



Dated: 01/09/2020

To,

The Listing Department
BSE Ltd.
P. J. Towers, Dalal Street,
Mumbai-400001

Dear Sir,

Scrip Code: 534060

Sub: Notice of the 35th Annual General Meeting and Annual Report for the Financial Year 2019-20.

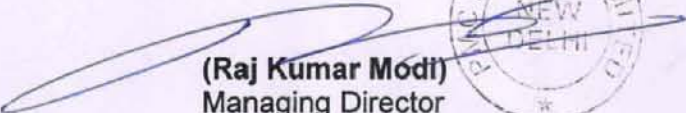
Dear Sir,

This is further to our letter dated July 26, 2020 regarding convening of the 35th Annual General Meeting of the Company on Friday, September 25, 2020 through Video Conferencing/Other Audio Visual Means (VC/OAVM) Facility.

Pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed copy of the Notice of the 35th AGM and the Annual Report for the financial year 2019-20 including the Audited Financial Statements for the year ended March 31, 2020 ("Annual Report"), being sent by email to those members whose email addresses are registered with the Company/Depository Participant(s). The requirements of sending physical copy of the Notice of the AGM and Annual Report to the members have been dispensed with vide MCA Circular(s) and SEBI Circular. The Notice of the 35th AGM and the Annual Report are also being uploaded on the website of the Company at www.pmcfinance.in.

This is for your information and records please.

Thanking you,
Yours faithfully,
For PMC Fincorp Limited


(Raj Kumar Modi)
Managing Director



Encl: as above

CIN : L27109UP1985PLC006998

Corporate Office : 14/5, Old Rajinder Nagar, New Delhi-110060

Tel. : 011-42436846, 47, 49 Fax : 011-42436849 E-mail : prtimercantile@gmail.com

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

PMC Fincorp Limited

Regd. Office: B-10, VIP Colony, Civil Lines, Rampur - 244901 (U.P.)
Corp. Office: 14/5, Old Rajender Nagar, New Delhi - 110060
Tel No.: 011 - 42436846, Email Id: prtimercantile@gmail.com Website : www.pmcfinance.in
CIN: L27109UP1985PLC006998

NOTICE

Notice is hereby given that the 35th Annual General Meeting of the Members of **PMC FINCORP LIMITED** will be held on **Friday, the 25th day of September, 2020 at 11.00 A.M.** IST through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2020 and the Statement of Profit & Loss for the year ended on that date, together with the Auditors' and the Directors' Reports thereon.
2. To appoint a director in place of Mrs. Rekha Modi (DIN: 01274200), Director of Company who retires by rotation and being eligible offers herself for re-appointment.
3. To ratify the appointment of M/s Sunil K. Gupta & Associates, Chartered Accountants (Firm Registration No. 002154N), as the Statutory Auditors of the Company to hold office from the conclusion of the 35th Annual General Meeting until the conclusion of the 36th Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

4. **Appointment of Mr. Yogesh Kumar Garg (DIN:02144584) as Non-Executive Independent Director**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 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) read with Schedule IV of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded to the appointment of Mr. Yogesh Kumar Garg (DIN:02144584), who was appointed by the Board of Directors as an Additional Non-Executive Independent Director of the Company with effect from July 28, 2020 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the Company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of Independence as provided in section 149(6) of the Act and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as Non-Executive Independent Director of the Company, who shall hold office for a period of five consecutive years from the date of this Annual General Meeting and whose office shall not, henceforth, be liable to retire by rotation.

RESOLVED FURTHER THAT to give effect to this resolution, the Board of Directors of the Company be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

5. **Re-appointment of Mr. Raj Kumar Modi as Managing Director of the Company for a period of 5 years w.e.f. 31st October, 2020 till 30th October, 2025**

To consider and if thought fit, to pass with or without modification(s), the following resolutions as **Special Resolutions**:

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions if any, read with Schedule V of the Companies Act, 2013 ('Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and 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) and any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard, the approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Raj Kumar Modi (DIN 01274171), as Managing Director of the Company for a period of 5 (five) years with effect from 31st October, 2020 till 30th October, 2025 on the terms and conditions as mentioned below:

1. Term of Appointment:

With effect from 31st October, 2020 till 30th October, 2025

2. Remuneration:

- I **Salary:** Rs. 2,00,000/- per month with increments as may be decided by the Board of Directors from time to time.
- II **Perquisites and allowances :** In addition to the salary, Mr. Raj Kumar Modi shall also be entitled to the perquisites and allowances like house rent allowance, rent free furnished accommodation, house maintenance allowance, gas, electricity, water and furnishing at residence, conveyance allowance, transport allowance, medical reimbursement, leave travel allowance, special allowance, use of company car for official purposes, telephone at residence, contribution to provident fund, superannuation fund, payment of gratuity, leave encashment at the end of tenure and such other perquisites and allowances in accordance with the rules of the Company not exceeding Rs. 3,00,000/- per month (Rupees Three Lacs Only). The nature and break up of the perquisites and allowances will be determined in accordance with schemes/policies/rules of the Company or may be decided by the Board of Directors from time to time.
- III **Commission:** In addition to the salary, perquisites and allowances payable, a commission upto 5%, as may be decided by the Board of Directors at the end of each financial year calculated with reference to the net profits of the Company, subject to the overall ceiling stipulated in Sections 197, 198 read with Schedule V of the Companies Act, 2013 (including any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard) shall also be payable.

3. Minimum Remuneration:

Notwithstanding anything herein above stated, where in any financial year, during the tenure of Mr. Raj Kumar Modi as Managing Director of the Company, the Company incurs a loss or its profits are inadequate, the Company shall pay to him the aforesaid remuneration as minimum remuneration subject to necessary compliance of the provisions of the Act and Schedule V.

4. Other Terms and Conditions:

- a. As long as Mr. Raj Kumar Modi functions as Managing Director of the Company, no sitting fees will be paid to him for attending the meetings of the Board of Directors or Committee thereof.
- b. Mr. Raj Kumar Modi shall be entitled to the reimbursement of expenses actually and properly incurred by him, in the course of legitimate business of the Company and traveling, hotel and other expenses incurred by him in India and abroad, exclusively on the business of the Company.
- c. The Office shall be liable to termination with 3 months' notice from either side.

RESOLVED FURTHER THAT the office of Managing Director shall be liable to retire by rotation pursuant to Section 152(6) of Companies Act, 2013 and Rules made thereunder and any subsequent amendment(s) and/or modification(s) in the Act, Rules and/or applicable laws in this regard and Article 141 of the Articles of Association of the Company.

RESOLVED FURTHER THAT Mr. Raj Kumar Modi, Managing Director of the Company be and is hereby authorised, empowered and vested with the substantial powers of the Management of the Company for carrying out the affairs and activities of the Company subject to the superintendence, control and direction of the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorized to alter and vary the terms and conditions of appointment and /or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Companies Act, 2013 (including any Statutory modifications or-re-enactment(s) thereof, for the time being in force)."

By Order of the Board
For PMC FINCORP LIMITED

(CHETNA SAJWAN)
Company Secretary
Membership No. 60209

Place : New Delhi
Date : 26.08.2020

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM and Annual Report 2019-20 has been uploaded on the website of the Company at www.pmcfinance.in. The Notice and Annual Report 2019-20 can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from **18th September, 2020 to 25th September, 2020**.
9. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Indus Portfolio Private Limited for assistance in this regard.
10. Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the company in case the shares are held by them in physical form.

11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Company in case the shares are held by them in physical form.
12. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Company in case the shares are held in physical form.
13. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
15. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
16. **Voting through electronic means**
 1. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and clause 35B of Listing Agreement and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on the resolutions proposed to be passed in the 35th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

"Remote e-voting" means the facility of casting votes by a member using an electronic system from a place other than the venue of the General Meeting.
 2. The remote e-voting period commences on **Tuesday, September 22, 2020 (9:00 am) till Thursday, September 24, 2020 (5:00 pm)** IST. During this period, Members holding shares either in physical form or in dematerialized form, as on **Friday, September 18, 2020** i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
 3. The Board of Directors has appointed **Mr. Nakul Pratap Singh (Membership No. ACS 55529) of M/s NPS Associates (FRN : S2019HR680800)**, Practicing Company Secretaries as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
 4. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
 5. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
 6. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in . However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below :
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

- b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to lkpcorporate@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to prtimercantile@gmail.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to prtimercantile@gmail.com.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at prtimercantile@gmail.com.
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at prtimercantile@gmail.com. The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

EXPLANATORY STATEMENT

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

As required by Section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 4 and 5 of the accompanying Notice:

ITEM NO: 4

Mr. Yogesh Kumar Garg (DIN:02144584) was appointed by the Board of Directors as a Non-Executive Independent Director on the Board w.e.f. July 28, 2020.

Mr. Yogesh Kumar Garg is a Fellow Company Secretary (FCS) and Fellow Cost and Management accountant (FCMA). He is handling secretarial compliances under Companies Act and various other laws. Experience of more than 28 years in the field of accounts, taxation, secretarial compliances under companies act and various other laws.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Yogesh Kumar Garg shall hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice from a member signifying the intention to propose his appointment as a Director of the Company. Since the appointment of Mr. Yogesh Kumar Garg is recommended by the Nomination and Remuneration Committee and the Board, the requirement of deposit fee is not applicable.

Details of Mr. Yogesh Kumar Garg are provided in the “**Annexure - 1**” to this Notice pursuant to the provisions of (i) the SEBI (LODR) Regulations, 2015 and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. Yogesh Kumar Garg are in any way concerned or interested financially or otherwise in the proposed resolution as set out in the Notice.

The Board recommends the Ordinary Resolution set out in Item No. 4 of this Notice for the approval of the Members.

ITEM NO: 5

Re-appointment of Mr. Raj Kumar Modi as Managing Director of the Company w.e.f. 31st October, 2020 till 30th October, 2025:

Mr. Raj Kumar Modi, aged 53 years, a dynamic entrepreneur, is a Commerce graduate with a vast managerial experience of over 25 years. He joined the Company as Director w.e.f. 27th January, 2003. He is one of the promoters and main contributory to the growth and development of PMC Fincorp Limited (“the Company”), having net worth of more than Rs. 69.94 crores with a turnover of Rs. 9.77 crores (financial year 2019-20). Over a decade's performance, the Company continues to be the most profitable Company, with a net profit of Rs. 1.44 crores. He is a perfect executionist of the mission and vision of the Company. He is member of Stakeholders Relationship Committee of the Company. He is related with Mrs. Rekha Modi, Director of the Company.

As per the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 26th August, 2020, subject to approval of Members at this Annual General Meeting and considering the increased activities, responsibilities and contribution of Mr. Raj Kumar Modi in development and growth of the Company, consent of the Members was sought for the re-appointment of Mr. Raj Kumar Modi as a Managing Director of the Company for further period of 5 years w.e.f. 31st October, 2020 till 30th October, 2025, on the terms and conditions as set out in this item of the Notice.

Mr. Raj Kumar Modi is not disqualified from being re-appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Managing Director of the Company. Mr. Raj Kumar Modi satisfies all the conditions as set out in Section 196(3) of the Act and Part-I of Schedule V to the Act, for being eligible for his appointment and also confirms that he is not debarred from appointment by any order of SEBI or any other authority

In so far as the remuneration of Mr. Raj Kumar Modi as Managing Director is concerned, the same is specified in the resolution itself, which is put for the approval of members.

It is proposed to seek the Members approval for the re-appointment of and remuneration payable to Mr. Raj Kumar Modi as Managing Director, in terms of the applicable provisions of the Act and the relevant Rules made thereunder. None of the Directors or Key Managerial Personnel or the relatives except Mr. Raj Kumar Modi and his relatives (to the extent of their shareholding in the Company, if any) are concerned or interested, financially or otherwise, in this resolution.

The Board commends the Special Resolution set out at Item No.5 for the approval of Members.

This Explanatory Statement may also be considered as the requisite abstract under Section 190 of the Companies Act, 2013 setting out the terms and conditions of appointment of Mr. Raj Kumar Modi as the Managing Director of the Company.

Necessary disclosures in accordance with the applicable Secretarial Standards and Securities and Exchange Board of India ("SEBI") (Listing Obligation and Disclosure Requirements) Regulations, 2015 forms part of this notice.

DISCLOSURE PURSUANT TO REGULATION 36(3) OF LISTING REGULATIONS AND IN TERMS OF SECRETARIAL STANDARDS ON GENERAL MEETING (SS-II) ISSUED BY THE INSTITUTE OF COMPANIES SECRETARIES OF INDIA, BRIEF PARTICULARS OF THE DIRECTOR TO BE APPOINTED/ RE-APPOINTED ARE AS UNDER:

Name of Director	Mr. Raj Kumar Modi
Date of Birth (Age)	13-11-1967
Nationality	Indian
Date of first Appointment on Board of Company	27-01-2003
Qualifications	B.Com
Experience/Expertise in Specific functional Area	Rich & vast experience of over 24 years in Financial Market
Directorship held in other Companies	1. RRP Management Services Pvt. Ltd. 2. Prabhat Management Services Pvt. Ltd. 3. Dinkar Commercials Pvt. Ltd. 4. Amarendra Financial Pvt. Ltd. 5. Anekmurti Enterprises Limited 6. Anantjit Dealers Limited
Chairperson / Member of the Committee of the Board of Directors of the Company	Stakeholders' Relationship Committee
Membership/ Chairmanship of Committee of other Companies	None
Number of Board/Committee Meetings attended during the year	3
Number of Shares Held either directly or for beneficial basis for any other person	16,20,000 equity shares of Rs. 1/- each
Terms & Conditions of Appointment/ Reappointment	As referred in subjected resolution and explanatory statement
Remuneration last drawn	Rs. 2,00,000/- per month
Relationship with other Directors, Manager and KMPs of the company	He is Husband of Mrs. Rekha Modi, Director of the Company.

