remuneration paid:

If any such director draws or receives, directly or indirectly, by way of fee/remuneration any such sums in excess of the limit as prescribed or without the prior sanction of the Central Government, where it is required, he shall refund such sum to the Company and until such sum is refunded,

hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it unless permitted by the Central Government. Reimbursement of actual expenses incurred: Non-Executive Directors may also be paid/reimbursed such sums either as fixed allowance and /or actual as fair compensation for travel, boarding and lodging and incidental and /or actual out of pocket expenses incurred by such Directors for attending Board/Committee Meetings.

iv. Role of Nomination & Remuneration Committee:

The Nomination and Remuneration Committee is entrusted with the role of reviewing the compensation of Non-Executive Directors.

v. Stock Option Plans:

Payment to Non-Executive Directors and Independent Directors:

The Company has no stock options plans and no payment by way of bonus, pension, incentives etc to its Non-Executive Directors.

The Independent Director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or Committee thereof.

Amendments

The Board shall be responsible for the administration, interpretation, application and review of this policy. The Board shall be empowered to bring about necessary changes to this policy, if required at any stage in compliance with the prevailing laws.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 14th August, 2015

**J. H. SHAH
CHAIRMAN**

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2015

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

I REGISTRATION & OTHER DETAILS:

i	CIN	L51010MH1962PLC012287
ii	Registration Date	28/02/1962
iii	Name of the Company	PAL Credit & Capital Limited
iv	Category/Sub-category of the Company	Company Limited by Shares, Indian Non Government Company
v	Address of the Registered office & contact details	Amarsons Bhavan, 3rd Floor, Shri Vile Parle, K.V.O. Seva Samaj, 68, Misquitta Street, Vile Parle (East) Mumbai 400 057
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai 400 078 Tel : +91-22-2594 6970, Fax : +91-22-2594 6969 Website : www.linkintime.co.in Email : rnt.helpdesk@linkintime.co.in



II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

There are no business activities contributing 10% or more of the total turnover of the company.

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

The Company has no holding, subsidiary and joint ventures.

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/HUF	-	-	-	-	-	-	-	-	-	-
b) " Central Govt. or State Govt."	-	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	5899169		5899169	27.31	5899169		5899169	27.3106	0	0
d) Bank/Fl	-	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	5899169		5899169	27.31	5899169		5899169	27.3106	0	0
(2) Foreign										
a) NRI- Individuals	-	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	0		0	0.00			0	0	0	0
"Total Shareholding of Promoter (A)= (A)(1)+(A)(2)"	5899169		5899169	27.31	5899169		5899169	27.3106	0	0
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-
b) Banks/Fl	-	-	-	-	-	-	-	-	-	-
c) Cenntal govt	-	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-	-
h) " Foreign Venture Capital Funds"	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	0		0	0.00	0		0	0	0	0
(2) Non Institutions										
a) Bodies corporates	3592229	327865	3920094	18.15	3523877	327865	3851742	17.832	0	0
i) Indian	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakhs	6045839	2068367	8114206	37.57	5978406	2015371	7993777	37.0078	-	-
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	3603099	0	3603099	16.68	3787903	0	3787903	17.5364	-	-
c) Others (specify)										
i) Clearing Member	33658	0	33658	0.16	37635	0	37635	0.1742	-	-
ii) NRI (Repat)	19680	5000	24680	0.11	19680	5000	24680	0.1143	-	-
iii) NRI (Non- Repat)	5150	200	5350	0.02	5150	200	5350	0.0248	-	-
SUB TOTAL (B)(2):	13299655	2401432	15701087	72.69	13352651	2348436	15701087	72.6894	-	-
"Total Public Shareholding (B)= (B)(1)+(B)(2)"	13299655	2401432	15701087	72.69	13352651	2348436	15701087	72.6894	-	-
"C. Shares held by Custodian for GDRs & ADRs"	0	0	0		0		0	0	-	-
Grand Total (A+B+C)	19198824	2401432	21600256	100.00	19251820	2348436	21600256	100	-	-

(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	Premier Limited	5899169	27.3106	0	5899169	27.3106	0	0
	Total	5899169	27.3106	0	5899169	27.3106	0	0

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

SI No.	Shareholders Name	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
	At the beginning of the year	5899169	27.3106	0	0
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year	5899169	27.3106	0	0

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

SI No.	Shareholders Name	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	6329132	29.3012	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	-	-
	At the end of the year (or on the date of separation, if separated during the year)	6329132	29.3012	-	-

(v) Shareholding of Directors & KMP

SI No.	Shareholders Name	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	For Each of the Top 10 Shareholders	No.of shares	% of total shares of the company	-	-
	At the beginning of the year	30,315	0.14	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NIL	-	-	-
	At the end of the year	30,315	0.14	-	-

V INDEBTEDNESS

(₹ In Lakhs)

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	"Secured Loans excluding deposits"	"Unsecured Loans"	Deposits	"Total Indebtedness"
Indebtness at the beginning of the financial year				
i) Principal Amount		186.16		
ii) Interest due but not paid	-	0	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	186.16	-	-
Change in Indebtedness during the financial year				
Additions	-	35.7	-	-
Interest	-	24.38	-	-
Reduction	-	-	-	-
Net Change	-		-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	221.86	-	-
ii) Interest due but not paid	-	24.38	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	246.24	-	-



VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Manager, Company Secretary and Chief Financial Officer:

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount		
		Manager	Company Secretary	CFO	P.A.		
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	Mr. M. Sudalaikannu	Ms. Kavita A. Javheri	Ms. Rajeshree Parekh	6,57,534.00	3,68,877.00	2,20,175.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961				0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				0	0	0
2	Stock option				0	0	0
3	Sweat Equity				0	0	0
4	Commission as % of profit				0	0	0
	others (specify)						
	Others, please specify						
	Total (A)						
5	Ceiling as per the Act						
	Total (A)				6,57,534.00	3,68,877.00	2,20,175.00
	Ceiling as per the Act				NA	NA	NA

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of the Directors	Total Amount	
1	Independent Directors			
	(a) Fee for attending board committee meetings	1. K. D. Mankikar 2. Jatin D. Jhaveri	12,000 18,000	30,000
	(b) Commission			
	(c) Others, please specify			
	Conveyance	1. K. D. Mankikar 2. Jatin D. Jhaveri	3000 4500	7,500
	Total (1)			37,500
2	Other Non Executive Directors			
	(a) Fee for attending board committee meetings	1. J. H. Shah 2. M. D. Adhikari 3. Jayesh Dadia 4. Urmila U. Nagarkar	18,000 10,000 18,000 2,000	48,000
	(b) Commission			
	(c) Others, please specify.			
	Conveyance	1. J. H. Shah 2. M. D. Adhikari 3. Jayesh Dadia 4. Urmila U. Nagarkar	4,500 2,500 4,500 500	12,000
	Total (2)			60,000
	Total (B)=(1+2)			97,500
	Total Managerial Remuneration			97,500
	Overall Ceiling as per the Act.		NA	NA

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties/punishment/compounding of offences for breach of any section of Companies Act against the company or its Directors or other officers in default during the year.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 14th August, 2015

J. H. SHAH
CHAIRMAN

**ANNEXURE TO THE DIRECTORS' REPORT
CORPORATE GOVERNANCE REPORT**

Compliance Report for the year 2014-15

The following are the relevant disclosures about the Board, its various Committees, financial and stock performance and such other disclosures as required under the Clause 49 of the Listing Agreement. What is stated in this report also forms part of information required to be given in Directors report under section 134 of Companies Act, 2013.

1) Company's Philosophy on Code of Governance

Your Company believes that adherence to sound Corporate Governance Practices, which include ethical conduct of business, transparency in its working, disclosures to stakeholders and compliance with all regulatory requirements is vital to achieve the long term corporate objectives.

2) Composition of Board of Directors

Composition of Board of Directors of the Company is in accordance with the provision of Companies Act, 2013. In all there are five Directors of them two are Independent elected by the members of the company in accordance with the provision of section 149 of the Companies Act, 2013. Their appointment is for a five years. One of the remaining three directors is a Woman Director, as per requirement of section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. All directors are Non-Executive.

During the Financial Year 2014-15, the Board of Directors of the Company is comprised of the Directors as under:

Name of Director	Category of Director	No. of other Companies in which he / she is a Director (including Private Companies) as on 31st March, 2015	No. of other Companies in which he / She is a Chairman/Member of any Committee as on 31st March, 2015	
			Chairman	Member
Shri J. H. Shah	Non - Executive, Non-Independent	ONE	NIL	NIL
Shri M. D. Adhikari (upto 26/03/2015)	Non - Executive, Non-Independent	ONE (upto 26/03/2015)	NIL	NIL
Shri K. D. Mankikar	Non - Executive, Independent	ONE	NIL	NIL
Shri Jayesh Dadia	Non - Executive, Non-Independent	THREE	NIL	NIL
Shri Jatin D. Jhaveri	Non - Executive, Independent	ONE	NIL	NIL
Shrimati Urmila U Nargarkar (from 30/03/2015)	Non - Executive, Non-Independent	NIL	NIL	NIL

DIRECTORS PROFILE

➤ **Shri J. H. Shah**

Shri J. H. Shah was appointed as an Additional Director of the Company on 31st January, 2002 under Section 260 of the Companies Act, 1956 read with Article 161 of the Articles of Association of the Company. He was subsequently appointed as Director on the Board at the Annual General Meeting held on 11th September, 2002. He is Non-Executive Chairman of the Board. He is of 77 years age. He is B. Com., LLB, PGDFM, and ACMA and has more than 55 years of experience in Finance, Accounts, Taxation and Management. He is Director of Snowwall Packaging Pvt. Ltd. Your Company has no transaction with Snowwall Packaging Pvt. Ltd. He does not hold any share in the Company. He is not related to any other Director or employee of the Company. He is liable to retire by rotation.