Annexure - 1

Name of the Director alongwith DIN	Mr. Raj Kumar Modi (DIN: 01274171)	Mrs. Rekha Modi (DIN: 01274200)	Mr. Mahavir Prasad Garg (DIN: 00081692)	Mr. Yogesh Kumar Garg (DIN: 02144584)
Date of Birth	13/11/1967	07/02/1970	10/03/1967	04/02/1967
Relationship with other Directors inter-se	Husband of Mrs. Rekha Modi	Wife of Mr. Raj Kumar Modi	None	None
Date of Appointment	27/01/2003	17/12/2009	14/02/2019	28/07/2020
Expertise in specific functional areas	Rich & vast experience of over 25 years in Financial Market	Experience in Capital Market, Company Law & Finance	Expertise in Company Secretarial which consists of compliances under Companies Act and various other laws	Experience of more than 28 years in the field of accounts, taxation, secretarial compliances under companies act and various other laws.
Qualification	B. Com.	Bsc., LLB	B. Com., LLB, FCS	B. Com., LLB., FCS, FCMA, CA(inter)
No. of Equity Shares held in the Company	1620000	8640000	16200	NIL
Number of Directorships held in Public Limited Companies	2	2	1	NIL
List of Committees of the Board of Directors (across all companies) in which Chairmanship / Membership	1	3	2	2

Note:

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



**35th
Annual Report
2019-20**

PMC Fincorp Limited

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35th ANNUAL GENERAL MEETING	
DATE	25th September, 2020
DAY	Friday
TIME	11:00 A.M.
MODE	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")



CORPORATE INFORMATION

<p><u>BOARD OF DIRECTORS</u></p> <p>Mr. Raj Kumar Modi DIN : 01274171 Managing Director Mrs. Rekha Modi DIN : 01274200 Director Mr. Pramod Gupta DIN : 03174350 Director (Resigned w.e.f. 28.07.2020) Mr. Mahavir Prasad Garg DIN : 00081692 Director Mr. Yogesh Kumar Garg DIN : 02144584 Director (Appointed w.e.f. 28.07.2020)</p>	
<p><u>STATUTORY AUDITORS</u> M/s Sunil K. Gupta & Associates Chartered Accountants, Firm Registration No.002154N 4232/1 Ansari Road, Darya Ganj New Delhi - 110002</p>	<p>CIN L27109UP1985PLC006998 Date of Incorporation 6998 of 1985 Incorporation dated 04.02.1985 Commencement of Business 6998 of 1985 dated 15.04.1985 PAN AADCP1611J</p>
<p><u>INTERNAL AUDITORS</u> M/s. KPSP & Associates (Formerly Known as Krishan K Aggarwal & Associates) Chartered Accountants, Firm Registration No.019471N 107, Padma Tower - 1, Rajendra Place, New Delhi</p>	<p><u>SECRETARIAL AUDITORS</u> M/s Ashu Gupta & Co., Company Secretaries FCS No.:4123, CP No.: 6646 204A, Second Floor, S.B.I. Building, 23, Opp. DLF Tower, Shivaji Marg, New Delhi-110015</p>
<p><u>BANKERS</u> HDFC Bank Ltd. Kotak Mahindra Bank Ltd.</p>	<p><u>REGISTRAR & TRANSFER AGENT</u> Indus Portfolio Pvt. Ltd. G-65, Bali Nagar, New Delhi - 110 015 Phone : 011-47671214, 47671211 E-mail : pk.mittal@indusinvest.com</p>
<p><u>REGISTERED OFFICE</u> B-10, VIP Colony, Civil Lines, Rampur - 244901 (U.P.)</p>	<p><u>CORPORATE OFFICE</u> 14/5, Old Rajender Nagar, New Delhi - 110 060.</p>
<p><u>COMPANY SECRETARY</u> Ms. Chetna Sajwan</p>	<p><u>CHIEF FINANCIAL OFFICER</u> Mr. Chandresh Kumar Sharma</p>
<p>CONTACT DETAILS</p> <p>Tel : 011 - 42436846 Email : prtimercantile@gmail.com Website : www.pmcfinance.in</p>	

IMPORTANT COMMUNICATION TO THE MEMBERS

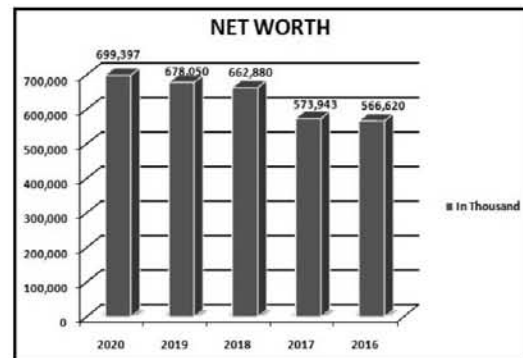
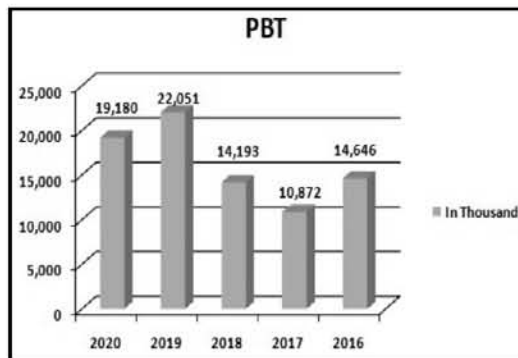
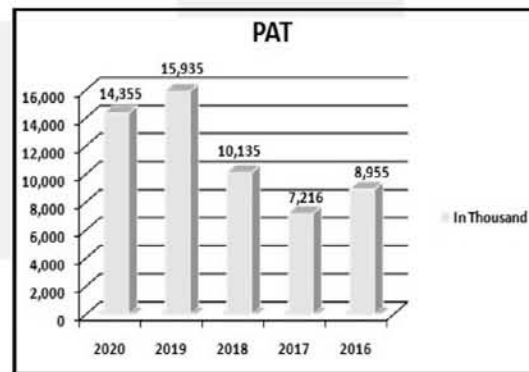
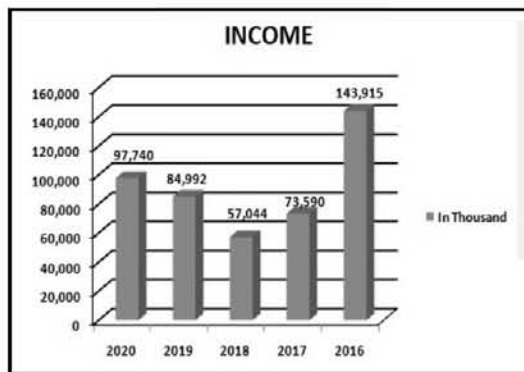
The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of Notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative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



LAST FIVE YEARS AT A GLANCE

(₹ in Thousand)

Sl. No.	Particulars/Financial Year	2019-20	2018-19	2017-18	2016-17	2015-16
1	Sales/Income from operation	97740	84992	57044	73590	143915
2	PBT	19180	22051	14193	10872	14646
3	Tax/Deferred Tax	4825	6115	4058	3656	5691
4	PAT	14355	15935	10135	7216	8955
5	Total Comprehensive Income	20410	—	—	—	—
5	Dividend	—	—	—	—	—
6	Equity Capital	509061	509061	509061	486561	486561
7	Reserve & Surplus	190336	169790	153819	87382	80059
8	Net Worth	699397	678851	662880	573943	566620
9	Book Value (₹1/- per share)	1.37	1.33	1.30	1.18	1.16
10	EPS (₹1/- per share)	0.04	0.03	0.02	0.01	0.02





NOTICE

Notice is hereby given that the 35th Annual General Meeting of the Members of **PMC FINCORP LIMITED** will be held on **Friday, the 25th day of September, 2020 at 11.00 A.M.** IST through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2020 and the Statement of Profit & Loss for the year ended on that date, together with the Auditors' and the Directors' Reports thereon.
2. To appoint a director in place of Mrs. Rekha Modi (DIN: 01274200), Director of Company who retires by rotation and being eligible offers herself for re-appointment.
3. To ratify the appointment of M/s Sunil K. Gupta & Associates, Chartered Accountants (Firm Registration No. 002154N), as the Statutory Auditors of the Company to hold office from the conclusion of the 35th Annual General Meeting until the conclusion of the 36th Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

4. **Appointment of Mr. Yogesh Kumar Garg (DIN:02144584) as Non-Executive Independent Director**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 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) read with Schedule IV of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded to the appointment of Mr. Yogesh Kumar Garg (DIN:02144584), who was appointed by the Board of Directors as an Additional Non-Executive Independent Director of the Company with effect from July 28, 2020 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the Company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of Independence as provided in section 149(6) of the Act and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as Non-Executive Independent Director of the Company, who shall hold office for a period of five consecutive years from the date of this Annual General Meeting and whose office shall not, henceforth, be liable to retire by rotation.

RESOLVED FURTHER THAT to give effect to this resolution, the Board of Directors of the Company be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

5. **Re-appointment of Mr. Raj Kumar Modi as Managing Director of the Company for a period of 5 years w.e.f. 31st October, 2020 till 30th October, 2025**

To consider and if thought fit, to pass with or without modification(s), the following resolutions as **Special Resolutions**:

"**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions if any, read with Schedule V of the Companies Act, 2013 ('Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and 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) and any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard, the approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Raj Kumar Modi (DIN 01274171), as Managing Director of the Company for a period of 5 (five) years with effect from 31st October, 2020 till 30th October, 2025 on the terms and conditions as mentioned below:



1. Term of Appointment:

With effect from 31st October, 2020 till 30th October, 2025

2. Remuneration:

- I **Salary:** Rs. 2,00,000/- per month with increments as may be decided by the Board of Directors from time to time.
- II **Perquisites and allowances :** In addition to the salary, Mr. Raj Kumar Modi shall also be entitled to the perquisites and allowances like house rental allowance, rent free furnished accommodation, house maintenance allowance, gas, electricity, water and furnishing at residence, conveyance allowance, transport allowance, medical reimbursement, leave travel allowance, special allowance, use of company car for official purposes, telephone at residence, contribution to provident fund, superannuation fund, payment of gratuity, leave encashment at the end of tenure and such other perquisites and allowances in accordance with the rules of the Company not exceeding Rs. 3,00,000/- per month (Rupees Three Lacs Only). The nature and break up of the perquisites and allowances will be determined in accordance with schemes/policies/rules of the Company or may be decided by the Board of Directors from time to time.
- III **Commission:** In addition to the salary, perquisites and allowances payable, a commission upto 5%, as may be decided by the Board of Directors at the end of each financial year calculated with reference to the net profits of the Company, subject to the overall ceiling stipulated in Sections 197, 198 read with Schedule V of the Companies Act, 2013 (including any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard) shall also be payable.

3. Minimum Remuneration:

Notwithstanding anything herein above stated, where in any financial year, during the tenure of Mr. Raj Kumar Modi as Managing Director of the Company, the Company incurs a loss or its profits are inadequate, the Company shall pay to him the aforesaid remuneration as minimum remuneration subject to necessary compliance of the provisions of the Act and Schedule V.

4. Other Terms and Conditions:

- a. As long as Mr. Raj Kumar Modi functions as Managing Director of the Company, no sitting fees will be paid to him for attending the meetings of the Board of Directors or Committee thereof.
- b. Mr. Raj Kumar Modi shall be entitled to the reimbursement of expenses actually and properly incurred by him, in the course of legitimate business of the Company and traveling, hotel and other expenses incurred by him in India and abroad, exclusively on the business of the Company.
- c. The Office shall be liable to termination with 3 months' notice from either side.

RESOLVED FURTHER THAT the office of Managing Director shall be liable to retire by rotation pursuant to Section 152(6) of Companies Act, 2013 and Rules made thereunder and any subsequent amendment(s) and/or modification(s) in the Act, Rules and/or applicable laws in this regard and Article 141 of the Articles of Association of the Company.

RESOLVED FURTHER THAT Mr. Raj Kumar Modi, Managing Director of the Company be and is hereby authorised, empowered and vested with the substantial powers of the Management of the Company for carrying out the affairs and activities of the Company subject to the superintendence, control and direction of the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorized to alter and vary the terms and conditions of appointment and /or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Companies Act, 2013 (including any Statutory modifications or re-enactment(s) thereof, for the time being in force)."

By Order of the Board
For PMC FINCORP LIMITED

(CHETNA SAJWAN)
Company Secretary
Membership No. 60209

Place : New Delhi
Date : 26.08.2020

**NOTES:**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM and Annual Report 2019-20 has been uploaded on the website of the Company at www.pmcfinance.in. The Notice and Annual Report 2019-20 can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from **18th September, 2020 to 25th September, 2020**.
9. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Indus Portfolio Private Limited for assistance in this regard.
10. Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the company in case the shares are held by them in physical form.



11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Company in case the shares are held by them in physical form.
12. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Company in case the shares are held in physical form.
13. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
15. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
16. **Voting through electronic means**
 1. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and clause 35B of Listing Agreement and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on the resolutions proposed to be passed in the 35th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

"Remote e-voting" means the facility of casting votes by a member using an electronic system from a place other than the venue of the General Meeting.
 2. The remote e-voting period commences on **Tuesday, September 22, 2020 (9:00 am) till Thursday, September 24, 2020 (5:00 pm)** IST. During this period, Members holding shares either in physical form or in dematerialized form, as on **Friday, September 18, 2020** i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
 3. The Board of Directors has appointed **Mr. Nakul Pratap Singh (Membership No. ACS 55529) of M/s NPS Associates (FRN : S2019HR680800)**, Practicing Company Secretaries as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
 4. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
 5. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
 6. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in . However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.



How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical		Your User ID is:
a)	For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b)	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c)	For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below :
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.



- b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to lkpcorporate@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to prtimercantile@gmail.com.



2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to prtimercantile@gmail.com.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at prtimercantile@gmail.com.
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at prtimercantile@gmail.com. The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.



EXPLANATORY STATEMENT

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

As required by Section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 4 and 5 of the accompanying Notice:

ITEM NO: 4

Mr. Yogesh Kumar Garg (DIN:02144584) was appointed by the Board of Directors as an Non-Executive Independent Director on the Board w.e.f. July 28, 2020.

Mr. Yogesh Kumar Garg is a Fellow Company Secretary (FCS) and Fellow Cost and Management accountant (FCMA). He is handling secretarial compliances under Companies Act and various other laws. Experience of more than 28 years in the field of accounts, taxation, secretarial compliances under companies act and various other laws.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Yogesh Kumar Garg shall hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice from a member signifying the intention to propose his appointment as a Director of the Company. Since the appointment of Mr. Yogesh Kumar Garg is recommended by the Nomination and Remuneration Committee and the Board, the requirement of deposit fee is not applicable.

Details of Mr. Yogesh Kumar Garg are provided in the “**Annexure - 1**” to this Notice pursuant to the provisions of (i) the SEBI (LODR) Regulations, 2015 and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. Yogesh Kumar Garg are in any way concerned or interested financially or otherwise in the proposed resolution as set out in the Notice.

The Board recommends the Ordinary Resolution set out in Item No. 4 of this Notice for the approval of the Members.

ITEM NO: 5

Re-appointment of Mr. Raj Kumar Modi as Managing Director of the Company w.e.f. 31st October, 2020 till 30th October, 2025:

Mr. Raj Kumar Modi, aged 53 years, a dynamic entrepreneur, is a Commerce graduate with a vast managerial experience of over 25 years. He joined the Company as Director w.e.f. 27th January, 2003. He is one of the promoters and main contributory to the growth and development of PMC Fincorp Limited (“the Company”), having net worth of more than Rs. 69.94 crores with a turnover of Rs. 9.77 crores (financial year 2019-20). Over a decade's performance, the Company continues to be the most profitable Company, with a net profit of Rs. 1.44 crores. He is a perfect executionist of the mission and vision of the Company. He is member of Stakeholders Relationship Committee of the Company. He is related with Mrs. Rekha Modi, Director of the Company.

As per the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 26th August, 2020, subject to approval of Members at this Annual General Meeting and considering the increased activities, responsibilities and contribution of Mr. Raj Kumar Modi in development and growth of the Company, consent of the Members was sought for the re-appointment of Mr. Raj Kumar Modi as a Managing Director of the Company for further period of 5 years w.e.f. 31st October, 2020 till 30th October, 2025, on the terms and conditions as set out in this item of the Notice.

Mr. Raj Kumar Modi is not disqualified from being re-appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Managing Director of the Company. Mr. Raj Kumar Modi satisfies all the conditions as set out in Section 196(3) of the Act and Part-I of Schedule V to the Act, for being eligible for his appointment and also confirms that he is not debarred from appointment by any order of SEBI or any other authority

In so far as the remuneration of Mr. Raj Kumar Modi as Managing Director is concerned, the same is specified in the resolution itself, which is put for the approval of members.



It is proposed to seek the Members approval for the re-appointment of and remuneration payable to Mr. Raj Kumar Modi as Managing Director, in terms of the applicable provisions of the Act and the relevant Rules made thereunder.

None of the Directors or Key Managerial Personnel or the relatives except Mr. Raj Kumar Modi and his relatives (to the extent of their shareholding in the Company, if any) are concerned or interested, financially or otherwise, in this resolution.

The Board commends the Special Resolution set out at Item No.5 for the approval of Members.

This Explanatory Statement may also be considered as the requisite abstract under Section 190 of the Companies Act, 2013 setting out the terms and conditions of appointment of Mr. Raj Kumar Modi as the Managing Director of the Company.

Necessary disclosures in accordance with the applicable Secretarial Standards and Securities and Exchange Board of India ("SEBI") (Listing Obligation and Disclosure Requirements) Regulations, 2015 forms part of this notice.

DISCLOSURE PURSUANT TO REGULATION 36(3) OF LISTING REGULATIONS AND IN TERMS OF SECRETARIAL STANDARDS ON GENERAL MEETING (SS-II) ISSUED BY THE INSTITUTE OF COMPANIES SECRETARIES OF INDIA, BRIEF PARTICULARS OF THE DIRECTOR TO BE APPOINTED/ RE-APPOINTED ARE AS UNDER:

Name of Director	Mr. Raj Kumar Modi
Date of Birth (Age)	13-11-1967
Nationality	Indian
Date of first Appointment on Board of Company	27-01-2003
Qualifications	B.Com
Experience/Expertise in Specific functional Area	Rich & vast experience of over 25 years in Financial Market
Directorship held in other Companies	1. RRP Management Services Pvt. Ltd. 2. Prabhat Management Services Pvt. Ltd. 3. Dinkar Commercials Pvt. Ltd. 4. Amarendra Financial Pvt. Ltd. 5. Anekmurti Enterprises Limited 6. Anantjit Dealers Limited
Chairperson / Member of the Committee of the Board of Directors of the Company	Stakeholders' Relationship Committee
Membership/ Chairmanship of Committee of other Companies	None
Number of Board/Committee Meetings attended during the year	3
Number of Shares Held either directly or for beneficial basis for any other person	16,20,000 equity shares of Rs. 1/- each
Terms & Conditions of Appointment/ Reappointment	As referred in subjected resolution and explanatory statement
Remuneration last drawn	Rs. 2,00,000/- per month
Relationship with other Directors, Manager and KMPs of the company	He is Husband of Mrs. Rekha Modi, Director of the Company.



Annexure - 1

Name of the Director alongwith DIN	Mr. Raj Kumar Modi (DIN: 01274171)	Mrs. Rekha Modi (DIN: 01274200)	Mr. Mahavir Prasad Garg (DIN: 00081692)	Mr. Yogesh Kumar Garg (DIN: 02144584)
Date of Birth	13/11/1967	07/02/1970	10/03/1967	04/02/1967
Relationship with other Directors inter-se	Husband of Mrs. Rekha Modi	Wife of Mr. Raj Kumar Modi	None	None
Date of Appointment	27/01/2003	17/12/2009	14/02/2019	28/07/2020
Expertise in specific functional areas	Rich & vast experience of over 25 years in Financial Market	Experience in Capital Market, Company Law & Finance	Expertise in Company Secretarial which consists of compliances under Companies Act and various other laws	Experience of more than 28 years in the field of accounts, taxation, secretarial compliances under companies act and various other laws.
Qualification	B. Com.	Bsc., LLB	B. Com., LLB, FCS	B. Com., LLB., FCS, FCMA, CA(inter)
No. of Equity Shares held in the Company	1620000	8640000	16200	NIL
Number of Directorships held in Public Limited Companies	2	2	1	NIL
List of Committees of the Board of Directors (across all companies) in which Chairmanship / Membership	1	3	2	2

Note:

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



DIRECTORS' REPORT

To,
The Shareholders,
PMC FINCORP LIMITED

Your directors have pleasure in presenting the 35th Annual Report together with the Audited Accounts of the company for the year ended 31 March, 2020.

FINANCIAL SUMMARY/HIGHLIGHTS

The Company's financial performance for the year under review along with previous year's figures are given hereunder:
Particulars for the Year ended 31st March, 2020. **(Amount in Lacs)**

PARTICULARS	Year ended 31.03.2020	Year ended 31.03.2019
Gross Income	977.40	849.93
Net Profit Before Tax	191.80	220.52
Provision for Tax	48.23	61.15
Net Profit After Tax	143.55	159.37
Other Comprehensive Income for the year	60.55	—
Total Comprehensive Income	204.10	—

Your Company has earned Income from operation and profit before tax aggregated to ₹ 977.40 Lacs and ₹ 191.80 Lacs during the current year, respectively as compared to Income ₹ 849.93 Lacs and Profit ₹ 220.52 Lacs during the previous year.

CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of company.

DIVIDEND

Your Director's do not recommend any dividend for the financial year ended on 31st March, 2020.

SHARE CAPITAL

The paid up equity share capital as on March 31, 2020 is Rs. 50,90,61,200. There was no public issue, rights issue, bonus issue or preferential issue during the year. The company has not issued shares with differential voting rights, sweat equity shares not it has granted any stock options.

LISTING INFORMATION

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

LISTING AGREEMENT

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

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

Conservation of energy and technology absorption

The company has no activity relating to consumption of energy or technology absorption.



Foreign Exchange

The Company does not have any foreign exchange earnings.

RISK MANAGEMENT FRAMEWORK

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

GLOBAL HEALTH PANDEMIC FROM COVID-19

The World Health Organization declared a global pandemic of the Novel Coronavirus disease (COVID-19) on February 11, 2020. In enforcing social distancing to contain the spread of the disease, our offices and client offices all over the world have been operating with minimal or no staff for extended periods of time. In keeping with its employee-safetyfirst approach, the Company quickly instituted measures to trace all employees and be assured of their well-being. Our teams reacted with speed and efficiency, and quickly leveraged technology to shift the workforce to an entirely new 'work-from-home' model. Proactive preparations were done in our work locations during this transition to ensure our offices are safe.

DISCLOSURES

Committees of the Board

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

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

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

VIGIL MECHANISM & WHISTLE BLOWER POLICY

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

POLICIES

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

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

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

NBFC REGISTRATION

The company has been registered with Reserve Bank of India as Non Banking Finance Company vide Registration No. 12.00128 Dated 1st April 1998. Your Company is categorized as a Non-deposit taking Non-Banking Financial Company. The Company has not accepted any deposit from the public during the year pursuant to the provisions of Section 73 of Companies Act, 2013.

COMPLIANCE WITH RBI GUIDELINES

The Company is registered with the Reserve Bank of India as a NBFC within the provisions of the NBFC (Reserve Bank of India) Directions, 1998. The Company continues to comply with all the requirements prescribed by the Reserve Bank of India as applicable to it.



TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013, some amount is due for transfer to investor education and protection fund. Transfer of funds is in under process.

NON-BANKING FINANCIAL COMPANIES AUDITORS REPORT (RBI) DIRECTIONS, 2016

Pursuant to the Non-Banking Financial Companies' Auditor's Report (Reserve Bank) directions, 2016, a report from the Statutory Auditors to the board of directors has been received by your company. This report has certified that the company has complied with all the directions and prudential norms as prescribed under the RBI Act, 1934.

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

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this Report.

TRANSFER TO RESERVES

Our Company has in accordance with the provisions of Section 45-IC of the Reserve Bank of India (RBI) Act, 1934, created a Reserve Fund and during the year under review the Company has transferred an amount of Rs. 28.71 Lacs (Rupees Twenty Eight Lakh Seventy One Thousand Only) out of the profits of the year to the said Reserve Fund.

DEMATERILISATION OF SHARES

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

REMUNERATION TO MANAGING / WHOLE-TIME / EXECUTIVE / MANAGING DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL:

The Remuneration/ Compensation/ Commission etc. to be paid to Director / Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

REMUNERATION AND PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employee's particulars which is available for inspection by the members at the Corporate Office of the Company during business hours on working days of the Company up to the date of ensuing AGM. Any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

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

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

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



PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

RELATED PARTY TRANSACTIONS

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

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

SECRETARIAL STANDARDS OF ICSI

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

STATUTORY AUDITORS

Sunil K. Gupta & Associates, Chartered Accountants, who are the Statutory Auditors of the Company, hold office, in accordance with the provisions of the Act, for a period of five years from the conclusion of the 32nd Annual General Meeting (AGM) until the conclusion of the 37th AGM. In accordance with Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014, the appointment of Statutory Auditors needs to be ratified by the members at every AGM. The Company has received a confirmation from Sunil K. Gupta & Associates that their appointment, if ratified, at the 35th AGM will be in accordance with Sections 139 and 141 of the Act and rules made thereunder. Accordingly, the Members are requested to ratify the appointment of the Statutory Auditors at the 35th AGM.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204(1) of the Companies Act 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the company has appointed M/s Ashu Gupta & Co., Company Secretaries as Secretarial Auditors of the Company, to undertake the secretarial audit of the Company for the FY 2019-20. The Secretarial Audit report MR-3 submitted by Company Secretary in Practice is enclosed as part of this report **Annexure-II**.

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

- a. *As per requirement of Regulation 47 (1) (b) & 47(3) of SEBI (LODR), Regulations 2015 The listed entity shall publish financial results as specified in Regulation 33, within 48 hours of conclusion of the meeting of board of directors at which the financial results were approved, However Financial Results for the quarter ended 30 June 2019 was approved in Board meeting held on 14-09-2019 but published in newspaper on 17-09-2019.*
- b. *Board of Directors in their meeting held on 26/10/2019 approved appointment of Mr. Yogesh Kumar Garg as Company Secretary of the Company w.e.f. 28/10/2019 but as per management representation inadvertently due to clerical error date of appointment in Form DIR-12 was mentioned as 26/10/2019.*

INTERNAL AUDITORS

M/s. KPSP & Associates, Chartered Accountants (FRN: 019471N), who has been appointed as Internal Auditors of the Company during last financial year for a period of three years is continuing as internal auditors. Their reports are being reviewed by the Audit Committee from time to time.



INTERNAL FINANCIAL CONTROLS

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

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

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

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

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Board of Directors duly met 7 times during the financial year from 1st April, 2019 to 31st March, 2020.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations And Disclosure Requirements) Regulations 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration, Stakeholders' Relationship Committee and Risk Management Committees.

DIRECTORS

The Board of your Company consists of the following Directors:

Category	Name of Directors
Executive Director	Mr. Raj Kumar Modi, Managing Director
Non - Executive - Non - Independent Directors	Mrs. Rekha Modi
Non - Executive Independent Directors	Mr. Pramod Gupta*
	Mr. Mahavir Prasad Garg
	Mr. Yogesh Kumar Garg**

* Resigned with effect from July 28, 2020.

** Appointed as Additional Independent Director with effect from July 28, 2020.

The composition of the Board is in line with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015. All the Directors are having vast knowledge and experience in their relevant fields and the Company had benefitted immensely by their presence in the Board. The key Board qualifications, expertise, attributes are given in details in the Report on Corporate Governance forming part of this Report.

The Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on 26th August, 2020 have recommended and approved the re-appointment of Mr. Raj Kumar Modi (DIN: 01274171) as Managing Director of the Company for a period of 5 years w.e.f. 31st October, 2020 in terms of the provisions of the Companies Act, 2013, subject to approval of Members at this ensuing Annual General Meeting of the Company and all other statutory approvals.