➤ **Shri M. D. Adhikari (upto 26/03/2015)**

Shri M. D. Adhikari was appointed as an Additional Director of the Company on 29th September, 2004 under Section 260 of the Companies Act, 1956 read with Article 161 of the Articles of Association of the Company. He was subsequently appointed as Director on the Board at the Annual General Meeting held on 29th September, 2005. He expired on 26/03/2015. He was 66 years of age. He was B. Com., ICWA and had 47 years of experience in Accounts, Auditing, Costing, Logistics and General Management. He was Director of Premier Auto Ltd. Your Company had no transaction with Premier Auto Ltd. He was a member of Investor's & Shareholder's Grievance Redressal Committee till the date he expired. He was not holding any share in the Company. He was not related to any other Director or employee of the Company.

➤ **Shri K. D. Mankikar**

Shri K. D. Mankikar was appointed as an Additional Director of the Company on 31st October, 2009 under Section 260 of the Companies Act, 1956 read with Article 161 of the Articles of Association of the Company. He was subsequently appointed as Director on the Board at the Annual General Meeting held on 30th August, 2010. He is appointed as an Independent Director under sec 149 (4) of Companies Act, 2013 at the Annual General Meeting of the Company held on 19th September, 2014 for a period of five year. As per provisions Section 149(13) of Companies Act, 2013 being Independent Director he is excluded from retirement by rotation.

He is of 69 years of age. He has Post Graduate Diploma in Management from IIM, Kolkata, B.A. (Eco.) and has more than 44 years of experience in Management, Systems, Accounting & Control and Corporate Affairs. He is appointed as Chairman of Nomination and Remuneration Committee by the Board of Directors with effect from 28th March, 2014. He was chairman of Audit Committee of the Board upto 28th March, 2014 and from that date he is member of Audit Committee and Stakeholders Relationship



Committee of the Board of Directors. He is Director of Microscan Computers Private Limited. Your Company has no transaction with Microscan Computers Private Limited. He does not hold any share in the Company. He is not related to any other Director or employee of the Company.

➤ **Shri Jayesh Dadia**

Shri Jayesh Dadia was appointed as an Additional Director of the Company on 16th December, 2013 under Section 260 of the Companies Act, 1956 read with Article 161 of the Articles of Association of the Company. He was subsequently appointed as Director on the Board at the Annual General Meeting held on 19th September, 2014. He is liable to retire by rotation. Shri Jayesh Dadia is 59 years of age. He is B.Com and Practicing Fellow Chartered Accountant and has more than 30 years of experience in Accounting, Taxation and Audit. He is Chairman of Stakeholders Relationship Committee of the Board of Directors and a member of Audit and Nomination and Remuneration Committees of the Board of Directors. He is a Director of Walkwater Consultants Pvt. Ltd., Tooltech Global Engineering Pvt Ltd. and PPFAS Trustee Company Pvt. Ltd. Your Company has no transaction with any of the above companies. He and his wife jointly hold 1000 Equity Shares of ₹ 1/- each in the company. He is not related to any other Director or employee of the Company.

➤ **Shri Jatin D. Jhaveri**

Shri Jatin D. Jhaveri was appointed as an Independent Director of the Company on 28th March, 2014 as per clause 49 of Listing Agreement in the casual vacancy caused by the demise of Shri P. S. More. He is appointed as an Independent Director under sec. 149 (4) of Companies Act, 2013 at the Annual General Meeting of the Company held on 19th September, 2014, for a period of five years. As per provision of Section 49 (13) of Companies Act, 2013 being an Independent Director he is excluded from retirement by rotation. He is 48 years of age. He is B. Com and Practicing Fellow Chartered Accountant and has more than 24 years of experience in Accounting, Taxation and Audit. From 28th March, 2014, he is appointed as Chairman of Audit Committee of the Board of Directors and a member of Nomination and Remuneration Committee. He is a Director of Cheten Dalal Investigation and Management Services Pvt Ltd. Your Company has no transaction with Cheten Dalal Investigation and Management Services Pvt Ltd. He is not related to any other Director or employee of the Company. He does not hold any share in the Company.

➤ **Shrimati Urmila U Nagarkar**

Shrimati Urmila Nagarkar was appointed as a Director of the Company on 30th March, 2015 in the causal vacancy caused by the demise of Shri M. D. Adhikari. She being a woman her appointment as Director of the Company also satisfy the requirement of provisions of section 149 (1) of Companies Act and clause 49 (II) of listing agreement. She is liable to retire by rotation. She is 53 years of age.

She is B.A. and has more than 24 years of experience in Accounting and Taxation. She is the member of Stakeholders Relationship Committee. She is not Director of any other company. She is not related to any other Director or employee of the Company. She holds 10 shares in the Company.

3) No. of Meetings of Board of Directors held and dates:

Nine Meetings of Board of Directors were held during the year on 9th May, 2014, 29th May, 2014, 13th August, 2014, 19th September, 2014, 8th November, 2014, 13th November, 2014, 21st January, 2015, 13th February, 2015 and 30th March, 2015. The gap between any two meetings of the Board was not more than 4 months.

Attendance of the Directors at the meeting

Name of Director	Category of Director	Number of Board Meetings	
		Held	Attended
Shri J. H. Shah	Non - Executive, Non-Independent	9	9
Shri M. D. Adhikari (upto 26/03/2015)	Non - Executive, Non-Independent	8*	5
Shri K. D. Mankikar	Non -Executive, Independent	9	6
Shri Jayesh Dadia	Non - Executive, Non-Independent	9	9
Shri Jatin D. Jhaveri	Non -Executive, Independent	9	9
Shrimati Urmila U Nagarkar (from 30/03/2015)	Non - Executive, Non-Independent	1*	1

(* during the period he / she was Director of the Company)

Information placed before the Board of Directors

The information as required under Annexure IA to clause 49 of the listing agreement is made available to the Board. The agenda papers for consideration at the Board meetings are circulated prior to the meetings. Adequate information is circulated at the Board meetings to enable the Board to take informed decision.

It is the Company's policy that in addition to matters that statutorily require Board approval, all other major decisions and all material transactions which are not in ordinary course of business e.g. involving mobilization of resources, new investments, capital expenditure, sale of fixed assets/investments, closure of branches, settlement of dues with banks/financial institutions, appointment(s)/resignation(s) of Director(s), Company Secretary, Compliance Officer, Authority to officers of the Company for various purposes, major change in accounting policies etc., change in rating of the Company are placed before the Board for consideration and approval by the Board.

The following information is placed before the Board of Directors:-

- Report of Chief Manager & CEO to the Board of Directors on Statutory Compliances, Dues to Premier Ltd. and Income Tax Matters for every quarter.
- Quarterly, Half Yearly and Annual Results after expiry of Quarter, Half Year and Year;
- All major decisions and all material transactions which are

not in ordinary course of business;

- d. Compliance Report under RBI (NBFC) Guidelines in respect of Fixed Deposits and Fair Practice Code;
- e. Appointment, resignation / removal of senior officers of the Company.

4) Composition of Stakeholders Relationship Committee Meeting of Board of Directors:

Company's Stakeholders Relationship Committee Meeting consisted of Shri Jayesh Dadia as Chairman, Shri M. D. Adhikari and Shri K D Mankikar as members.

After demise of Shri M D Adhikari Stakeholders Relationship Committee Meeting was reconstituted. The reconstituted Committee consists of Shri Jayesh Dadia as Chairman & Shri K. D. Mankikar and Shrimati Urmila U Nagarkar as members of the Committee.

Shri J. H. Shah is a permanent invitee at the committee meetings. Ms Kavita A. Javheri, Company Secretary functions as a Compliance Officer.

No. of Meetings of Stakeholders Relationship Committee Meeting of Board of Directors held and dates:

Four Meetings of Stakeholders Relationship Committee Meeting were held during the year on 9th May, 2014, 13th August, 2014, 13th November, 2014 and 13th February, 2015.

Attendance of the Directors at the Meeting

Name of Director	Category of Director	Number of Stakeholders Relationship Committee Meetings	
		Held	Attended
Shri Jayesh Dadia (Chairman)	Non - Executive, Non-Independent	4	4
Shri M. D. Adhikari (Member) (upto 26/03/2015)	Non - Executive, Non-Independent	4	2
Shri K. D. Mankikar (Member)	Non -Executive, Independent	4	3
Shrimati Urmila U Nargarkar (Member) (from 30th March,2015)	Non - Executive, Non-Independent	NIL*	NIL*
Shri J. H. Shah, (As an invitee)	Non - Executive, Non-Independent	4	4

(* No meeting of the Committee were held till 31-03-2015 from the time she was appointed as a member of the Committee)

Information placed before the Stakeholders Relationship Committee Meeting of Board of Directors:

The Committee oversees the performance of Registrar & Share Transfer Agents M/s Link Intime India Private Limited, approves the transfer and transmission of shares; issue of duplicate share certificates in lieu of lost / stolen / mutilated / torn share certificates; and issue of consolidated / split share certificates in lieu of split / consolidated share certificates. The committee verifies the status of Complaints received and solved / unsolved complaints.

Total numbers of complaints received and replied to the satisfaction of shareholders during the year are as under:

Sr. No.	Nature of complaints	Pending at the beginning of the year	Received	Attended	Pending at the end of the year
1	Non receipt of Annual Report	NIL	NIL	NIL	NIL
2	De-materialization/ Re-materialization of Shares	NIL	NIL	NIL	NIL
3	Letters from SEBI	NIL	NIL	NIL	NIL
4	Non Receipt of Dividend / Interest	NIL	ONE	ONE	NIL
5	Others- Non Receipt of Share Certificate(s) – Transfer	NIL	NIL	NIL	NIL
	Total	NIL	ONE	ONE	NIL

5. Composition of Audit Committee of Board of Directors:

The Audit Committee consisted of Shri Jatin D Jhaveri, an Independent Director as Chairman and Shri K. D. Mankikar, an Independent Director and Shri Jayesh Dadia, a Non- Independent Director as members of the Committee.

Shri J. H. Shah is a permanent invitee at the committee meetings. Ms Kavita A. Javheri, Company Secretary functions as a Compliance Officer.