According to the Companies Act, 2013, at least two-thirds of the total number of directors (excluding independent directors) shall be liable to retire by rotation. Mrs. Rekha Modi, Director (DIN: 01274200) retires at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment. The Board of Directors recommends the re-appointment of Mrs. Rekha Modi as Director of the Company.

a) **Changes in Directors and Key Managerial Personnel (KMP) during the FY 2019 - 2020**

During the FY 2019 - 2020, Mr. Yogesh Kumar Garg (DIN: 02144584) has been appointed as the Additional Independent Director on the Board with effect from July 28, 2020. The Board of your Company recommends the regularization of appointment of Mr. Yogesh Kumar Garg in the ensuing AGM for a period of five years. Mr. Chandresh Kumar Sharma has been appointed as the "Chief Financial Officer" of the Company w.e.f. August 09, 2019. And appointment of Ms. Chetna Sejwan (ACS-60209) as Company Secretary/Compliance Officer of the Company w.e.f. 12th November, 2019.

b) **Declaration by Independent Directors**

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

DIRECTORS RESPONSIBILITY STATEMENT

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

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

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

DEPOSITS

The Company has neither accepted nor renewed any deposits from the public or its employees under Section 73 of Companies Act, 2013 and rules made thereunder during the year under review.

CORPORATE SOCIAL RESPONSIBILITY

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

ANNUAL RETURN

Pursuant to the requirements under Section 92(3) and Section 134(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in prescribed Form MGT - 9 is appended as **Annexure III** to this Report.



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

CORPORATE GOVERNANCE

A report on corporate governance as per the Listing Regulations is attached and forms part of this report. The report also contains the details as required to be provided on the composition and category of directors, number of meetings of the board, composition of the various committees including the audit committee, nomination and remuneration committee, stakeholders relationship committee and corporate social responsibility committee, annual board evaluation, remuneration policy, criteria for board nomination and senior management appointment, whistle blower policy/vigil mechanism, disclosure of relationships between directors inter-se, state of company’s affairs, etc. The managing director and the chief financial officer have submitted a certificate to the board regarding the financial statements and other matters as required under regulation 17(8) of the Listing Regulations.

SHARES

a. BUY BACK OF SECURITIES

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

b. SWEAT EQUITY

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

c. BONUS SHARES

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

d. EMPLOYEES STOCK OPTION PLAN

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

ACKNOWLEDGEMENTS

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

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

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : New Delhi

Date : 26.08.2020

(REKHA MODI)

(Director)

DIN : 01274200

(RAJ KUMAR MODI)

(Managing Director)

DIN : 01274171



Annexure - I
FORM NO. AOC -2

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

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

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

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

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

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



Annexure - II To Directors Reports
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has during the audit period covering the Financial year ended on 31st March, 2020 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**Not Applicable during the Audit Period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable during the Audit Period**);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable during the Audit Period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not Applicable during the Audit Period**).



- (vi) We have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for compliances under the following applicable Act, Laws & Regulations to the Company:
- (a) Reserve Bank of India Act, 1934 and Rules, Regulations and Guidelines issued by the Reserve Bank of India
 - (b) Indian Stamp Act, 1899;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Listing Agreement entered into by the Company with Bombay Stock Exchange.

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

- a. *As per requirement of Regulation 47 (1) (b) & 47(3) of SEBI (LODR), Regulations 2015 The listed entity shall publish financial results as specified in Regulation 33, within 48 hours of conclusion of the meeting of board of directors at which the financial results were approved, However Financial Results for the quarter ended 30 June 2019 was approved in Board meeting held on 14-09-2019 but published in newspaper on 17-09-2019.*
- b. *Board of Directors in their meeting held on 26/10/2019 approved appointment of Mr. Yogesh Kumar Garg as Company Secretary of the Company w.e.f. 28/10/2019 but as per management representation inadvertently due to clerical error date of appointment in Form DIR-12 was mentioned as 26/10/2019.*

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

Adequate notice is given to all the directors to schedule the Board Meetings at least seven days in advance, agenda was sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

Based on the compliance mechanism established by the company and on the basis of Statutory Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no other specific event/ actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Ashu Gupta & Co.**
Company Secretaries

Ashu Gupta
(Prop.)
CP No: 6646
FCS No. 4123

Place: New Delhi
Date : 26-08-2020

UDIN : F004123B000618198

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



To,

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

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. 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 secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. The compliance by the company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory audit and other designated professionals.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. Due to COVID-19 pandemic and Nation- wide lockdown to contain the spread of Corona Virus, work place/ offices remained closed or working with less staff. In view of advisory issued by Government, very few physical visits to the office of auditee could be made and as such physical copies of the secretarial records could not be verified in detail. Reliance has been placed on the soft copy of necessary secretarial records /documents etc. made available to us. A representation in this regard certifying the correctness of the contents of the secretarial records provided has been taken from company's management.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Ashu Gupta & Co.**
Company Secretaries

Ashu Gupta
(Prop.)
CP No: 6646
FCS No. 4123
UDIN : F004123B000618198

Place: New Delhi
Date : 26-08-2020



Annexure - III To Directors Reports

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

AS ON FINANCIAL YEAR ENDED ON 31.03.2020

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

I REGISTRATION & OTHER DETAILS :

i	CIN	L27109UP1985PLC006998
ii	Registration Date	04-02-1985
iii	Name of the Company	PMC FINCORP LIMITED
iv	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
v	Address of the Registered office & Contact details	B-10, VIP COLONY, CIVIL LINES, RAMPUR - 244901, UTTAR PRADESH
vi	Whether Listed Company	BSE LIMITED
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	INDUS PORTFOLIO PRIVATE LIMITED G-65, BALI NAGAR, NEW DELHI-110005 PHONE: 011 - 47671214/47671211 EMAIL ID: pk.mittal@indusinvest.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

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

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

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2019				No. of Shares held at the end of the year 31.03.2020				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	14628600	—	14628600	2.87	14628600	—	14628600	2.87	—
b) Central Govt. or State Govt.	—	—	—	—	—	—	—	—	—
c) Bodies Corporates	88637000	—	88637000	17.41	88637000	—	88637000	17.41	—
d) Bank/FI	—	—	—	—	—	—	—	—	—
e) Any other	—	—	—	—	—	—	—	—	—
SUB TOTAL: (A) (1)	103265600	—	103265600	20.28	103265600	—	103265600	20.28	—



Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2019				No. of Shares held at the end of the year 31.03.2020				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRI- Individuals	—	—	—	—	—	—	—	—	—
b) Other Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corp.	—	—	—	—	—	—	—	—	—
d) Banks/FI	—	—	—	—	—	—	—	—	—
e) Any other	—	—	—	—	—	—	—	—	—
SUB TOTAL (A) (2)	—	—	—	—	—	—	—	—	—
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)"	103265600	—	103265600	20.28	103265600	—	103265600	20.28	—
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	—	—	—	—	—	—	—	—	—
b) Banks/FI	—	—	—	—	—	—	—	—	—
c) Central govt	—	—	—	—	—	—	—	—	—
d) State Govt.	—	—	—	—	—	—	—	—	—
e) Venture Capital Fund	—	—	—	—	—	—	—	—	—
f) Insurance Companies	—	—	—	—	—	—	—	—	—
g) Foreign Institutional Investors	—	—	—	—	—	—	—	—	—
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i) Others (specify)	—	—	—	—	—	—	—	—	—
SUB TOTAL (B) (1):	—	—	—	—	—	—	—	—	—
(2) Non Institutions									
a) Bodies corporates	14681728	—	14681728	2.88	4341484	—	4341484	0.85	-2.03
i) Indian	—	—	—	—	—	—	—	—	—
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals	—	—	—	—	—	—	—	—	—
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	198531466	1938654	200470120	39.38	187628137	1938654	189566791	37.24	-2.14
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	160391946	3240000	163631946	32.14	182433561	3240000	185673561	36.47	4.33
c) Others-NRI	26354958	—	26354958	5.18	25477537	—	25477537	5.00	-0.18
(c-i) Clearing Member	656848	—	656848	0.13	736227	—	736227	0.14	0.01
(c-ii) Clearing House	—	—	—	—	—	—	—	—	—
(c-iii) Trust	—	—	—	—	—	—	—	—	—
SUB TOTAL (B) (2):	400617000	5178600	405795600	79.71	400617000	5178600	405795600	79.71	—
Total Public Shareholding (B)= (B)(1)+(B)(2)	400617000	5178600	405795600	79.71	400617000	5178600	405795600	79.71	—
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	503882600	5178600	509061200	100.00	503882600	5178600	509061200	100.00	—



(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	RRP Management Services (P) Ltd.	44881000	8.82	—	44881000	8.82	—	—
2	Prabhat Management Services (P) Ltd.	43756000	8.60	—	43756000	8.60	—	—
3	Rekha Modi	8640000	1.70	—	8640000	1.70	—	—
4	Raj Kumar Modi	1620000	0.32	—	1620000	0.32	—	—
5	Puspa Devi Modi	3828600	0.75	—	3828600	0.75	—	—
6	Raj Kumar Modi HUF	540000	0.11	—	540000	0.11	—	—
	Total	103265600	20.29	—	103265600	20.29	—	—

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (Specify if there is no change)

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	RRP Management Services P Ltd.				
	At the beginning of the year	44881000	8.82	44881000	8.82
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease.	—	—	—	—
	At the end of the year	44881000	8.82	44881000	8.82
2	Prabhat Management Services P Ltd.				
	At the beginning of the year	43756000	8.60	43756000	8.60
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease.	—	—	—	—
	At the end of the year	43756000	8.60	43756000	8.60
3	Rekha Modi				
	At the beginning of the year	8640000	1.70	8640000	1.70
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease.	—	—	—	—
	At the end of the year	8640000	1.70	8640000	1.70
4	Raj Kumar Modi				
	At the beginning of the year	1620000	0.32	1620000	0.32
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease.	—	—	—	—
	At the end of the year	1620000	0.32	1620000	0.32



Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
5	Pushpa Devi Modi				
	At the beginning of the year	3828600	0.75	3828600	0.75
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease.	—	—	—	—
	At the end of the year	3828600	0.75	3828600	0.75
6	Raj Kumar Modi HUF				
	At the beginning of the year	540000	0.11	540000	0.11
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease.	—	—	—	—
	At the end of the year	540000	0.11	540000	0.11

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

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of Total Shares of the Company	No of Shares	% of Total Shares of the Company
1	SHIVAKRISHNA V. NARKATPALLY	7108897	1.40	11323871	2.22
2	RAJESH DHASAYYAN	7009035	1.38	7360977	1.45
3	NAGARAJU KALIMISHETTY	—	—	6078736	1.19
4	SUMAN CHATTERJI	4520093	0.89	4520093	0.89
5	JESSICA DAS	4155300	0.82	4155300	0.82
6	MANOJ KUMAR	1200000	0.24	4100000	0.81
7	CHANDAN KUMAR SAHOO	2740688	0.54	4019427	0.79
8	YERRABOLU SUDHAKAR REDDY	1201352	0.24	3242456	0.64
9	RUSHIN KIRIT ASHER	3032520	0.60	3032520	0.60
10	VEERAVENKATA RAGHU KALLURI	2106228	0.41	3000007	0.59



(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Mr. Raj Kumar Modi				
	At the beginning of the year	1620000	0.32	1620000	0.32
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease.	—	—	—	—
	At the end of the year	1620000	0.32	1620000	0.32
2	Mrs. Rekha Modi				
	At the beginning of the year	8640000	1.70	8640000	1.70
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease.	—	—	—	—
	At the end of the year	8640000	1.70	8640000	1.70

V INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	—	182579324	—	182579324
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	8789984	—	8789984
Total (i+ii+iii)	—	191369308	—	191369308
Change in Indebtedness during the financial year				
Additions	—	63869726	—	63869726
Reduction	—	145142000	—	145142000
Net Change	—	(81272274)	—	(81272274)
Indebtedness at the end of the financial year				
i) Principal Amount	—	101307050	—	101307050
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	8561117	—	8561117
Total (i+ii+iii)	—	109868167	—	109868167



VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	Gross salary	Raj Kumar Modi	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	18,00,000	18,00,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	—	—
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	—	—
2	Stock option	—	—
3	Sweat Equity	—	—
4	Commission - as % of profit - others (specify)	— —	— —
5	Others, please specify	—	—
	Total (A)	18,00,000	18,00,000
	Ceiling as per the Act	—	—

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of the Directors		Total Amount
1	Independent Directors	Mahavir P. Garg	Pramod Gupta	
	(a) Fee for attending board committee meetings	90,000	80,000	1,70,000
	(b) Commission	—	—	—
	(c) Others, please specify	—	—	—
	Total (1)	—	—	—
2	Other Non Executive Directors	Rekha Modi		
	(a) Fee for attending board committee meetings	—	—	
	(b) Commission	—	—	
	(c) Others, please specify	—	—	
	Total (2)	—	—	
	Total (B)=(1+2)	90,000	80,000	1,70,000
	Total Managerial Remuneration (A+B)			19,70,000
	Overall Ceiling as per the Act.	—	—	—

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	—	2,54,219	2,13,374	4,67,593
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	—	—	—	—
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	—	—	—	—
2	Stock Option	—	—	—	—
3	Sweat Equity	—	—	—	—
4	Commission				
	- as % of profit	—	—	—	—
	- others, specify	—	—	—	—
5	Others, please specify	—	—	—	—
	Total	—	2,54,219	2,13,374	4,67,593

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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



MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRY OVERVIEW

The financial year 2019-20 had been quite a challenging year for the Indian economy and particularly for the financial services sector. The continued liquidity crunch, uncertain and volatile credit environment and slow economic growth created headwinds. The COVID-19 pandemic and subsequent lockdowns have impacted the businesses and aggravated the prevailing sectoral challenges. Non Banking Financial Companies (NBFCs), today, are confronted with multiple challenges. The unprecedented business environment has put to test the resilience, prudence and adaptability of any business model. Having said that, the fiscal year has been full of learnings. The Company continues to closely observe the situation.

The NBFC segment witnessed marginal growth during first half of 2019-20 but during the second half of the year, NBFCs were impacted on account of tight liquidity conditions, high cost of borrowing and volatility in the capital markets. The spread of the COVID-19 pandemic and the subsequent synchronized lockdown across global markets resulted in shrinking of the capital market lending business

BUSINESS & FINANCIAL PERFORMANCE

The Company being a registered NBFC with the Reserve Bank of India has been engaged in the business of financing activities, investment in Securities of Listed and Unlisted Companies.

The Company has earned Income from operation and profit before tax aggregated to ₹ 977.40 Lacs and ₹ 191.80 Lacs during the current year, respectively as compared to Income ₹ 849.93 Lacs and Profit ₹ 220.52 Lacs during the previous year.

SEGMENT WISE / PRODUCT WISE PERFORMANCE

The Company is engaged in investment activities and other financial services during the year under review, hence the requirement of segment-wise reporting is considered irrelevant.

OPPORTUNITIES AND THREATS

Your Company being an investment Company seeks opportunities in the capital market. The volatility in stock indices in the financial year under report represents both an opportunity and challenge for the Company.

Capital market activities in which most of our activities depend on is also influenced by global events happening in the US, UK & China and hence there is an amount of uncertainty in the near term outlook of the market.

However, strong and stable government at centre, the capital market prospect would significantly improve.

RISK AND CONCERN

The very nature of the Company's business makes it subject to various kinds of risks. The Company encounters credit risk and operational risks in its daily business operations. Further the performance of the Company is dependent on the capital markets for its returns. Even though it is envisaged that Indian stock market will continue to do well, global concerns can result in sharp corrections.

HUMAN RESOURCES

The Company recognizes that employees are its direct assets and their engagement contributes to lower turnover and absenteeism, higher productivity and better customer service.



The Company's future success depends substantially on the continued service and performance of members of its management team and employees. There is intense competition for experienced senior management and other qualified personnel, particularly office managers, field executives and employees with local knowledge in client procurement, loan disbursement and installment collections. Inability to hire additional or retain existing management personnel and employees, may impair the Company's ability to expand its business and adversely affect its revenue. Failure to train and motivate its employees properly may result in an increase in employee attrition rates, require additional hiring, divert management resources, adversely affect its origination and collection rates, increase the Company's exposure to high-risk credit and impose significant costs.

The Company has taken several actions to ensure that the talent pipeline for the Company is strong especially when it comes to key management positions. The Company also has a strong focus on ensuring that its employees are adequately trained in their job functions and on all compliance related trainings.

INTERNAL CONTROL AND THEIR ADEQUACY

The Company has an adequate system of internal controls to ensure accuracy of accounting records, compliance with all laws & regulations and compliance with all rules, procedures & guidelines prescribed by the management. An extensive internal audit is carried out by independent firm of Chartered Accountants. An internal team of inspection also regularly visits branches for ensuring regulatory compliance. Post audit reviews are also carried out to ensure follow up on the observations made.

OUTLOOK

The Covid-19 crisis has disrupted global economy and created extraordinary challenges. The economic activity in India was down to a standstill owing to the nation-wide lockdown in India.

The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian Financial Markets and a significant decrease in the economic activities. On March 11, 2020, the COVID-19 outbreak was declared as a global pandemic by the World Health Organisation. On March 24, 2020 the Indian Government had announced a strict 21 day lockdown which kept on getting extended across the Country with gradual and modest relaxations.

The Pandemic had a severe impact on the Capital market. The Company carries shares and securities in its books. The effect of mark to market losses thereon have been taken into account in the Statement of Profit and Loss for the year. The Company believes that it has taken into account the impact of known events arising out of COVID 19 pandemic in the preparation of financial results resulting out of fair valuation of these investments. However the impact assessment of COVID 19 is a continuing process given its nature and duration. The Company will continue to monitor for any material changes to future economic conditions during the lockdown PMC migrated to 100% work from home scenario and all the business operations continue to run smoothly.

The government and the RBI have introduced several liquidity and stimulus measures to support the NBFC industry however those are yet to show tangible results.

CAUTIONARY STATEMENT

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.



ANNEXURE-IV TO DIRECTORS' REPORT
REPORT ON CORPORATE GOVERNANCE

This Corporate Governance Report relating to the year ended on 31st March, 2020 has been issued in compliance with the applicable provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and forms a part of the Report of the Directors to the members of the Company.

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

II. BOARD OF DIRECTORS

a) Composition

The Board has a balanced mix of Executive and Non-Executive Independent Directors. The Board consists of 4 members as on 31st March, 2020 and out of which the 2 are Non-Executive independent Directors. The Chairman of the Board is an Executive Director and the minimum requirement of one half of the Board consisting of independent director is duly complied with. The Composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015").

b) Changes during the year

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

c) Board Meeting & Procedures

During the financial year, Seven (7) meetings of the board were held on **30th May, 2019, 09th August, 2019, 14th September, 2019, 26th October, 2019, 11th November, 2019, 14th December, 2019, and 14th February, 2020**. The intervening period between any two Board Meeting were well within the maximum time gap of 4 months prescribed under Clause 49 of the Listing Agreement. The annual calendar of meetings is broadly determined at the beginning of each year. The Board Meets at least once a quarter to review the quarterly performance and financial results of the Company. Necessary quorum was present for all meetings. The independent directors have confirmed that they satisfy the 'criteria of independence' as stipulated in Regulation 16(2) of the SEBI (LODR) Regulations, 2015. The independent directors have confirmed that they satisfy the 'criteria of independence' as stipulated in Regulation 16(2) of the SEBI (LODR) Regulations, 2015.

Particulars of Directors, their attendance at the Annual General Meeting and Board Meetings mentioned herein above held during the Financial year 2019-20 and also their other Directorships held in Public Companies (excluding Foreign Companies and Section 8 Companies) and Membership of other Board Committees as at March 31, 2020 are as under.



35th Annual Report 2019-20

Name of the Directors	Category Membership	Attendance Particulars	
		Board Meeting	Last AGM
Sh. Raj Kumar Modi (DIN:01274171)	Managing Director	3	Yes
Mrs. Rekha Modi (DIN:01274200)	Director (Non-Executive)	7	Yes
Sh. Pramod Gupta (DIN:03174350)	Director (Independent)	7	Yes
Sh. Mahavir Prasad Garg (DIN:00081692)	Director (Independent)	7	Yes

Name of the Director alongwith DIN	Mr. Raj Kumar Modi (DIN: 01274171)	Mrs. Rekha Modi (DIN: 01274200)	Mr. Mahavir Prasad Garg (DIN: 00081692)	Mr. Yogesh Kumar Garg (DIN: 02144584)
Date of Birth	13/11/1967	07/02/1970	10/03/1967	04/02/1967
Relationship with other Directors inter-se	Husband of Mrs. Rekha Modi	Wife of Mr. Raj Kumar Modi	None	None
Date of Appointment	27/01/2003	17/12/2009	14/02/2019	28/07/2020
Expertise in specific functional areas	Rich & vast experience of over 25 years in Financial Market	Experience in Capital Market, Company Law & Finance	Expertise in Company Secretarial which consists of compliances under Companies Act and various other laws	Experience of more than 28 years in the field of accounts, taxation, secretarial compliances under companies act and various other laws.
Qualification	B. Com.	Bsc., LLB	B. Com., LLB, FCS	B. Com., LLB., FCS, FCMA, CA(inter)
No. of Equity Shares held in the Company	1620000	8640000	16200	NIL
Number of Directorships held in Public Limited Companies	2	2	1	NIL
List of Committees of the Board of Directors (across all companies) in which Chairmanship / Membership	1	3	2	2

Note:

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



III. INDEPENDENT DIRECTORS MEETING

Two Meetings of Independent Directors held on 30th May, 2019 and 14th February, 2020 during the financial year ended March 31, 2020. The meeting shall:

- ♦ Review the performance of non-independent directors and the Board as a whole ;
- ♦ Review the performance of Chairman of the company, taking into account the views of executive directors and non-executive directors and;
- ♦ Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarization Programme for Independent Director at the time of appointing a director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected by him/her as a director of company. The chairman and Managing Director also have a one to one discussion with the newly appointed director to familiarize him/her with the company operations.

The Familiarization Programme Policy for the directors is given on the website of the company i.e. www.pmcfinance.in

IV. COMMITTEES MEETINGS

The Board has Three Committees namely:

- A. Audit Committee
- B. Nomination & Remuneration Committee
- C. Stakeholders Relationship Committee

A. AUDIT COMMITTEE

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting progress with a view to ensuring accurate timely and proper disclosures and transparency, integrity and quality of financial reporting. The Committee oversees the work carried out by the management, internal auditors on the financial reporting process and the safeguards employed by them.

Brief description of the terms of reference

- ♦ Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position.
- ♦ Recommending the appointment, re-appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- ♦ Reviewing the financial statements and draft audit report, including quarterly/half-yearly financial information.
- ♦ Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 - ❖ Any changes in accounting policies and practices;
 - ❖ Major accounting entries based on exercise of judgment by management;
 - ❖ Qualifications in draft audit report;
 - ❖ Significant adjustments arising out of audit;
 - ❖ Compliance with accounting standard;
 - ❖ Compliance with stock exchange and legal requirements concerning financial statements;
 - ❖ Any related party transactions as per Accounting Standard 18.
 - ❖ Reviewing the Company's financial and risk management policies.



- ❖ Disclosure of contingent liabilities.
- ❖ Reviewing with the management, external and internal auditors and the adequacy of internal control systems.
- ❖ Discussion with internal auditors of any significant findings and follow-up thereon.
- ❖ Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- ❖ Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- ❖ Reviewing compliances as regards the Company's Whistle Blower Policy.
- ◆ Mandatory review of following information:
 - ❖ Management discussion and analysis of financial condition and results of operations;
 - ❖ Statement of significant related party transactions, submitted by management;
 - ❖ Management letters/letters of internal control weaknesses issued by Statutory Auditors and;
 - ❖ Appointment, removal and terms of remuneration of Internal Auditor.

Meetings of the Committee

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (LODR) Regulations, 2015. As on March 31, 2019, the Audit Committee of the Board comprises three members viz., Mr. Mahavir Prasad Garg, Mr. Pramod Gupta, Independent Directors and Mrs. Rekha Modi, Non-Executive Director. Mr. Mahavir Prasad Garg was elected as the Chairman of the Committee. The Company Secretary acts as the Secretary of the Committee.

The Committee met 4 (Four) times on **30th May, 2019, 14th September, 2019, 14th December, 2019 and 14th February, 2020** during the financial year ended 31st March, 2020.

The Minutes of the Meetings of the Audit Committee are discussed and taken note by the board of directors.

The Statutory Auditor, Internal Auditor and Executive Directors/Chief Financial Officer are invited to the meeting as and when required.

The Composition of the Audit Committee and their Attendance at the Meeting:

Name of Directors	Category	Meetings held	Meeting Attended
Sh. Mahavir Prasad Garg	Independent Director	4	4
Sh. Pramod Gupta	Independent Director	4	4
Mrs. Rekha Modi	Non-Executive Director	4	4

Powers of Audit Committee

The audit committee shall have the following powers, which includes the following:

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



Review of Information by Audit committee

The Audit Committee shall mandatorily review the following information:

- ♦ Management Discussion and analysis of financial condition and results of operations;
- ♦ Statement of related party transactions (As defined by Audit Committee), submitted by Management;
- ♦ Management letters/letters of internal control weakness issued by the statutory auditors;
- ♦ Internal audit reports relating to internal control weaknesses; and
- ♦ The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

B. NOMINATION & REMUNERATION COMMITTEE

In Compliance with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI (LODR) Regulations, 2015. As on March 31, 2020, the Nomination & Remuneration Committee comprises three members viz, Mr. Mahavir Prasad Garg, Mr. Pramod Gupta, Independent Directors and Mrs. Rekha Modi, Non-Executive Director. Mr. Mahavir Prasad Garg was elected as the Chairman of the Committee. The Company Secretary acts as the Secretary of the Committee.

Scope of the Committee:

The terms of reference of the remuneration committee in brief pertain to inter-alia, determining the Companies policy on and approve specific remuneration packages for executive director (s)/Manager under the Companies Act, 2013 after taking into account the financial position of the Company, trend in the industry, appointees qualification, experience, past performance, interest of the Company and members.

Meetings of the Committee

The Committee met Four (4) times on **30th May, 2019, 09th August, 2019, 26th October, 2019 and 11th November, 2019** during the financial year ended March 31, 2020.

The Minutes of the Meetings of the Nomination & Remuneration Committee are discussed and taken note by the board of directors.

The Composition of the Nomination & Remuneration Committee and their attendance at the meeting:

Name of Directors	Category	Meetings held	Meeting Attended
Sh. Mahavir Prasad Garg	Independent Director	4	4
Sh. Pramod Gupta	Independent Director	4	4
Mrs. Rekha Modi	Non-Executive Director	4	4

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

As on March 31, 2020, the Stakeholders Relationship Committee comprises Mrs. Rekha Modi and Mr. Raj Kumar Modi.

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

Scope of the Committee

The scope of the Stakeholders' Relationship Committee is to review and address the grievance of the shareholders in respect of share transfers, transmission, non-receipt of annual report, non-receipt of dividend etc, and other related activities. In addition, the Committee also looks into matters which can facilitate better investor's services and relations.

Meetings of the Committee

The Committee met Four (4) times on **30th May, 2019, 14th September, 2019, 14th December, 2019 and 14th February, 2020** during the financial year ended March 31, 2020.



The Minutes of the Meetings of the Stakeholders' Relationship Committee are discussed and taken note by the board of directors.

The Composition of the Stakeholders' Relationship Committee and their attendance at the meeting:

Name of Directors	Category	Meetings held	Meeting Attended
Mrs. Rekha Modi	Non-Executive Director	4	4
Mr. Raj Kumar Modi	Executive Director	4	2
Mr. Pramod Gupta	Independent Director	4	2

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

Opening Balance	Received during the financial year 2019-20	Redressed during the Financial year 2019-20	Closing Balance
Nil	Nil	Nil	Nil

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

Name & Designation	Ms.Chetna Sajwan Company Secretary & Compliance Officer
Address for Correspondence	14/5, Old Rajender Nagar, New Delhi-110060
Contacts	+91-11-42436846

V. General Body Meetings

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

Financial year	Date	Time	Place
2016-2017 (AGM)	23.09.2017	12.30 P.M.	MoodFood Restaurant, Opposite Ambedkar Park, Civil Lines, Rampur, (U.P.)
2017-2018 (AGM)	22.09.2018	12.30 P.M.	MoodFood Restaurant, Opposite Ambedkar Park, Civil Lines, Rampur, (U.P.)
2018-2019 (AGM)	28.09.2019	12.30 P.M.	MoodFood Restaurant, Opposite Ambedkar Park, Civil Lines, Rampur, (U.P.)