No. of Meetings of Audit Committee of Board of Directors held and dates:

Six Meetings of Audit Committee were held during the year on 9th May 2014, 29th May, 2014, 13th August, 2014 and 8th November, 2014, 13th February, 2015 and 30th March, 2015.

Attendance of the Directors at the Meeting

Name of Director	Category of Director	Number of Audit Committee Meetings	
		Held	Attended
Shri Jatin D Jhaveri (Chairman)	Non - Executive, Independent	6	6
Shri K. D. Mankikar (Member)	Non -Executive, Independent	6	4*
Shri Jayesh Dadia (Member)	Non - Executive, Non-Independent	6	6
Shri J. H. Shah, (As an invitee)	Non - Executive, Non-Independent	6	6

(* Agenda for two meeting of Audit Committee not attended by him, were sent to him in advance. After going through the agenda papers he had conveyed his concurrence with the matters being placed before the meeting. Committee had taken a note of the same.)

Information placed before the Audit Committee of Board of Directors:-

The Committee oversees the financial reporting process by selecting and establishing sound accounting policies, disclosure of financial information, reviewing the performance and the Quarterly, Half Yearly and Annual results after expiry of Quarter, Half Year and Year respectively and recommend the same to the Board of Directors for their approval, who approves publication of same and submission of same to Stock Exchanges and



other statutory bodies; considers and reviews related party transactions, compliance with the legal requirements, status of pending tax matters/appeals, Draft Auditors' Report (including in particular the qualification/s, if any therein) and also note Quarterly Limited Review Report by the Auditors and submission of same to Stock exchange; reviewing the quarterly Internal Auditor Report, and carry out assessment of the performance of statutory and internal auditors, with the management, review the adequacy of controls internal audit function and discuss significant findings with the Auditors, the other issues related with revival of the Business of the Company including proposed Rights Issue of the Company and other matters specified in Clause 49 of Listing Agreement and Section 177 of the Companies Act, 2013.

Terms of Reference of Audit Committee:

The recommendation for appointment, remuneration and terms of appointment of auditors of the Company; Review and monitor the auditor's independence and performance, and effectiveness of audit process; Examination of the financial statement and the auditor's report thereon; 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; Evaluation of internal financial controls and risk management systems; Monitoring the end use of funds raised through public offers and related matters.

6) Nomination and Remuneration Committee of Board of Directors :

Nomination and Remuneration Committee comprised of Shri K D Mankikar as Chairman and Shri Jatin D Jhaveri and Shri Jayesh Dadia as members of the Committee.

Shri J. H. Shah is a permanent invitee at the meetings. Ms Kavita A. Javheri, Company Secretary functions as a Compliance Officer.

No. of Meetings of Nomination and Remuneration Committee of Board of Directors held and dates:

There were two meetings held in the year on 8th November, 2014 and 30th March, 2015 to approve the Nomination & Remuneration Policy, prepare and approve the evaluation framework for directors, recommended the appointment of Shrimati Urmila U Nagarkar as a director and Shrimati Rajeshree Parekh as a CFO of the Company.

Attendance of the Directors at the Meeting

Name of Director	Category of Director	Number of Remuneration Committee Meetings	
		Held	Attended
Shri K. D. Mankikar (Chairman)	Non - Executive, Independent	2	1
Shri Jatin D Jhaveri (Member)	Non -Executive, Independent	2	2
Shri Jayesh Dadia (Member)	Non - Executive, Non-Independent	2	2
Shri J. H. Shah, (As an invitee)	Non - Executive, Non-Independent	2	2

The broad terms of reference of Nomination & Remuneration Committee are as under:

Recommend to the Board, the set-up and composition of the Board and its Committees, including the "formulation of the criteria for determining qualifications, positive attributes and independence of a Director". The Committee will consider periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience; Recommend to the Board, the appointment or reappointment of Directors; Recommend to the Board, appointment of Key Managerial Personnel ("KMP" as defined by the Act) Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors. This shall include "formulation of criteria for evaluation of Independent Directors and the Board"; Recommend to the Board, the Remuneration Policy for Directors, Key Managerial Personnel. Oversee familiarisation programmes for Directors; Performing such other duties and responsibilities as may be consistent with the provisions of the Committee. Based on the recommendations of Nomination & Remuneration Committee, the Board has adopted the Policy relating to remuneration of the Directors, KMP and other employees.

7) Remuneration Policy:

No remuneration is paid to any of the Directors except sitting fees of ₹ 2000/- for attending meeting of Board of Directors/Committee meetings held on any one day.

Detail policy in this regard is given in Directors Report. Please refer to point no. 20 and annexure no 2(iv) of Directors Report.

8) Last Annual General Meeting (AGM) of the shareholders of the Company was held on 19th September, 2014. Attendance of Director at last AGM:

Name of Director	Category of Director	AGM Attendance
Shri J. H. Shah	Non-Executive, Non-Independent	YES
Shri M. D. Adhikari	Non-Executive, Non-Independent	NO
Shri K. D. Mankikar	Non-Executive, Independent	YES
Shri Jayesh Dadia	Non-Executive, Non-Independent	YES
Shri Jatin D Jhaveri	Non-Executive, Independent	YES

9) Disclosures

a. Basis of related party transactions :

A statement in summary form of transactions with related parties in the ordinary course of business, details of material individual transactions with related parties that are not in the normal course of business and that are not on arm's length basis, is required to be placed before the Audit Committee.

b. Compliance with Accounting Standards :

The financial statements for the year 2014-15 have been prepared in accordance with the applicable accounting standards issued by The Institute of Chartered Accountants of India, and there were no deviations.

10) Proceeds of Public issues, right issues, preferential issues etc. :

Subject to the approval of the Members of the company, Board passed a Resolution at the Meeting of the Board held on 28th October, 2013 for issue of Rights Shares. There after, Special Resolution is passed by the Members of the Company at the Extra Ordinary General Meeting held on 16th December, 2013 to issue the Rights Shares of 4,32,00,512 Equity Shares of Re.1/- in the share capital of the company to all the existing shareholders of the company on the basis of two equity share of Re.1 each for every one equity share of Re. 1 each i. e. in the ratio of 2:1 at par.

11) Remuneration of Directors:

No remuneration is paid to any Director except sitting fees for attending meetings of Board of Directors / Committee of Directors as under:

Name of Director	Amount in ₹
Shri J. H. Shah	18,000/-
Shri M. D. Adhikari	10,000/-
Shri K. D. Mankikar	12,000/-
Shri Jayesh Dadia	18,000/-
Shri Jatin D. Jhaveri	18,000/-
Shrimati Urmila U Nagarkar	2,000/-
Total	78,000/-

None of the Directors have any other pecuniary relationship or transaction with the Company except Consultancy Fees of Shri Jayesh Dadia. Shri Jayesh Dadia jointly with his wife holding 1,000 equity shares in the Company and Shrimati Urmila U Nagarkar is holding 10 shares in the company. No other Director of the company is holding any shares in the Company.

12) Disclosure of Material Transactions :

None of the transactions are potentially conflicting with the interest of the Company.

13) Communication with Shareholders:

The Company has provided the details of the Director seeking re-appointment in the AGM included in the notice.

No presentations have been made to Institutional Investors or to any analysts.

14) Details of non compliances or penalties or strictures imposed on the Company:

The Company has received the notice from BSE imposing the penalty of Rupees 7865/-for delay in filing of Annual Report by 7 (seven) days to BSE. A representation has been made by the Company to BSE Limited to waive this penalty. Decision of BSE Limited is awaited. Company has negative net worth, and is not complying with RBI

Guidelines with regard to adequacy of Net Owned Funds. Therefore, a Show Cause Notice has been served upon the company by RBI and the same is replied. Details are given in Directors Report. The Company has complied with the provisions of various other statutes as applicable to the Company. No penalties or strictures other than mentioned above are imposed on the Company by any statutory authorities, on any matter related to capital markets during last three years.

15) Code of Conduct:

The Company has laid down a Code of Conduct for the Members of the Board as well as for the employees of the Company, including senior management. The members of the Board and senior employees have affirmed compliance with the Code of Conduct. The code of conduct is uploaded on company's website www.palcc.co.in.

16) Website:

The Company's information can be availed at website www.palcc.co.in

17) CEO / CFO Certification:

For every quarter of the year Shri M. Sudalaikannu, Chief Manager and CEO of the Company who is Manager under Companies Act has issued CEO certificate in accordance with SEBI guidelines to the Board of Directors. In absence of Chief Finance Officer (CFO) Shri J. H. Shah Chairman – Director issued CFO certificate to the Board of Directors for first three quarters of the year, Shrimati Rajeshree Parekh after her appointment as CFO of the Company by the Board of Director has issued CFO certificate for the fourth quarter of the year.

18) Information regarding Annual General Meeting(s) of Shareholders of the Company:

Location, date and time of last three Annual General Meeting(s) of shareholders held:

Financial year	Location of AGM	Date of AGM	Time of AGM
2011-12	M.C. Ghia Hall (Of Indian Textile Accessories & Machinery Manufacturer's Association), Bhogilal Hargovindas Building, 4th floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001	26th September, 2012	2.30 P.M.
2012-13	M.C. Ghia Hall (Of Indian Textile Accessories & Machinery Manufacturer's Association), Bhogilal Hargovindas Building, 4th floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001	26th September, 2013	2.30 P. M.
2013-14	M.C. Ghia Hall (Of Indian Textile Accessories & Machinery Manufacturer's Association), Bhogilal Hargovindas Building, 4th floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001	19th September, 2014	2.30 P.M

No Resolution was passed through postal ballot during the year.



19) Shareholders Information

a. 53rd Annual General Meeting for the

Financial year 1st April, 2014 to 31st March, 2015

Date and Time: On Monday, 28th September, 2015 at 3.30 p.m.

Venue: M.C.Ghia Hall, (of Indian Textile Accessories & Machinery Manufacturers' Association), Bhogilal Hargovindas Building, 4th floor, 18/20, Kaikhushru Dubash Marg, Mumbai- 400 001.

Date of Book Closure: From Saturday, 19th September, 2015 to Monday, 28th September, 2015.

b. Financial Calendar of Results Tentative Dates

For Quarter ending

June 30, 2015	on 14th August, 2015
September 30, 2015	on or before 14th November, 2015
December 31, 2015	on or before 14th February, 2016
March 31, 2016	on or before 30th May, 2016

c. Registrar and Share Transfer Agents :

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S.Marg, Bhandup (West),
Mumbai – 400 078
Tel: 022- 25946970 - 78, Fax: 022- 2594 6969
E-mail: rnt.helpdesk@linkintime.co.in
Counter timing: 10.00 am to 4.00 pm
(Monday to Saturday)

d. Contact Details :

PAL Credit & Capital Limited
Amarsons Bhavan, 3rd Floor,
Shri Vile Parle K.V.O. Seva Samaj,
68, Misquitta Street, Vile Parle (East),
Mumbai 400 057
Tel/Fax No: 022-261 26875
Web site: www.palcc.co.in
Email:investors@palcc.co.in
CIN No. L51010MH1962PLC012287

e. Listing and Dematerialization :

The Company's shares are listed on Bombay Stock Exchange (BSE).

The Company has executed Agreement with M/s Link Intime India Private Limited and with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) to establish Electronic Connectivity and the same has not been discontinued.

The Company has paid the listing fee to Bombay Stock Exchange Ltd. up to the year 2015-16. Annual Custody fee for the year 2015-16 will be paid by the Company to National Securities Depository Ltd. (NSDL) and Central Depository

Services (India) Ltd. (CDSL) on receipt of the invoices.

The Company's shares are traded in dematerialized format compulsorily by all investors under Code No. ISIN INE983B01025.

Up to 31st March, 2015, 19251820 shares representing 89.13% of total capital of the Company have been dematerialized.

The requests to dematerialize the shares are processed by Registrar and Share Transfer Agents of the Company Link Intime India Private Limited within stipulated period of 21 days if the documents forwarded by the investors through the Depository Participants are valid in all respect and the same are noted by the Stakeholders Relationship Committee.

f. Share Transfer System :

Share Transfers are registered and returned within a period of 15 days from the date of receipt, if the documents forwarded by the investors are in order in all respect. Members who still hold share certificates in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which include easy liquidity (since trading is permitted in dematerialized form only) electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.

As per SEBI Circular No. MRD/DOP/Cir-05/2009 dated 20th May, 2009 for transfer of shares in physical form, a copy of PAN number is compulsorily required to be furnished.

Our Registrar and Transfer Agents Link Intime India Private Limited have created a Client Co-ordination Department, who are single-point contacts for the clients to take care of their requirements like to handle IPO/ Rights Issue queries, separate for shareholders of RTA clients and separate for Depositors of Fixed Deposit clients. In this connection, they have a separate cell to take care of telephone calls (022-25946970), emails (rnt.helpdesk@linkintime.co.in.), letters etc. received from shareholders. This has been done with the interests of shareholders in mind and the same has been working well.

g. Stock Market Data (On Bombay Stock Exchange) :

Month / Year	Highest Price (₹)	Lowest Price (₹)	No. of Trades	BSE Sensex	
				High	Low
April 2014	1.77	1.46	75	22939.31	22197.51
May 2014	1.68	1.45	39	25375.63	22277.04
June 2014	1.82	1.59	98	25725.12	24270.20
July 2014	1.90	1.64	22	26300.17	24892.00
August 2014	1.56	1.50	8	26674.38	25232.82
September 2014	1.57	1.36	39	27354.99	26220.49
October 2014	1.57	1.57	4	27894.32	25910.77
November 2014	1.63	1.49	32	28822.37	27739.56
December 2014	2.13	1.69	22	28809.64	26469.42
January 2015	2.20	1.81	61	29844.16	26776.12
February 2015	2.86	2.19	200	29560.32	28044.49
March 2015	2.40	2.07	34	30024.74	27248.45

h. Distribution of shareholding as on 31st March, 2015 :

Shareholding Numbers	No. of shareholders	% to Total	No. of shares held	Amount in ₹	% to Total
Up to 500	10446	77.7232	1653861	1653861	7.6567
501 to 1000	1658	12.3363	1273784	1273784	5.8971
1001 to 2000	685	5.0967	1012058	1012058	4.6854
2001 to 3000	232	1.7262	600746	600746	2.7812
3001 to 4000	83	0.6176	300256	300256	1.3901
4001 to 5000	102	0.7589	496900	496900	2.3004
5001 to 10000	120	0.8929	898893	898893	4.1615
10001 & above	114	0.8482	15363758	15363758	71.1277
Total	13440	100	21600256	21600256	100

i. Share holding Pattern as on 31st March, 2015:

Category of Share Holders	No. of shares	% of total holding
A1) Promoters Holding :		
a) Indian Promoters	5899169	27.3106
b) Foreign Promoters	-	-
Total A1	5899169	27.3106
A2) Persons acting in concert	-	-
Total A2	-	-
A. Total (A1+A2)	5899169	27.3106
B1) Non Promoters Holding:		
a) Mutual Funds and UTI	-	-
b) Banks, Financial Institutions,	-	-
c) Insurance Companies etc.	-	-
d) FII/Foreign Mutual Funds / Foreign Companies	-	-
Total B1	-	-
B2) Others :		
a) Other Body Corporate	3851742	17.8319
b) Indian Public	11819315	54.7184
c) NRIs with & without Repatriation Benefits	30030	0.1391
Total B2	15701087	72.6894
B. Total (B1+B2)	15701087	72.6894
TOTAL (A+B)	21600256	100.00

20) Status of Compliance of Non- Mandatory Requirements:

a. The Board:

The Company does not defray / reimburse expenses pertaining to Chairman's Office. However, actual expenses incurred on traveling etc., by the Chairman for the work of the Company are being paid.

b. Shareholder Rights:

The company's quarterly, half yearly and annual financial results are published in Free Press Journal (English) and in Navshakti (Marathi) newspapers. The financial results are not sent to the shareholders but the same are available at company's website www.palcc.co.in

c. Unqualified Audit Report :

There is no qualification in the Auditors' Report on the Accounts for the year ended 31st March, 2015.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 14th August, 2015

J. H. SHAH
CHAIRMAN

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

CIN of the Company - L51010MH1962PLC012287

Nominal Capital - ₹ 30 Crores

To the members of PAL Credit & Capital Limited,

We have examined the compliance of conditions of Corporate Governance by PAL Credit & Capital Limited (the Company), for the year ended at March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance with 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 based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For M/s M. B. Agrawal & Co.
Chartered Accountants
Regi. No. 100137W

M. B Agrawal
Partner
M.No.9045

Place : Mumbai

Dated : 14th August, 2015

Independent Auditors' Report

To,

The Members of

Pal Credit & Capital Limited.

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Pal Credit & Capital Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for



the matters stated 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting 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 adequate internal financial controls, 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

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. 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 thereunder.
5. 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 misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the company has in place an adequate financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 its Balance-sheet, of the state of affairs of the Company as at 31st March, 2015
 - b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date.
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by 'The Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act (hereinafter referred to as the "Order") and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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 purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it 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 accounts of the company;
 - 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;
 - e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial

position.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For M. B. Agrawal & Co.
Chartered Accountants
FRN: 100137W

M. B. Agrawal
Partner
M. No. 9045

Place: Mumbai
Date: 29/05/2015

Annexure to Independent Auditors' Report

(Referred to in Paragraph 9 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the Members of Pal Credit & Capital Limited, on the accounts of the company for the year ended 31st March, 2015)

- 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 on the basis of available information.
 - (b) As explained to us, all the assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- ii) In respect of its Inventories
The Company has no inventory.
- iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act
Accordingly, clauses (a) and (b) are not applicable to the Company.
- iv) 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 with regard to purchase of fixed assets and payment for expenses. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
- v) According to the information and explanations provided to us, the company has not obtained deposits from the public as defined according to the provisions of section 73 to 76 of the Companies Act, 2013 and the Rules framed thereunder.
- vi) According to the information and explanations provided to us, maintenance of the cost records prescribed by the Central Government of India under section 148(1) of the Companies Act, 2013 are not applicable to the company.
- vii) In respect of Statutory dues
 - (a) As per the information and explanations given to us and as per the records of the Company, the Company is generally regular in depositing with appropriate authorities the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it.
 - (b) According to the information and explanations given to us, there are no dues which are not deposited on account of dispute in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and cess in arrears, as at March 31, 2015 for a period of more than six months from the date they became payable.
 - (c) According to the information and explanations given to us, there is no amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and the rules made thereunder.
- viii) The Company has accumulated losses at the end of the year which is more than fifty percent of its net worth and has incurred cash loss of ₹ 60.35 Lacs during the year covered by our audit and in the immediately preceding financial year.
- ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks.
- x) As per the information and explanations offered to us and the records examined by us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
- xi) Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
- xii) Based on the audit procedures performed and the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For M. B. Agrawal & Co.
Chartered Accountants
FRN: 100137W

M. B. Agrawal
Partner
M. No. 9045

Place: Mumbai
Date: 29/05/2015



BALANCE SHEET AS AT 31ST MARCH 2015

PARTICULARS	Notes No	As at 31.03.2015 ₹(in Lakhs)	As at 31.03.2014 ₹(in Lakhs)
EQUITY AND LIABILITIES			
Shareholders Fund			
Share Capital	1	216.00	216.00
Reserves & Surplus	2	(454.78)	(393.65)
		(238.78)	(177.65)
Current liabilities			
Short - term borrowings	3	246.11	186.16
Other Current liabilities	4	9.45	10.70
Short - term provisions	5	-	-
		255.56	196.86
TOTAL		16.78	19.21
A S S E T S			
Non - Current Assets			
Fixed Assets			
Tangible assets	6	2.70	3.32
Intangible assets		0.05	-
		2.75	3.32
Non current investment			
	7	-	-
		2.75	3.32
Current assets			
Trade receivable	8	-	-
Cash and cash equivalents		0.03	0.05
Short - term loans and advances		14.00	15.84
		14.03	15.89
TOTAL		16.78	19.21
Notes forming part of Accounts	15		

In the opinion of the Board, the Current Assets, Loans & Advances are approximately of value stated, if realised in the ordinary course of business.