Special Resolutions Passed at the Annual General Meetings:-

- Appointment of Mr. Mahavir Prasad Garg (DIN: 00081692) as Non-Executive Independent Director in the AGM held on 28.09.2019.

B. Postal Ballot

During the financial year ended 31st March, 2020, no special resolution was passed by the Company, which required the use of postal ballot process.

C. Procedure for postal ballot

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

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



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

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

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

VI. Means of Communication

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

- (a) Quarterly financial results - The quarterly and annual financial results of the Company are published in 'Jansatta' (Hindi newspaper), 'Financial Express (English newspaper).
- (b) Company's Website - Important shareholders' information such as Annual Report of the Company and the shareholding pattern are displayed on the website of the Company, i.e., www.pmcfinance.in and the websites of BSE, www.bseindia.com.
- (c) Annual Report- The Annual Report of the Company, giving a detailed insight on the working of the Company, practices followed, message for Key Managerial personnel etc., is sent to all shareholders at their registered addresses. Keeping in view the "Green Initiative" undertaken by the Ministry of Corporate Affairs, the Annual Report is sent via mail to the shareholders whose e-mail addresses are registered with the Company.
- (d) Under the SEBI Complaints Redress System (SCORES), the investor complaints are processed in a centralised web based complaints redress system wherein the concerned Companies can upload Action Taken Reports (ATRs) for the complaints uploaded therein and the investors can view the action taken on their complaints and its current status online.
- (e) Designated e-mail-id - The Company has designated the e-mail id viz. prtimercantile@gmail.com, in order to ensure prompt redressal of investor's requests/complaints.

VII. Disclosures

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

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

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

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



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

Risk Management

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

Reporting of Internal Auditor

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

Modified opinion in audit report

Company's financial statements have an unmodified audit opinion.

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

(ix) Share Capital Audit

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

(x) Prevention of Insider Trading.

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

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

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



VIII. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting	
Date and Time	September 25, 2020 at 11:00AM
Venue/Mode	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM")
Financial Calander (2020-21) (Tentative)	
Annual General Meeting for the next year ending 31st March, 2021	On or before September 30, 2021
Book Closure date	18.09.2020 to 25.09.2020 (both days Including)
Dividend Payment date	Not Applicable
Listing & Fee Details	
The Equity Shares of the Company are listed on BSE Limited , Phiroze Jeejeephoy Towers, 25th Floor, Dalal Street, Mumbai - 400001. The Company's payment of Listing Fees is up-to-date.	

Stock Code

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

Registrar and Share Transfer Agent

INDUS PORTFOLIO PVT. LIMITED
G-65, Bali Nagar, New Delhi - 110015
Phones : +91-11-47671214/47671211
Email : pk.mittal@indusinvest.com
Web site : indusinvest.com

Share Transfer Systems:

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

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

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

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

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



Market price Data

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades
Apr - 2019	0.42	0.43	0.39	0.42	7939012	1911
May - 2019	0.41	0.50	0.38	0.45	12450383	2671
Jun - 2019	0.44	0.46	0.32	0.36	11190851	2858
Jul - 2019	0.37	0.42	0.32	0.34	7123872	2947
Aug - 2019	0.34	0.40	0.28	0.34	9080797	1921
Sep - 2019	0.34	0.39	0.30	0.35	6666098	1945
Oct - 2019	0.35	0.36	0.29	0.30	7545417	3380
Nov - 2019	0.31	0.35	0.27	0.29	12157972	5423
Dec - 2019	0.29	0.29	0.16	0.23	18964537	5874
Jan - 2020	0.24	0.50	0.24	0.44	12877735	2142
Feb - 2020	0.42	0.42	0.31	0.34	7784862	1378
Mar - 2020	0.33	0.34	0.23	0.24	7513955	2197

Categories of Shareholders as on 31st March, 2020

Shareholding Pattern

Category	No. of Shares	% of Paid up capital
A Promoters' Holding		
1. Promoters		
a) Indian Promoters		
- Individual	1,46,28,600	2.87
- Corporate Bodies	8,86,37,000	17.41
b) Foreign Promoters	—	—
2. Persons acting in concert	—	—
Sub Total (A)	10,32,65,600	20.29
B Non-Promoters Holding		
3. Institutional Investors		
a. Mutual Funds and Unit Trust of India	—	—
b. Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Govt. Institutions)	—	—
c. Foreign Institutional Investor	—	—
4. Others		
a. Private Corporate Bodies	43,41,484	0.85
b. Indian Public	37,52,40,352	73.71
c. Non Resident Indians/Overseas	2,54,77,537	5.00
d. Trust	—	—
e. Clearing Member	7,36,227	0.14
f. Clearing House	—	—
Sub Total (B)	40,57,95,600	79.71
G.TOTAL (A+B)	50,90,61,200	100.00



Dematerialisation of shares and liquidity

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

As on 31.03.2020, the status of dematerialisation of equity shares of the Company was as under:

S. No.	Particulars	Shareholders		Shareholding	
		(In Nos.)	(In %)	(In Nos.)	(In %)
1.	NSDL	9845	49.89	306799193	60.27
2.	CDSL	9716	49.24	197083353	38.71
3.	PHYSICAL	172	0.87	5178654	1.02

Distribution of shareholding as on 31st March, 2020

Distribution	No. of Share holders	% of Shareholders	No of Shares	% of Shareholding
Upto 500	4679	23.71	976496	0.19
501 - 1000	2761	13.99	2531259	0.50
1001 - 5000	5822	29.50	16863772	3.31
5001 - 10000	2514	12.74	21247171	4.17
10001 - 20000	1517	7.69	23784822	4.67
20001 - 30000	641	3.25	16590146	3.26
30001 - 40000	311	1.58	11259995	2.21
40001 - 50000	319	1.62	15223109	2.99
50001 - 100000	605	3.07	46841031	9.20
100001 - 500000	453	2.30	93065463	18.28
500001 - 1000000	53	0.27	33987530	6.68
Above 1000001	58	0.29	226690406	44.53
	19733	100.00	509061200	100.00

Address for Correspondence:

Share Transfer and Demat

INDUS PORTFOLIO PVT. LIMITED

G-65, Bali Nagar,
New Delhi-110015
Phones : +91-11-47671214/47671211
E-mail : pk.mittal@indusinvest.com
Web site : indusinvest.com

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

Any query on Annual Report:

Secretarial Department
PMC FINCORP LIMITED
14/5, Old Rajinder Nagar,
New Delhi-110060
Phone : +91-11-42436846
E-mail : prtimercantile@gmail.com
Web site : pmcfinance.in



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

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

It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2020 as envisaged in Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

For PMC FINCORP LIMITED

Place : New Delhi
Date : 28.07.2020

Raj Kumar Modi
Managing Director

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCE OFFICER

To,
The Members of
PMC Fincorp Limited

We certify that:

1. We have reviewed the Financial Statements and Cash Flow Statement of PMC Fincorp Limited for the year ended on 31st March, 2020 and that to the best of our knowledge and belief:
 - (a) these statement do not contain any materially untrue statement or omit any Material fact or contain statements that might be misleading.
 - (b) these statement together present a true and faire view of the Company's affairs and are in compliance with existing accounting standards applicable laws & regulations.
2. There are to the best of our knowledge and belief, no transaction entered into by the Company during the year which are fraudulent illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintain internal controls for financial reporting and that we have evaluated the effectiveness of the internal control system of the company pertaining to financial reporting and we have not come across any deficiency in the design or operation of such internal control.
4. We have indicated to the Auditors and the Audit Committee:
 - (a) Significant changes in the internal control during the year.
 - (b) Significant changes in accounting policies during the year.
 - (c) That there are no instances of significant fraud of which we have become aware.

Place : New Delhi
Date : 28.07.2020

Raj Kumar Modi
Managing Director
DIN: 01274171

Chandresh Kumar Sharma
(Chief Financial Officer)



CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,

The Members of
PMC Fincorp Limited

1. We have examined the compliance of conditions of Corporate Governance by **PMC FINCORP LIMITED** ("the Company"), for the year ended on 31st March 2020, as stipulated in Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certificate of Corporate Governance issued by the Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to our examination of relevant records and the explanations given to us and the representations by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended on 31st March 2020.

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

For SUNIL K. GUPTA & ASSOCIATES
Chartered Accountants
Firm Registration No.002154N

Place : New Delhi
Dated : 28.07.2020

(CA MAHESH CHANDRA AGARWAL)
Partner
M.No. 088025



INDEPENDENT AUDITOR'S REPORT

To the Members of
PMC Fincorp Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **PMC FINCORP LIMITED** ("the Company") which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in equity and the Statement of Cash Flows for the year then ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the standalone financial statements").

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 Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit Amount of Rs. 143.55 Lacs and cash out flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statement under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Statements

The Company's board of directors is responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India.

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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The boards of directors are also responsible for overseeing the Company's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements for the year ended 31st March, 2020

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- ◆ Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ◆ Obtain sufficient appropriate audit evidence regarding the Financial statements of the company to express an opinion on the Financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.



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 my examination of those books;
- (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to our, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- (h) 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 information and according to the explanations given to our;
 - a. The Company does not have any pending litigations which would impact its financial position;
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For SUNIL K. GUPTA & ASSOCIATES
Chartered Accountants
Firm Registration No.002154N

Place : New Delhi
Dated : 28.07.2020

(CA MAHESH CHANDRA AGARWAL)
Partner
M.No. 088025
UDIN: 20088025AAAAGG4565



ANNEXURE - A TO THE AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of **PMC Fincorp Limited** on the accounts of the company for the year ended 31st March, 2020]

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

- (i) In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) As explained to us, the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such physical verification.
- (ii) In respect of its inventory:
 - a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of inventories. As per the information and explanation given to us, no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms limited liability partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information & explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 & 186 of the companies act 2013 are applicable and hence not commented upon.
- (v) The company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, for the products & services of the company. Therefore, in our opinion, the provisions of clause 3(vi) of the prder are not applicable to the company.
- (vii) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Income Tax, Service Tax and other material statutory dues applicable to it.
According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income-tax, Service Tax and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (viii) Based on our audit procedures performed for the purpose of reporting the true & fair view of the financial statements and according to the information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions, Banks, Debenture holders or government.
- (ix) Based on our audit procedures performed for the purpose of reporting the true & fair view of the financial statements and according to the information and explanations given by the management and on an overall examination of the Balance sheet, we report that monies raised by way of debt instruments in the nature of debentures and commercial papers were applied for the purposes for which they were raised.



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

For SUNIL K. GUPTA & ASSOCIATES
Chartered Accountants
Firm Registration No.002154N

Place : New Delhi
Dated : 28.07.2020

(CA MAHESH CHANDRAAGARWAL)
Partner
M.No. 088025
UDIN: 20088025AAAAGG4565



ANNEXURE - B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **PMC Fincorp Limited** ("the Company") as of 31st March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SUNIL K. GUPTA & ASSOCIATES

Chartered Accountants
Firm Registration No.002154N

Place : New Delhi
Dated : 28.07.2020

(CA MAHESH CHANDRA AGARWAL)

Partner
M.No. 088025
UDIN: 20088025AAAAGG4565



BALANCE SHEET AS AT 31ST MARCH, 2020

(Rs. in Lacs)

Particulars	Note No.	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
ASSETS				
1 Financial Assets				
(a) Cash and Cash Equivalents	2	5.82	3.57	1.37
(b) Bank Balances other than above	3	7.28	8.04	7.11
(c) Receivables				
(i) Trade Receivables		—	—	—
(ii) Other Receivables		—	—	—
(d) Loans	4	7,116.86	7,463.39	7,550.57
(e) Investments	5	888.52	905.97	905.97
Total Financial Assets		8,018.48	8,380.97	8,465.02
2 Non-Financial Assets				
(a) Inventories	6	20.26	20.26	20.26
(b) Income Tax Assets (net)	7	107.10	78.79	121.46
(c) Property, Plant and Equipment	8	6.15	8.39	11.85
(d) Intangible Assets		—	—	—
(e) Investment Property	9	—	242.82	242.82
(f) Other Non-Financial Assets	10	30.25	30.25	30.25
(g) Deferred Tax Asset (net)	11	3.64	3.66	3.40
Total Non-Financial Assets		167.40	384.17	430.04
Total Assets		8,185.88	8,765.14	8,895.06
LIABILITIES AND EQUITY LIABILITIES				
1 Financial Liabilities				
(a) Payables				
Trade Payables				
(i) Total outstanding dues to micro enterprises and small enterprises		—	—	—
(ii) Total outstanding dues to other than micro enterprises and small enterprises	12	11.74	8.26	1.94
(b) Borrowings other than Debt Securities	13	1,013.07	1,825.79	2,115.91
Total Financial Liabilities		1,024.81	1,834.05	2,117.85
2 Non-Financial Liabilities				
(a) Long Term Provisions	14	28.59	29.97	30.33
(b) Short-Term Provisions	15	86.67	61.42	78.50
(c) Deferred Tax Liabilities (net)		—	—	—
(d) Other Non-Financial Liabilities (Statutory dues payable)	16	51.84	51.18	39.58
Total Non-Financial Liabilities		167.10	142.57	148.41
3 Equity				
(a) Equity Share Capital	17	5,090.61	5,090.61	5,090.61
(b) Other Equity	18	1,903.36	1,697.91	1,538.19
Total Equity		6,993.97	6,788.52	6,628.80
Total Liabilities and Equity		8,185.88	8,765.14	8,895.06

Significant Accounting Policies

1

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

As per our report of even date attached
FOR SUNIL K. GUPTA & ASSOCIATES

Chartered Accountants
 Firm Registration No.002154N

For and on behalf of the Board of Directors of
FOR PMC FINCORP LIMITED

(CA MAHESH CHANDRA AGARWAL)
 Partner
 Membership No. : 088025

(RAJ KUMAR MODI)
 Managing Director
 DIN : 01274171

(REKHA MODI)
 Director
 DIN : 01274200

Place : New Delhi
 Date : 28.07.2020

(CHANDRESH KUMAR SHARMA)
 Chief Financial Officer

(CHETNA SAJWAN)
 Company Secretary
 Membership No: 60209



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs. in Lacs)