The provision of depreciation and for all known liabilities is adequate and not in excess of the amount reasonably necessary. There are no contingent liabilities, other than those stated in Schedule " 15 ". No personal expenses have been charged to revenue.

As per report of even date attached.

For M.B.AGRAWAL & CO.
CHARTERED ACCOUNTANTS
Regi. No.100137 W

M.B.AGRAWAL
Partner
M.No.9045

Place : Mumbai
Date :- 29.05.2015

For and on behalf of the Board of Directors

J. H. SHAH
(Chairman)

K. D. MANKIKAR
(Director)

JAYESH DADIA
(Director)

KAVITA A. JAVHERI
(Company Secretary)

JATIN D. JHAVERI
(Director)

URMILA U. NAGARKAR
(Director)

RAJESHREE PAREKH
(C F O)

Place : Mumbai
Date :- 29.05.2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2015

PARTICULARS		Notes No	Current Year ended 31.03.2015 ₹(in Lakhs)	Previous Year ended 31.03.2014 ₹(in Lakhs)
1)	Revenue from operations	9	-	-
2)	Other Income	10	0.68	0.62
3)	Total Revenue (1 + 2)		0.68	0.62
4)	Expenses :			
	Employees benefits expense	11	14.19	13.54
	Other expenses	12	22.38	26.23
	Total Expenses		36.57	39.77
5)	Profit/(Loss) before Interest, Tax, Depreciation and Amortization (3 - 4)		(35.89)	(39.15)
	Finance Cost	13	24.46	0.07
	Depreciation and amortization	14	0.78	0.79
6)	Profit/(Loss) before Tax (5 - 6)		(61.13)	(40.01)
7)	Tax expense		-	-
8)	Profit/(Loss) for the period (6 - 7)		(61.13)	(40.01)
9)	Earnings Per equity Share			
	a) Basic		(0.28)	(0.19)
	b) Diluted		(0.28)	(0.19)
	Notes forming part of Accounts	15		

As per report of even date attached.

For M.B.AGRAWAL & CO.
CHARTERED ACCOUNTANTS
Regi. No.100137 W

M.B.AGRAWAL
Partner
M.No.9045

Place : Mumbai
Date :- 29.05.2015

For and on behalf of the Board of Directors

J. H. SHAH
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(Director)

URMILA U. NAGARKAR
(Director)

RAJESHREE PAREKH
(C F O)

Place : Mumbai
Date :- 29.05.2015



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

PARTICULARS		As at 31.03.2015		As at 31.03.2014	
		₹(in Lakhs)		₹(in Lakhs)	
A)	Cash flow from operating activities :				
	Net profit / (loss) before tax and extraordinary items as per Statement of Profit & Loss		(61.13)		(40.01)
	Adjustments for :				
	Depreciation	0.78		0.79	
	Interest Income	(0.02)		0.00	
	Interest expense	24.46	25.22	0.00	0.79
	Operating Profit / (Loss) before working Capital Changes		(35.91)		(39.22)
	Adjustments for :				
	Trade and Other Receivables	1.84		(1.16)	
	Trade Payable Creditors	(1.25)	0.59	8.14	6.98
	Cash generated from operations				
	Interest on Tax Refund		0.02		0.00
	Net cash from operating activities (A)		(35.30)		(32.24)
B)	Cash flow from investing activities :				
	Purchase of Fixed Assets		(0.21)		(0.09)
	Net cash used in investing activities (B)		(0.21)		(0.09)
C)	Cash flow from financing activities :				
	Advance from Related Party	35.57		32.16	
	Interest expense (24.46)				
	Interest Accrued 24.38				
	Interest paid (0.08)	(0.08)	35.49	0.00	32.16
	Net cash flow from financing activities (C)		35.49		32.16
	Net Increase in Cash and Cash Equivalents (A+B+C)		(0.02)		(0.17)
	Cash and cash equivalents as at 31.03.2014 (Opening Balance)		0.05		0.22
	Cash and cash equivalents as at 31.03.2015 (Closing Balance)		0.03		0.05

For and on behalf of the Board of Directors

J. H. SHAH
(Chairman)

JATIN D. JHAVERI
(Director)

K. D. MANKIKAR
(Director)

URMILA U. NAGARKAR
(Director)

JAYESH DADIA
(Director)

KAVITA A. JAVHERI
(Company Secretary)

RAJESHREE PAREKH
(C F O)

Place : Mumbai
Date :- 29.05.2015

AUDITOR'S CERTIFICATE

We have examined the above Cash Flow Statement of PAL Credit & Capital Ltd. for the Year ended 31st March, 2015. The Statement has been prepared by the company in accordance with the requirements of the listing agreement of the Stock Exchange and is based on and derived from the audited accounts of the company for the Year ended 31st March, 2015.

For M.B.AGRAWAL & CO.
CHARTERED ACCOUNTANTS
Regi. No.100137 W

PLACE: MUMBAI
DATE: 29.05.2015

M.B.AGRAWAL
Partner
M.No.9045

**Notes '1' to '15' Annexed to and forming part of Balance Sheet as at 31st March, 2015
and Statement of Profit and Loss for the Year ended on 31st March, 2015**

Note No.	PARTICULARS	As at 31.03.2015 ₹(in Lakhs)	As at 31.03.2014 ₹(in Lakhs)
(1)	SHARE CAPITAL		
	AUTHORISED		
	30,00,00,000 Equity Shares of Re. 1/- each	3000.00	3000.00
		3000.00	3000.00
	ISSUED, SUBSCRIBED AND FULLY PAID EQUITY SHARES		
	2,16,00,256 Shares of ₹ 10/- each fully paid up		2160.03
	2,16,00,256 Shares of ₹ 9/- each cancelled and accumulated loss adjusted		<u>1944.03</u>
	2,16,00,256 Shares of Re. 1/- each fully paid up	216.00	216.00
	TOTAL	216.00	216.00

Notes:-

- 1) No equity shares were issued and or bought back during the Year. Issued, Subscribed and fully paid equity Shares at the beginning of the year and at the end of the Year are same .
- 2) The Company is having only one class of shares, that is equity share of Re. 1 each. All the equity Shareholders are having equal right on the distribution of dividend and the repayment of capital.
- 3) The Company is not a subsidiary of any other Company.
- 4) Statement showing shareholding of persons holding more than 5% of total number of shares as on 31.03.2015.

Name of Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of Equity Shares of Re.1 each Fully paid	No. of Shares held as a percentage of total No. of Equity Shares of the Company	No. of Equity Shares of Re.1 each Fully paid	No. of Shares held as a percentage of total No. of Equity Shares of the Company
Premier Limited (Promoters)	5899169	27.3106	5899169	27.3106
Spectra Industries Ltd.	1985117	9.1902	1985117	9.1902

- 5) During immediately preceding five years Company has not allotted any fully paid up shares of any class pursuant to contract(s) without payment being received in cash, bonus shares or have bought back any shares. However Face value of Equity Share is reduced from ₹ 10 to Re. 1 on 29th July, 2013.
- 6) There are no unpaid calls or forfeited shares.

(2)	RESERVES & SURPLUS			
	Capital Reserve			
	As per last Balance Sheet	-		499.83
	Less : Accumulated loss adjusted	-	-	<u>(499.83)</u>
	Share Premium			
	As per last Balance Sheet	-		267.58
	Less : Accumulated loss adjusted	-	-	<u>(267.58)</u>
	Statutory Reserve as per Section 45-IC of The RBI Act, 1934			
	As per last Balance Sheet		69.66	<u>69.66</u>
			69.66	69.66
	Surplus			
	As per last Balance Sheet	(463.31)		(3,134.74)
	Adjusted against Capital Reserve	-		499.83
	Adjusted against Share Premium	-		267.58
	Reduced by cancelling the paid up equity Share Capital	-		<u>1,944.03</u>
		(463.31)		(423.30)
	Debit balance as per statement of profit & Loss for the Year ended 31st March, 2015 enclosed.	(61.13)	(524.44)	(40.01) (463.31)
	TOTAL		(454.78)	(393.65)



Note No.	PARTICULARS	As at 31.03.2015 ₹(in Lakhs)	As at 31.03.2014 ₹(in Lakhs)
(3)	SHORT - TERM BORROWINGS		
	Advances from a related party	246.11	186.16
	TOTAL	246.11	186.16
(4)	OTHER CURRENT LIABILITIES		
	Other payables	9.45	10.70
	TOTAL	9.45	10.70
(5)	SHORT - TERM PROVISIONS		
	TOTAL	-	-

Note No.	PARTICULARS	₹(in Lakhs)									
		Gross Block (at cost)				Depreciation				Net Block	
		As At 01.04.14	Additions during the year	Deductions/ Adjustments during the year	As at 31.03.15	As At 01.04.14	For the Year Ended 31.03.15	Deductions/ Adjustments during the year	As at 31.03.15	As at 31.03.15	As at 31.03.14
6)	FIXED ASSETS										
	a) Tangible Assets										
	Furniture & Fixtures	9.61	-	-	9.61	6.43	0.68	-	7.11	2.50	3.18
	Computers (Hardware)	1.39	0.14	-	1.53	1.25	0.08	-	1.33	0.20	0.14
	Other Office equipment	0.04	-	-	0.04	0.04	-	-	0.04	-	-
	Total (a)	11.04	0.14	-	11.18	7.72	0.76	-	8.48	2.70	3.32
	b) Intangible Assets										
	Computers (Software)	0.05	0.07	-	0.12	0.05	0.02	-	0.07	0.05	-
	Total (b)	0.05	0.07	-	0.12	0.05	0.02	-	0.07	0.05	-
	Total (a+b)	11.09	0.21	-	11.30	7.77	0.78	-	8.55	2.75	3.32
	Previous Year										
	a) Tangible Assets	10.95	0.09	-	11.04	6.93	0.79	-	7.72	3.32	-
	b) Intangible Assets	0.05	-	-	0.05	0.05	-	-	0.05	-	-
	Total	11.00	0.09	-	11.09	6.98	0.79	-	7.77	3.32	-

Note No.	PARTICULARS	As at 31.03.2015 ₹(in Lakhs)	As at 31.03.2014 ₹(in Lakhs)
(7)	NON - CURRENT INVESTMENT		
	A) QUOTED SHARES (Fully Paid)		
	Current Year		Previous Year
	Quantity		Quantity
	200 Indian Seamless Finance Ltd.		200
	100 GE Capital Transportation Financial Services Ltd. (Formerly SRF Finance Ltd.)		100
	50 Lloyds Finance Ltd.		50
	133 CRB Capital Market Ltd.		133
		0.35	0.35
	Less :- Provision for diminution in value	(0.35)	(0.35)
		(A) -	-
	B) UNQUOTED SHARES (Fully Paid)		
	50000 Tan Ash Liquidaire Pvt. Ltd.		50000
	Less :- Provision for diminution in value	(5.00)	(5.00)
		(B) -	-
	TOTAL (A+B)	-	-
	Market value of quoted investment	NIL	NIL
	As the above investments are not likely to realise any amount, the same are therefore, fully provided for in the books of accounts.		

Note No.	PARTICULARS	As at 31.03.2015 ₹(in Lakhs)	As at 31.03.2014 ₹(in Lakhs)
(8)	CURRENT ASSETS		
	Trade Receivable		
	Outstanding for a period exceeding six months:		
	Considered Good	-	-
	Unsecured, Considered Doubtful	18.99	18.99
		18.99	18.99
	Less : Provision for doubtful dues	(18.99)	(18.99)
	(A)	-	-
	Cash and cash equivalents		
	Balance with a Bank	0.03	0.05
	Cash on Hand	0.00	0.00
	(B)	0.03	0.05
	Short - Term Loans and Advances		
	Loans and advances to a related party, unsecured	-	-
	Other items :		
	Security deposit	2.08	2.78
	Tax deducted at source	11.92	11.90
	Trade advances, considered doubtful	13.66	13.66
	Other advances	-	1.16
		27.66	29.50
	Less : Provision for doubtful dues	(13.66)	(13.66)
	(C)	14.00	15.84
	TOTAL (A+B+C)	14.03	15.89

Note No.	PARTICULARS	Current Year ended 31.03.2015 ₹(in Lakhs)	Previous Year ended 31.03.2014 ₹(in Lakhs)
(9)	Revenue from operations		
	Interest Income	-	-
	Total	-	-
(10)	Other Income		
	Interest on Tax Refunds	0.02	-
	Recovery of Debts ,written off or provided for in past	-	-
	Profit on sale of Discarded Fixed assets	-	-
	Miscellaneous Income	0.66	0.62
	Total	0.68	0.62
(11)	Employees benefits expense		
	Salaries and Bonus	13.28	12.91
	Retirement Gratuity	0.83	0.33
	Staff Welfare	0.08	0.30
	Total	14.19	13.54



Note No.	PARTICULARS	Current Year ended 31.03.2015 ₹(in Lakhs)	Previous Year ended 31.03.2014 ₹(in Lakhs)
(12)	Other expenses		
	Rent	4.92	4.86
	Repairs and Maintenance	0.18	0.21
	Insurance	0.03	0.03
	Remuneration to Auditor :		
	a) As statutory Auditor Audit Fees	0.28	0.28
	b) In other capacity certification and other matters	0.73	0.71
	Travelling and conveyance	0.85	1.37
	<i>(Includes for Director ₹ 0.20 Lakhs, Previous Years ₹ 0.20 Lakhs)</i>		
	Printing & Stationery	1.52	1.82
	Directors Fees	0.88	0.93
	Legal & Professional Fees	3.98	4.20
	Listing & Filing Fees	2.36	3.06
	Administrative Advertisement	0.71	0.89
	Electricity Expenses for Office	1.07	1.00
	Office Maintenance	0.17	0.85
	Postage & Telephones	3.62	4.25
	Other administrative expenses	1.08	1.77
	Total	22.38	26.23
(13)	Finance Costs		
	Interest on Service Tax	-	0.02
	Interest payable to Premier Ltd.	24.38	-
	Bank Charges	0.08	0.05
	Total	24.46	0.07
(14)	Depreciation and amortization Expense		
	Depreciation of tangible assets	0.76	0.79
	Amortization of intangible assets	0.02	-
	Total	0.78	0.79

NOTE – 15

NOTES FORMING PART OF ACCOUNTS

15.01 SIGNIFICANT ACCOUNTING POLICIES :

A. FIXED ASSETS AND DEPRECIATION

- Fixed Assets are identified as “Tangible” and “Intangible”. Tangible assets are further divided into assets for own use and Leased Assets.
- All the fixed assets including assets given on lease are stated in Balance Sheet at cost of acquisition, inclusive of expenses relating to acquisition.
- In respect of leased assets, depreciation is provided in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India whereby it is ensured that full depreciation is provided over the primary lease period.
- In Accounting for leases, the Company has applied the recommendations of the revised Guidance Note of the Institute of Chartered Accountants of India and accordingly Lease Equalization Adjustments have been made in the

Statement of Profit & Loss and net book value of Leased Assets.

- In respect of other assets, depreciation is provided on Reducing Balance Method in accordance with Schedule II to the Companies Act, 2013. Residual value is kept at 5% of the cost.
- The repossessed leased assets are valued at estimated realizable value.
- Assets not likely to realize any significant value are adequately provided for or written off.

B. INVESTMENTS

- Long term Investments are stated at cost subject to adjustment, if any, for permanent diminution in value. Income there from is credited to revenue on accrual basis.

C. STOCK-IN-TRADE:

SHARES & SECURITIES

- Stock-in-trade of Shares & Securities of each category on an aggregate is valued at cost or

market value (break-up value in case of unquoted shares) whichever is lower as required by the RBI Guidelines for Non-Banking Financial Companies.

D. CURRENT ASSETS

- Trade Receivable and Loans & Advances are stated at the amount to be received net after deducting the amount required to be provided as NPA as per RBI guidelines and/ or provision for dues doubtful of recovery.

E. STOCK ON HIRE

- "Stock on Hire", secured against Hire Purchase Contracts, represents the principal amount and the unmetered finance charges in respect of future installments.

F. INCOME

- The Company accrues hire charges, lease rentals and service charges arising out of Hire Purchase/Lease agreements as per the terms of agreements entered into with hirers & lessees except in case of Non-performing Assets.
- Income from Bill Discounting, if any, is accounted for, on time accrual basis.
- Interest on Inter Corporate Deposits, Investments and overdue installments / rentals is accrued to the extent of certainty of collection.

G. GRATUITY & LEAVE ENCASHMENT

- Liability on account of Gratuity and Leave Encashment (if any) are provided for.

H. EXPENSES

- All the expenses are accounted on accrual basis unless otherwise stated.
- In compliance with Guidelines for Prudential Norms for income recognition/provisioning issued by Reserve Bank of India from time to time, the Company has not accrued income in respect of Non-Performing Assets as defined therein. The Company has made adequate provisions in respect of such assets in terms of these Guidelines.

15.02 At the EGM of the members of the Company held on 16th December, 2013, a Special Resolution has been passed for Issue of 4, 32, 00, 512 Rights Shares of Re. 1 each to the existing Shareholders of the company in ratio of 2 (two) Rights Equity shares for every 1(One) equity share of Re. 1 each held.

15.03 INTEREST ON BORROWING FROM PREMIER LTD.

Premier Ltd., Promoter has given advances from December, 2011. Up to 31st March 2014 they had not charged any interest on these advances. As in terms of the Section

186 of the Companies Act, 2013, such interest free loan is prohibited, Interest is charged on these advances from 1st April, 2014. The same has been accounted for.

15.04 CONTINGENT LIABILITIES AND COMMITMENTS

(To the extent not provided for)

- Claim against the Company not admitted, in appeal before State Consumer Disputes Redressal Commission, Nagpur Bench ₹ 3.09 Lacs (Previous year ₹ 3.09 Lacs)
- Estimated amount of contracts remaining to be executed on capital account and not provided for is Nil (Previous year NIL).
- Dividend on 16, 35, 015 Nos., 15% Cumulative Convertible Preference Shares for the year 1997 - 98 ₹ 201.58 Lacs (Previous year ₹ 201.58 Lacs) has not been paid due to inadequacy of profit.

15.05 INCOME TAX

Return of income has been filed up to the Financial Year 2013-14, Assessment Year 2014-15. Assessment has been completed up to the Financial Year 2011-12, Assessment Year 2012-13.

15.06 Provision is made for future liability for payment of Gratuity and amount payable as Leave encashment.

15.07 The Company has discharged its liabilities towards fixed depositors in full.

15.08 The Company has revised depreciation rates on fixed assets effective April 1, 2014 in accordance with requirements of Schedule II of Companies Act, 2013 ("the Act").The management has revised the estimate to keep the residual Value to 5% of its cost and depreciation has been charged accordingly.

15.09 The Company has unabsorbed depreciation and carried forward losses available for set-off. In view of uncertainty regarding generation of future taxable profit on prudent basis, deferred tax asset has not been recognized in the accounts.

15.10 In order to ensure expeditious recovery of NPAs and repay the liabilities, the company is currently focusing all its efforts on recoveries.

15.11 (A) There is no amount remaining unpaid to small-scale suppliers within the Meaning of "The Interest on Delayed Payment to Small Scale and Ancillary Undertakings Act." The information has been compiled to the extent they could be identified as small scale and ancillary undertakings on the basis of information available with the Company.

(B) There are no Micro, Small and Medium Enterprises, to whom the Company owes Dues, which are outstanding for more than 45 days as at the Balance Sheet date. Further, the Company has neither paid nor payable any interest to any Micro, Small and Medium Enterprises on the Balance Sheet date.