Particulars	Note No.	As At 31.03.2020	As At 31.03.2019
Income			
Revenue from Operations	19	977.40	849.93
Other Income		—	—
Total Revenue		977.40	849.93
Expenses			
Purchase of Stocks & Shares		34.21	424.31
Change in Inventories of finished goods, work-in-progress and Stock-in-Trade	20	—	—
Employee Benefits Expenses	21	52.78	61.40
Finance Costs	22	85.61	87.90
Depreciation and Amortisation Expenses	23	2.46	3.45
Other Administrative Expenses	24	610.54	52.35
Total Expenses		785.60	629.41
Profit before exceptional items and tax		191.80	220.52
Exceptional items		—	—
Profit before tax		191.80	220.52
Tax expense			
Current tax		48.25	61.42
Adjustment for prior years		—	—
Deferred tax asset		(0.02)	(0.27)
Profit after tax		143.55	159.37
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		—	—
- Changes in fair value of financial instruments		60.55	—
Income tax relating to items that will not be reclassified to profit or loss			
- Tax on remeasurement of defined benefit plans		—	—
- Tax on changes in fair value of financial instruments		—	—
Other comprehensive income for the year		60.55	—
Total comprehensive income		204.10	159.37
Earnings per equity share (in Rs.) :			
Nominal value of Rs. 1 each (Previous year Rs. 1 each)			
- Basic & Diluted earning per share		0.04	0.03

Significant Accounting Policies

1

Notes referred to above and attached there to form an integral part of Profit & Loss

As per our report of even date attached

For and on behalf of the Board of Directors of

FOR SUNIL K. GUPTA & ASSOCIATES**FOR PMC FINCORP LIMITED**

Chartered Accountants

Firm Registration No.002154N

(CA MAHESH CHANDRA AGARWAL)

Partner

Membership No. : 088025

(RAJ KUMAR MODI)

Managing Director

DIN : 01274171

(REKHA MODI)

Director

DIN : 01274200

Place : New Delhi

Date : 28.07.2020

(CHANDRESH KUMAR SHARMA)

Chief Financial Officer

(CHETNA SAJWAN)Company Secretary
Membership No: 60209



Statement of Changes in Equity for the year ended 31 March 2020

A. Equity Share Capital

(Rs. in Lacs)

Particular	No. of Shares	Amount of Shares
Balance As at April 1, 2018	509061200	5,090.61
Change in equity share capital during the year	—	—
Balance As at March 31, 2019	509061200	5,090.61
Change in equity share capital during the year	—	—
Balance As at March 31, 2020	509061200	5,090.61

B. Other Equity

(Rs. in Lacs)

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Re-valuation Surplus	Exchange differences on translating the financial statements of a foreign operations	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Share Premium Reserve	Statutory Reserve	Retained Earnings								
Balance As at April 1, 2018	-	-	-	613.54	174.96	749.69	-	-	-	-	-	-	-	1538.19
Profit for the year	-	-	-	-	-	159.37	-	-	-	-	-	-	-	159.37
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	31.92	-	-	-	-	-	-	-	31.92
Balance As at March 31, 2019	-	-	-	613.54	206.88	877.49	-	-	-	-	-	-	-	1697.91
Profit for the year	-	-	-	-	-	143.55	-	-	-	-	-	-	-	143.55
Total Comprehensive Income for the year	-	-	-	-	-	60.55	-	-	-	-	-	-	-	60.55
Transfer to retained earnings	-	-	-	-	-	28.71	-	-	-	-	-	-	-	28.71
Balance As at March 31, 2020	-	-	-	613.54	235.59	1054.27	-	-	-	-	-	-	-	1903.36

As per our report of even date attached
FOR SUNIL K. GUPTA & ASSOCIATES
 Chartered Accountants
 Firm Registration No.002154N

For and on behalf of the Board of Directors of
FOR PMC FINCORP LIMITED

(CA MAHESH CHANDRA AGARWAL)
 Partner
 Membership No. : 088025

(RAJ KUMAR MODI)
 Managing Director
 DIN : 01274171

(REKHA MODI)
 Director
 DIN : 01274200

Place : New Delhi
 Date : 28.07.2020

(CHANDRESH KUMAR SHARMA)
 Chief Financial Officer

(CHETNA SAJWAN)
 Company Secretary
 Membership No: 60209



CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2020

(Rs. in Lacs)

	Year Ended 31-03-2020	Year Ended 31-03-2019
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax	252.35	220.51
Adjustment for:		
Depreciation/amortisation	2.46	3.46
Less: Amounts w/o	-413.22	—
Add: Loss (net) on investment / asset	45.58	—
Operating Profit Before working capital changes	-112.83	223.97
Adjustment for working capital:		
Increase /(Decrease) in Inventories	—	—
(Increase)/ Decrease in Trade receivables	—	—
Decrease/(increase) in Short term Loans & advances	346.53	129.58
Increase/ (Decrease) in Short -Term Borrowings	—	-290.12
Increase/ (Decrease) in Trade Payables	3.48	6.32
Increase/ (Decrease) in Other current Liabilities	0.66	-5.47
Cash generated from operations	237.84	64.28
Income taxes paid	-51.31	-61.15
proposed dividend	—	—
Dividend tax	—	—
Net cash outflow from operating Activities	186.53	3.13
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Investments	214.69	—
Purchase of Fixed Assets	-0.23	—
Net cash used in investing activities	214.46	—
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long Term Borrowings	-399.50	—
Share Capital	—	—
Share Premium	—	—
Proceeds from issue of Warrant (Share Capital)	—	—
Net cash from/ (used in) Financing Activities	-399.50	—
Net increase / (decrease) in cash and cash equivalents	1.49	3.13
Cash & Cash Equivalents at the beginning of the period	11.61	8.48
Cash & Cash Equivalents at the end of the period	13.10	11.61

As per our report of even date attached
FOR SUNIL K. GUPTA & ASSOCIATES
 Chartered Accountants
 Firm Registration No.002154N

For and on behalf of the Board of Directors of
FOR PMC FINCORP LIMITED

(CA MAHESH CHANDRA AGARWAL)
 Partner
 Membership No. : 088025

(RAJ KUMAR MODI)
 Managing Director
 DIN : 01274171

(REKHA MODI)
 Director
 DIN : 01274200

Place : New Delhi
 Date : 28.07.2020

(CHANDRESH KUMAR SHARMA)
 Chief Financial Officer

(CHETNA SAJWAN)
 Company Secretary
 Membership No: 60209



NOTES TO THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

(i) Company Information

PMC Fincorp Limited is a public limited company (The Company) having registered office at B-10 VIP Colony, Civil Lines Rampur UP-244901. The Company is listed on the BSE (Bombay Stock Exchange). The company is engaged in financing business, trading in shares and investment activities. We believe that we are well placed to leverage on the growth opportunities in the economy.

(ii) Basis for preparation of Accounts:

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency'). Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes in these financial statements. The financial statements of the Company for the year ended 31st March, 2020 were approved for issue in accordance with the resolution of the Board of Directors 28th July, 2020.

(iii) Current - Non Current classification

All assets and liabilities are classified into current and non-current as per company normal accounting cycle.

(a) Assets

"An asset is classified as current when it satisfies any of the following criteria:

- 1) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- 2) it is held primarily for the purpose of being traded;
- 3) it is expected to be realised within 12 months after the reporting date; or
- 4) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date. Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

(b) Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- 1) it is expected to be settled in the company's normal operating cycle;
- 2) it is held primarily for the purpose of being traded;
- 3) it is due to be settled within 12 months after the reporting date; or
- 4) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity Instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents

(iv) Basis of measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated.



(v) Key Accounting Estimates and Judgements
Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual result could differ from these estimates. Any revisions to the accounting estimates are recognized prospectively in the current and future years.

(vi) Tangible fixed assets

"Tangible fixed assets (except freehold land which is carried at cost) are stated at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost of acquisition includes freight inward, duties, taxes and other directly attributable expenses incurred to bring the assets to their working condition.

(vii) Depreciation and amortisation

The company has followed the WDV method for the depreciation and amortization of all tangible and intangible assets. There is no change in the method of depreciation during previous year.

(viii) Investments:

Investments are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

ix. Inventories:

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

(x) Cash and Cash Equivalents:

Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily

convertible into cash and which are subject to an insignificant risk of changes in value.

(xi) Trade Receivables and Loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

(xii) Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(xiii) Revenue Recognition:

(a) Loan Income: In respect of loan agreements, the income is accrued by applying the impact rate in the transaction on declining balance on the amount financed for the period of the agreement.

(b) Dividend income on investments is recognized when the right to receive the same is established.



(c) No income is recognized in respect of Non-performing assets, if any, as per the prudential norms for income recognition introduced for Non-Banking Financial Corporation by Reserve Bank of India vide its notification o.DFC.NO.119/DG/(SPT)-98 date 31-01-1998 and revised notification no. DNBS.192/DG (VL)-2007 dated 22-02-2007.

(xiv) Expenditure:

Expenses are accounted on accrual basis.

(xv) Provisions of Assets

The company makes provisions for standard and Non-performing Assets as per the Non-Banking Financial (Non-Deposit Accepting of Holding Companies prudential Norms Reserve Bank) Directions, 2007, as amended from time to time. The company also makes additional provisions towards loan assets, to the extent considered necessary, based on the management's best estimate.

Loan assets which as per the management are not likely to be recovered are considered as bad debts and written off.

Provisions on standards assets are made as per the notification DNBS.PD.CC.No. 002/03.10.001/2014-15 dated Nov 10, 2014 issued by Reserve Bank of India.

(xvi) Provisions, contingents Liabilities and contingent Assets

(a) A Provision is recognized when the company has present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(b) Contingent Liabilities are disclosed separately by way of note to financial statements after careful evaluation by the managements of the facts and legal aspects of the matter involved in case of:

- (i) A present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- (ii) A possible obligation, unless the probability of outflow of resources is remote.

(c) Contingent Assets are neither recognized, nor disclosed in the financial statements.

(xvii) Income Taxes:

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in current tax expense.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

(xviii) Employee Benefits

No provision of retirement benefits of employees such as leave encashment, gratuity has been made during the year by the company. The same shall be accounted for as and when arises.



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Notes to Financial Statements for the year ended March 31, 2020

(Rs. in Lacs)

	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
2 Cash and Cash Equivalents			
Cash in Hand	5.82	3.57	1.37
	5.82	3.57	1.37
3 Bank Balances other than Cash and Cash Equivalents			
Balances with Banks			
- On current accounts	3.45	4.21	3.28
- Dividend Accounts	3.83	3.83	3.83
Term deposits with remaining maturity more than 3 months and less than 12 months	—	—	—
Term deposits with remaining maturity more than 12 months	—	—	—
	7.28	8.04	7.11
4 Loans			
Unsecured, Considered Good			
Loans at agreement values less instalment			
Standard Assets	7116.86	7463.39	7550.57
Doubtful Assets (NPA)	—	—	—
Capital Advances	—	—	—
Advance Against Property	—	—	—
	7116.86	7463.39	7550.57
5 Investments			
(A) Investment in Quoted Equity Instruments (At fair value through OCI)			
Pranvadiya Spinning Ltd. 4,98,800 (March 31, 2019, April 1, 2018) equity shares of Rs.10 fully paid up	81.06	20.51	20.51
Visagar Polytex Limited (Convertible Warrant Partly paidup) (March 31, 2019 (10,000,000) April 1, 2018 (10,000,000) equity shares of Rs.1 fully paid up	—	28.00	28.00
Total value of investment in quoted equity instruments	81.06	48.51	48.51
(B) Investments in Unquoted Equity Instruments			
Swati Menthol & Allied Chemicals Ltd. 1,80,000 (March 31, 2019, April 1, 2018) equity shares of Rs.10 fully paid up	180.00	180.00	180.00
Catamaran Corporation (P) Ltd. 150,000 (March 31, 2019, April 1, 2018) (Redeemable Non-Cumulative Preference Shares)	150.00	150.00	150.00
CSK Infrastructure Private Limited 500,000 (March 31, 2019, April 1, 2018) equity shares of Rs.10 fully paid up	—	50.00	50.00
EPS Finvest Pvt. Ltd. 43,650 (March 31, 2019, April 1, 2018) equity shares of Rs.10 fully paid up	21.83	21.83	21.83
Value One Retail P. Ltd. 2,25,000 (March 31, 2019, April 1, 2018) equity shares of Rs.10 fully paid up	80.68	80.68	80.68
BSB Marketing Pvt. Ltd. 13,15,575 (March 31, 2019, April 1, 2018) equity shares of Rs.10 fully paid up	249.96	249.96	249.96
Gurunanak Airtech Private Limited 2,31,480 (March 31, 2019, April 1, 2018) equity shares of Rs.10 fully paid up	125.00	125.00	125.00
Total value of investments in unquoted equity instruments	807.46	857.46	857.46
Total Value of Investments (A)+(B)	888.52	905.97	905.97



Notes to Financial Statements for the year ended March 31, 2020

(Rs. in Lacs)

	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
6 Inventories			
Stock of Shares & Securities	20.26	20.26	20.26
	20.26	20.26	20.26
7 Income Tax Assets (net)			
Income tax assets	107.10	78.79	121.46
	107.10	78.79	121.46
8 Property, Plant and Equipment			

Current Year	Gross Block (at cost)				Accumulated Depreciation			Net Block	
Description	As at April 1, 2019	Additions during the year	Disposal/ Adjustment	As at March 31, 2020	As at March 31, 2019	For the year	Disposal/ Adjustment	As at March 31, 2020	As at March 31, 2020
Furniture and fixtures	16.72	-	-	16.72	13.38	1.05	-	14.43	2.29
Office equipments	11.60	0.23	-	11.83	9.47	0.63	-	10.09	1.73
Vehicles	17.56	-	-	17.56	14.66	0.79	-	15.45	2.12
Computer software	0.25	-	-	0.25	0.24	0.00	-	0.24	0.01
Total	46.13	0.23	-	46.36	37.75	2.46	-	40.21	6.15

Previous year	Gross Block (at cost)				Accumulated Depreciation			Net Block	
Description	As at April 1, 2018	Additions during the year	Disposal/ Adjustment	As at March 31, 2019	As at March 31, 2018	For the year	Disposal/ Adjustment	As at March 31, 2019	As at March 31, 2019
Furniture and fixtures	16.72	-	-	16.72	11.86	1.53	-	13.38	3.34
Office equipments	11.60	-	-	11.60	8.69	0.78	-	9.47	2.13
Vehicles	17.56	-	-	17.56	13.51	1.15	-	14.66	2.9
Computer software	0.25	-	-	0.25	0.24	0.01	-	0.24	0.01
Total	46.13	-	-	46.13	34.29	3.45	-	37.75	8.39

As at April 1, 2018	Gross Block (at cost)				Accumulated Depreciation			Net Block	
Description	As at April 1, 2017	Additions during the year	Disposal/ Adjustment	As at March 31, 2018	As at March 31, 2017	For the year	Disposal/ Adjustment	As at March 31, 2018	As at March 31, 2018
Furniture and fixtures	16.72	-	-	16.72	9.63	2.23	-	11.87	4.86
Office equipments	11.13	0.47	-	11.60	7.29	1.40	-	8.68	2.92
Vehicles	17.56	-	-	17.56	11.83	1.68	-	13.51	4.06
Computer software	0.21	0.04	-	0.25	0.20	0.04	-	0.24	0.02
Total	45.62	0.51	-	46.13	28.95	5.35	-	34.29	11.85

Footnotes:

- (i) The Company has elected Ind AS 101 exemption and continue with the carrying value for all of its property, plant and equipment as its deemed cost as at the date of transition, for details refer note 30.
- (ii) The Company has not carried out any revaluation of property, plant and equipment for the year ended March 31, 2020 and March 31, 2019.
- (iii) Please refer note 26 for capital commitments.
- (iv) There are no impairment losses recognised during the year.
- (v) There are no exchange differences adjusted in Property, Plant & Equipment.