The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. The same has been relied upon by the auditors.

15.12 The Directors have decided to restructure the capital to remain NBFC and continue business. Steps are already initiated and under implementation in these directions. The Directors therefore consider that the Company is a going concern and the Accounts have been prepared accordingly.

15.13 MANAGERIAL REMUNERATION:

Managerial Remuneration included in Statement of Profit & Loss.
(₹ in lakhs)

Head of Account	Current Year	Previous Year
Salary	7.04	2.65

15.14 RELATED PARTY DISCLOSURES :

(a) List of Related Parties with whom transactions have taken place and Relationships:

Name of the Party	Relationship
Premier Limited.	Promoter Company

(b) Transactions with Related Party:

(₹ in lakhs)

Nature of Transaction	Amount Outstanding as on 31-03-2014	Transaction During the Year	Amount Outstanding as on 31-03-2015
Advance received	186.16 CR	35.57 CR	221.73 CR
Interest paid/ payable on Advance received	---	24.38 CR	24.38 CR

15.15 During the year Company had only one reportable business segment i.e. NBFC business as per Accounting Standard 17 of the Institute of Chartered Accountants of India.

15.16 EARNINGS PER SHARE (EPS) / BOOK VALUE PER SHARE

Sr. No.	Particulars	Year ended 31 st March, 2015	Year Ended 31 st March, 2014
A	Weighted average number of shares At the beginning and end of the year	21600256	21600256
B	Net profit/(loss) after tax (if any) available For Equity Shareholders ₹ (lakhs)	(61.13)	(40.01)
C	Basic and Diluted Earning per share ₹	(0.28)	(0.19)
D	Book Value per Share (₹)	(1.11)	(0.82)

15.17 Figures of the Previous Year have been regrouped, rearranged wherever necessary.

Signature to Notes 1 to 15 forming part of Balance Sheet and Statement of Profit and Loss.

As per report of even date attached.

For M.B.AGRAWAL & CO.
CHARTERED ACCOUNTANTS
Regi. No.100137 W

M.B.AGRAWAL
Partner
M.No.9045

Place : Mumbai
Date :- 29.05.2015

For and on behalf of the Board of Directors

J. H. SHAH
(Chairman)

K. D. MANKIKAR
(Director)

JAYESH DADIA
(Director)

KAVITA A. JAVHERI
(Company Secretary)

JATIN D. JHAVERI
(Director)

URMILA U. NAGARKAR
(Director)

RAJESHREE PAREKH
(C F O)

Place : Mumbai
Date :- 29.05.2015

BOOK POST

If undelivered, please return to:



PAL Credit & Capital Limited

Registered Office: Amarsons Bhavan, 3rd Floor,
Shri Vile Parle, K. V. O. Seva Samaj, 68, Misquitta
Street, Vile Parle (East), Mumbai 400 057.

Prudent Arts & Fab Pvt. Ltd.

OFFSET PRINTING PRESS
Tel.: 022-6111 9001/02

PAL Credit & Capital Limited



Corporate Identification Number (CIN) : L51010MH1962PLC012287

Registered Office

Amarsons Bhavan, 3rd Floor, Shri Vile Parle,
K. V. O. Seva Samaj, 68, Misquitta Street,
Vile Parle (East), Mumbai 400 057
Tel/ Fax No : 022-26126875
Email: investors@palcc.co.in

NOTICE

NOTICE is hereby given that 53rd Annual General Meeting of PAL Credit & Capital Limited will be held at M. C. Ghia Hall (Of Indian Textile Accessories & Machinery Manufacturer's Association), Bhogilal Hargovindas Building, 4th Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001 on Monday, 28th September, 2015 at 3.30 P.M. to transact the following business:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit & Loss for the year ended 31st March, 2015 and the Audited Balance Sheet as at that date and the Report of the Auditors and of the Directors thereon.
2. To appoint a Director in place of Shri J. H. Shah (DIN No. 00458627) who retires by rotation and is eligible for reappointment.
3. To appoint Auditors of the Company and to fix their remuneration.

"RESOLVED THAT pursuant to the provisions of Section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, as amended from time to time, M/s M. B. Agrawal & Company, Chartered Accountants (Firm Registration Number 100137W) be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration plus service tax plus out of pocket expenses as may be determined by the Board of Directors and recommended by Audit Committee of the Board".

AS SPECIAL BUSINESS

4. To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as a Special Resolution:

"RESOLVED THAT in supersession of the Ordinary Resolution passed at the Extra Ordinary General Meeting held on 19th August, 1994 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys, which

together with the moneys already borrowed by the Company in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/ to be obtained from the Company's Bankers/ Lenders in the ordinary course of business, shall not be in excess of ₹ 10 crores (₹ Ten crores) over and above the aggregate of the paid up share capital and free reserves of the Company".

"RESOLVED FURTHER THAT the Board be and is hereby authorised to negotiate, finalise, settle and execute with any of the Bankers/ Lenders jointly or severally, all deeds, documents, instruments and writings for the purpose of borrowing and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for implementing the aforesaid Resolution and to resolve any question, difficulty or doubt which may arise in relation thereto or otherwise considered by the Board to be in the best interest of the Company."

Notes:-

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of Companies, societies, partnership firms, etc must be supported by appropriate resolution/ authority, as applicable, issued on behalf of the nominating organization. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total Share Capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing the representative to attend and vote on their behalf at the Meeting.



3. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the business under item No. 4 above is annexed hereto.

4. Process and manner for members opting for e-voting are as under:

i. In compliance with provision of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members, facility to exercise their right to vote at the 53rd Annual General Meeting by electronic means and the business may be transacted through e-voting Services provided by Central Depository Services (India) Limited (CDSL):

The instructions for shareholders voting electronically are as under:

- i. The voting period begins on Friday, 25th September, 2015 at 9 A. M. and ends on Sunday, 27th September, 2015 at 5 P. M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iv. Click on Shareholders.
- v. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company / Depository Participant are requested to use the Sequence Number. For your Sequence Number please refer your Attendance Slip.

(DOB)	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN No. 150825091 for the relevant "PAL Credit & Capital Limited" on which you choose to vote.
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xviii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Note for Non - Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.



- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or you may contact Grievance Officer Shri M. Sudalaikannu on 022-26126875 or email to investors@palcc.co.in.
- i. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September, 2015.
 - ii. A copy of this Notice and 53rd Annual Report has been placed on the website of Company and Website of CDSL.
 - iii. Mr. N. L. Bhatia, Practicing Company Secretary (Certificate of Practice Number 442) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - iv. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman.
 - v. The results shall be declared at or after Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.palcc.co.in and on the website of CDSL within two (2) days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the BSE Limited.
5. Members/ Proxies should bring the enclosed Attendance Slip duly filled in, for attending Annual General Meeting, along with their copy of the Annual Report. Copies of the Annual Report will not be distributed at the Meeting.
 6. If joint holders are attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
 7. The Register of Members and Share Transfer Books of the Company will be closed from Saturday, 19th September, 2015 to Monday, 28th September, 2015 (Both days inclusive).
 8. Members are requested to notify the change in their address to the Company and always quote their Folio Numbers or DP ID and Client ID Numbers in all correspondence with the Company. In respect of holding in electronic form, Members are requested to notify any change of address to their respective Depository Participants.
9. Any query relating to Accounts must be sent to the Company's Registered Office at least three days before the date of the meeting.
 10. With a view to serve the Members better and for administrative convenience, an attempt has been made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
 11. Members who still hold shares certificates in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which include easy liquidity (since trading is permitted in dematerialized form only), electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
 12. As per SEBI Circular No. MRD/DoP/Cir-05/2009 dated 20th May, 2009 for transfer of shares in physical form, a copy of PAN number is compulsorily required to be furnished.
 13. **Pursuant to Circular No 17/95/2011 CL-V, dated 21-04- 2011, issued by the Ministry of Corporate Affairs, Government of India as a part of Green initiative in Corporate Governance, the companies have been permitted to send notices/documents to the members through email.**

Accordingly, the company proposes to send notices/ documents like the Annual Report in electronic form to the members who would register their email address with the depositories, The Registrar and Transfer Agent or the Company.

Members are requested to register their email addresses by sending their details to the Registrar and Transfer Agents, M/s Link Intime India Private Limited, C/13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai 400 078, Tel: 25946970, Fax: 25946969, Email: rnt.helpdesk@linkintime.co.in or to the Company at PAL Credit & Capital Limited, Amarsons Bhavan, 3rd Floor, Shri Vile Parle K.V.O. Seva Samaj, 68, Misquitta Street, Vile Parle (East), Mumbai 400 057, Tel/Fax: 26126875 Email: investors@palcc.co.in.
 14. Nomination Facility

As per Section 72 of Companies Act, 2013 facility for making nomination is available for the Members in respect of the Shares held by them. Nomination form can be obtained from the Company's Share Registrar and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination form from their respective Depository participant.
 15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in physical form are requested to submit their PAN details to the company or its Share Registrar and Transfer Agents.



16. Members holding shares in physical form and who have not registered their email IDs are requested to register their email IDs with the Company's Share Registrar and Transfer Agents.

**By The Order of the Board
PAL Credit & Capital Limited**

Place : Mumbai
Dated: 14th August, 2015

**Kavita A. Javheri
Company Secretary**

REGISTERED OFFICE

PAL Credit & Capital Limited
Amarsons Bhavan, 3rd Floor,
Shri Vile Parle, K. V. O. Seva Samaj,
68, Misquitta Street,
Vile Parle (East), Mumbai 400 057.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Pursuant to Section 102 of the Companies Act, 2013 ('the Act') the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 4 of the accompanying Notice dated 14th August, 2015.

Item No. 4:

The Members of the Company, at the Extra Ordinary General Meeting held on 19th August, 1994 had, inter alia, by passing an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956, approved borrowing an amount up to ₹ 10 Crores in excess of paid up share capital and free reserves, apart from temporary loans obtained from the Company's Bankers/Lenders in the ordinary course of business.

Section 180(1)(c) of the Companies Act, 2013 ('Act'), provides for similar consent to be sought from members by way of a special resolution. The maximum limit for borrowing/ availing of financial assistance is the same, as was approved by the members at the Extra Ordinary General Meeting held on 19th August, 1994, referred above.

The Board of Directors recommended passing of the Special Resolution at Item No. 4 of the Notice.

None of the Directors and Key Managerial personnel and/ or their relatives is concerned or interested in the resolution except to the extent of their shareholding in the Company.

**By The Order of the Board
PAL Credit & Capital Limited**

Place : Mumbai
Dated: 14th August, 2015

**Kavita A. Javheri
Company Secretary**

REGISTERED OFFICE

PAL Credit & Capital Limited
Amarsons Bhavan, 3rd Floor,
Shri Vile Parle, K. V. O. Seva Samaj,
68, Misquitta Street,
Vile Parle (East), Mumbai 400 057.

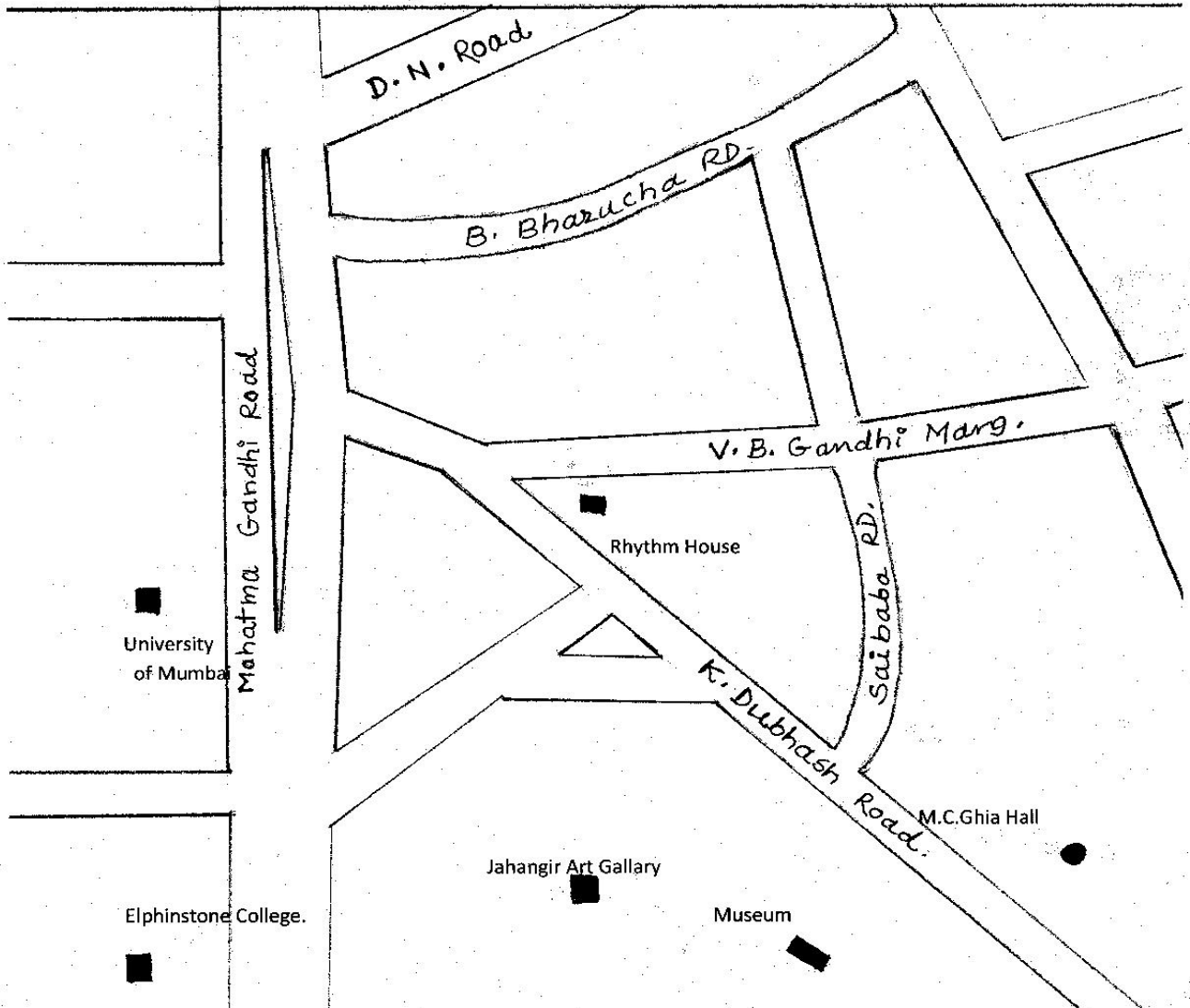
Note : Annual Report & Accounts for the year 2014-15 are being posted separately as per Companies Act, 2013.



53rd Annual General Meeting of PAL CREDIT & CAPITAL LTD.

Rout map to the venue of the AGM

M.C.Ghia Hall,
Bhogilal Hargovindas Building,
18/20,K.Dubhash Marg,Kalaghoda,
Fort, Mumbai-400 001.





PAL CREDIT & CAPITAL LIMITED

Amarsons Bhavan, 3rd Floor, Shri Vile Parle K.V.O. Seva Samaj, 68, Misquitta Street, Vile Parle (East), Mumbai 400 057.

ATTENDANCE SLIP

53rd ANNUAL GENERAL MEETING

Only Shareholders or the Proxies will be allowed to attend the meeting

DP ID*		Registered Folio No	
Client ID*		No. of Shares	

I/ We hereby record my/ our presence at the 53rd Annual General Meeting of the Company being held on Monday, 28th September, 2015 at M. C. Ghia Hall (Of Indian Textile Accessories & Machinery Manufacturer's Association), Bhogilal Hargovindas Building, 4th Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001 at 3.30 P.M.

Signature of the Shareholder (s) 1. 2. 3.....

Signature of Proxyholder.....

* Applicable for investors holding shares in electronic form.

Note:

- a) Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.
- b) For your sequence number, please refer to address slip back of this.

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(13) of the Companies (Management and Administration) Rules, 2014

CIN : L51010MH1962PLC012287
 Name of the Company : PAL Credit & Capital Ltd.
 Registered Office : Amarsons Bhavan, 3rd Floor, Shri Vile Parle K.V.O. Seva Samaj, 68, Misquitta Street, Vile Parle (East), Mumbai 400 057.

Name of the Member/s	
Registered Address	
E-mail ID	
Folio No. / Client ID	
DP ID	

I / We being the member/s of..... No. of Equity Shares of the above named Company, hereby appoint:

(1) Name..... Address.....

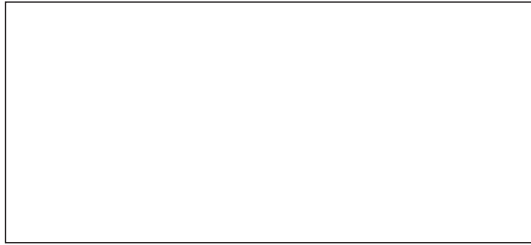
E-mail ID..... Signature.....Or failing him

(2) Name..... Address.....

E-mail ID..... Signature.....Or failing him

(3) Name..... Address.....

E-mail ID..... Signature.....Or failing him



Prudent Arts & Fab Pvt. Ltd.
OFFSET PRINTING PRESS
Tel.: 022-6111 9001/02

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as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 53rd Annual General Meeting of the Company, to be held on Monday, 28th September, 2015 at M. C. Ghia Hall (Of Indian Textile Accessories & Machinery Manufacturer's Association), Bhogilal Hargovindas Building, 4th Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001 at 3.30 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Optional*	
		For	Against
1	To adopt the Audited Financial Statements including the statement of Profit & Loss for the year ended 31st March, 2015 and Balance Sheet as at that date, report of the Board of Directors and Auditors.		
2	Re-appointment of Shri J. H. Shah, who retires by rotation.		
3	Appointment of M/s M. B. Agrawal & Company, Chartered Accountants as Auditor.		
4	Special Resolution under Section 180(1)(c) the Companies Act, 2013 for borrowing money upto ₹ 10 Crores (Rupees Ten Crores) over and above the aggregate of the paid up share capital and free reserves of the company.		

Signed day of 2015

Signature of the Shareholder

.....

Signature of the Proxy holder/s

.....

Affix Revenue
Stamp

Note:

- (1) The proxy in order to be effective should be duly stamped, completed and signed and deposited at the Registered Office of the Company, not less than 48 hours before the time for holding the aforesaid meeting.
- (2) For the Resolutions, Explanatory statement and Notes please refer to the Notice of the 53rd Annual General Meeting.
- *(3) It is optional to put an "X" in the appropriate column against the Resolution indicated in the Box. If you leave the "For" or "Against" column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she think appropriate.
- (4) Please complete all details of member(s) in above box before submission.



PAL Credit & Capital Ltd.

BSE Limited
P. J. Towers,
Dalal Street,
Mumbai 400 001

Scrip Code : 511306

Dear Sir,

We are submitting below the Form-A as required under Clause 31 of the Listing Agreement.

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1	Name of the company	PAL Credit & Capital Limited
2	Annual financial statements for the year ended	31st March, 2015
3	Type of Audit observation	Un-qualified
4	Frequency of observation	NA

J. H. Shah
(Chairman & Director)

Jatin D. Jhaveri
(Audit Committee Chairman)

Auditor of the Company
(M. B. Agrawal & Co.)

M. Sudalakkanna
(Chief Manager & CEO)

Rajeshree Parekh
(CFO)

Registered Office :

Amarsons Bhavan, Third Floor, Shri Vile Parle K. V. O. Seva Samaj, 68, Misquitta Street,
Vile Parle (East), Mumbai - 400 057.

Tel.: +91-22-2612 6875 ☐ Fax : +91-22-2612 6875 ☐ E-mail : investors@palcc.co.in