Notes to Financial Statements for the year ended March 31, 2020

(Rs. in Lacs)

	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
9 Investment Property			
Reconciliation of carrying amount			
Cost or deemed cost			
Opening balance	242.82	242.82	242.82
Additions during the year	—	—	—
Sale During the year	242.82	—	—
Total carrying amount	—	242.82	242.82
10 Other Non-Financial Assets			
Share Application Money to Corporates	30.00	30.00	30.00
Security to Landlord Rampur	0.25	0.25	0.25
	30.25	30.25	30.25
11 Deferred Tax Asset (net)			
Opening Balance	3.66	3.40	2.73
Deferred tax Asset	-0.02	0.26	0.67
	3.64	3.66	3.40
12 Trade Payables			
- to micro and small enterprises (refer note 27)	—	—	—
- to others	11.74	8.26	1.94
	11.74	8.26	1.94
13 Borrowings other than Debt Securities			
Short Term Borrowings			
(a) Secured Loans	—	—	—
(b) Unsecured Loans			
Loans Repayable on Demand			
From Body Corporates	1013.07	1825.79	2115.91
From Other	—	—	—
	1013.07	1825.79	2115.91
14 Long Term Provisions			
Provision for employee benefits (refer note 28)			
Provision for gratuity	—	—	—
Other provisions			
Contingent provision for standard assets	28.59	29.97	30.33
	28.59	29.97	30.33
15 Short Term Provisions			
Provision for Taxation	86.67	61.42	78.50
	86.67	61.42	78.50
16 Other Non-Financial Liabilities			
Statutory dues payable			
(i) Expenses Payable	28.73	28.57	3.97
(ii) Unclaimed Dividend :-			
2010-2011	0.21	0.21	0.21
2011-2012	1.52	1.52	1.52
2012-2013	2.10	2.10	2.10
(iii) Duties & Taxes Payable	19.28	18.78	31.78
	51.84	51.18	39.58



Notes to Financial Statements for the year ended March 31, 2020

(Rs. in Lacs)

	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
17 Equity Share Capital			
Equity Shares			
Authorised Share Capital			
Equity shares of Rs. 1 each (P.Y. 1/- each)	5,200.00	5,200.00	5,200.00
	5,200.00	5,200.00	5,200.00
Issued, subscribed and fully paid-up			
Equity shares of Rs. 1 each (P.Y. 1/- each)	5,090.61	5,090.61	5,090.61
	5,090.61	5,090.61	5,090.61

1. Terms and rights attached to equity shares

a) Voting

Each holder of equity shares is entitled to one vote per share held.

b) Dividends

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting except in the case where interim dividend is distributed.

During the year ended March 31, 2020, the company has recorded per share dividend of Rs. Nil (previous year Nil) to its equity holders.

c) Liquidation

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any.

Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

d) Bonus Share

1 (One) Equity Shares for every 1 (one) Equity Share on 02.09.2015 (Shares 243280600 Nos.)

2. a) Reconciliation of number of Shares

Particulars	At the End of 31.03.2020	At the End of 31.03.2020	At the End of 31.03.2019	At the End of 31.03.2019
	No.	Amount	No.	Amount
Shares Outstanding at the beginning of the Year	509,061,200	5,090.61	486,561,200	5,090.61
Share Issued during the year (Bonus Issue)	—	—	—	—
Preferential Issue	—	—	—	—
Shares bought back during the year	—	—	—	—
Any other movement	—	—	—	—
Shares Outstanding at the end of the year	509,061,200	5,090.61	509,061,200	5,090.61

**b) Details of shareholders holding more than 5% of the company**

Particulars	At the End of	At the End of	At the End of	At the End of
	31.03.2020	31.03.2020	31.03.2019	31.03.2019
	%	No.	%	No.
RRP Management Services Pvt. Ltd.	8.82	44,881,000	8.82	44,881,000
Prabhat Management Services Pvt. Ltd.	8.60	43,756,000	8.60	43,756,000

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

(Rs. In Lacs)

	As At	As At	As At
	31.03.2020	31.03.2019	01.04.2018
18 OTHER EQUITY			
a). Statutory Reserve u/s 45IC			
Balance at beginning of the year	206.88	174.96	154.69
Additions during the year	28.71	31.92	20.27
Balance at end of the year	235.59	206.88	174.96
b). Share Premium Account			
Balance at beginning of the year	613.54	613.54	51.04
Additions during the year	0.00	0.00	562.50
Balance at end of the year	613.54	613.54	613.54
c). General Reserve			
Balance at beginning of the year	—	—	—
Additions during the year	—	—	—
Balance at end of the year	—	—	—
d). Surplus in Statement of Profit & loss			
Balance at beginning of the year	877.49	749.69	668.09
Add: Profit/(loss) for the year	204.10	159.37	101.35
Less: Transfer to Statutory reserve	28.71	31.92	20.27
Less: Provision for Standard Assets	-1.39	-0.35	-0.52
Balance at end of the year	1054.27	877.49	749.69
Total Other equity	1903.36	1697.91	1538.19

Nature and purpose of other reserves:**(i) General reserve**

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes.

General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

(ii) Special reserve

Special reserve is created at the rate of 20% of the profits for every year per the provisions of the RBI Act, 1934.



(iii) Share premium

The Company allotted 2,25,00,000 Option Warrants to the Promoter Group in pursuance of the approval given by the shareholders through Postal Ballot Dated 24th December, 2015. Each option warrant holder was entitled to apply for one Equity Share at the premium of Rs. 2.50 per share within a period of 18 months from the date of allotment of warrants. The Company received Rs. 787.50 lacs on allotment of 2,25,00,000 Option warrants converted into equity share capital on 25/09/2017, being the warrant option premium which had reflected in Schedule 3 of Balance Sheet 2017-18 as Share Premium Account.

(iv) Retained earnings

Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, special reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.

(v) Other comprehensive income

The company recognises change on account of remeasurement of the net defined benefit liability as part of other comprehensive income with separate disclosure, which comprises of:

- actuarial gains and losses;
- return on plan assets, excluding amounts included in net interest on the net defined benefit liability; and
- any change in the effect of the asset ceiling excluding amounts included in net interest on the net defined benefit liability.

(Rs. In Lacs)

	As At 31.03.2020	As At 31.03.2019
19 Revenue from Operations		
Sales of Stock and Shares	35.96	302.31
Interest income	528.21	547.40
Dividend income	0.01	—
Income from Speculative Activities	—	0.22
Miscellaneous Income	413.22	—
	977.40	849.93
20 Change in Inventories		
Opening Stock of Shares	20.26	20.26
Closing Stock of Shares	20.26	20.26
	—	—
21 Employee Benefits Expenses		
Salaries, wages and bonus	51.46	59.58
Staff welfare expense	1.33	1.82
	52.78	61.40
22 Finance Costs		
Interest expense	85.61	87.90
	85.61	87.90
23 Depreciation and Amortisation Expenses		
Depreciation on property, plant and equipment (refer note 8)	2.46	3.45
Amortisation of intangible assets (refer note 8)	—	—
	2.46	3.45



Notes to Financial Statements for the year ended March 31, 2020

(Rs. In Lacs)

	As At 31.03.2020	As At 31.03.2019
24 Other Expenses		
Advertisement Expenses	0.46	0.45
Custodian Charges-CDSL/NSDL	2.89	2.62
Rent Rates & Water, Electricity Charges	12.51	12.34
Share Trading Expenses	0.65	0.00
Stock Exchange Expenses	3.61	2.95
Bank Charges	0.08	—
Bad Debt Written Off	416.78	—
Loss on Sale of Investment (Shares)	28.00	—
Loss on Sale of Investment (Proprety)	78.13	—
Loss in Trading in Future & Option	35.46	—
Board Meeting Fee	1.70	1.60
Books Paper & Periodicals	0.95	0.89
Computer Maintenance	0.08	0.23
Conveyance Expenses	3.90	3.40
Interest Paid on Taxes	—	0.41
Income Tax Paid	—	0.38
Income Tax Appeal Fee	0.01	—
Office Expenses	4.04	4.47
ROC Filling Fee	0.04	0.05
Miscellaneous Expenses	0.00	0.00
Legal and Professional Expenses	3.72	7.03
Share Transfer Agent Expenses	0.65	0.17
Travelling Expenses	0.28	0.33
Printing and Stationery	2.79	2.11
Telephone Expenses	0.60	0.87
Postage Expenses	4.60	3.45
Vehicle Running & Maintences	4.36	4.54
	606.29	48.28
Payment of Remuneration to Auditors		
Limited Review Audit	0.18	—
Statutory Audit	1.48	1.48
Internal Audit	2.60	2.60
	4.25	4.07
	610.54	52.35
25 Earnings per Share		
Basic and Diluted Earnings per share (refer footnote)	0.04	0.03
Nominal value per share (in Rs.)	1.00	1.00
Footnotes:		
(a) Profit attributable to equity shareholders		
Profit for the year	204.10	159.37
Profit attributable to equity holders of the company for Basic and Diluted EPS	204.10	159.37
(b) Weighted average number of shares used as the denominator		
Opening balance of issued equity shares	5,090.61	5,090.61
Effect of shares issued during the year, if any	—	—
Weighted average number of equity shares for Basic and Diluted EPS	5,090.61	5,090.61
(c) At present, the Company does not have any dilutive potential equity share.		



26 Contingent liabilities and commitments

There are no contingent liabilities and commitments as at March 31, 2020 (March 31, 2019 Rs. Nil, April 1, 2018: Nil).

27 Disclosures relating to suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006:

	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
The principal amount and the interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting year included in:	—	—	—
Principal amount due to micro and small enterprises	—	—	—
Interest due on above	—	—	—
The amount of interest paid by the buyer in terms of section 16 of the MSMED ACT 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	—	—	—
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting period.	—	—	—
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the Interest specified under the MSMED Act, 2006.	—	—	—
The amount of interest accrued and remaining unpaid at the end of each accounting year.	—	—	—
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible under section 23 of the MSMED Act 2006.	—	—	—

28 Employee benefits

The Company contributes to the following post-employment defined benefit plans in India.

Defined contribution plans:

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and EDLI, which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

There are no Contribution to provident fund as at March 31, 2020 (March 31, 2019 Rs. Nil, April 1, 2018: Nil).

**29. Related Party Disclosures:**

In accordance with the requirements of Ind AS 24 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are:

Details of Related Party Transactions for the year ended March 31, 2020**A) Enterprises in which directors are interested**

- a. Amarendra Financial Pvt. Ltd.
- b. Dinkar Commercials Pvt. Ltd.

B) Key Managerial Personnel

- a. Mr. Raj Kumar Modi- Managing Director
- b. Mr. Vijay Kumar Yadav - Chief Financial Officer (Resigned w.e.f. 09-08-2019)
- c. Mr. Chandresh Kumar Sharma - Chief Financial Officer (Appointed w.e.f. 09-08-2019)
- d. Mrs. Divya - Company Secretary (Resigned w.e.f. 31-07-2019)
- e. Mr. Yogesh Kumar Garg - Company Secretary (Resigned w.e.f. 11-11-2019)
- f. Ms. Chetna Sajwan - Company Secretary (Appointed w.e.f. 13-11-2019)

C) Non-Executive Directors

- a. Mrs. Rekha Modi
- b. Mr. Pramod Gupta
- c. Mr. Mahavir Prasad Garg

D) Transactions during the year ended March 31, 2019**(Rs. in Lacs)**

Sr. No.	Particulars	Year Ended 31-03-2020
1.	Enterprises in which directors are interested	
	- Amarendra Financial Pvt. Ltd.	175.08
	- Dinkar Commercials Pvt. Ltd.	120.40
2.	Rent / Usage Charges Paid	
	- Rekha Modi	10.62
3.	Managerial Remuneration	
	- Key Management Personnel	
	Salaries, Wages, bonus, commission and others benefits	22.67
	- Non - Executive Directors	
	Director sitting fees	1.70

Terms and conditions of transactions with the related parties:

- i). The terms and conditions of the transactions with key management personnel were no more favorable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.
- ii) All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash. None of the balances are secured.



30. First-time Adoption of Ind AS

The company has prepared its first Financial Statements in accordance with Ind AS for the year ended March 31, 2020. For periods up to and including the year ended March 31, 2019, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). The effective date for the company's Ind AS Opening Balance Sheet is April 1, 2018 (the date of transition to Ind AS).

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended March 31, 2020, the comparative information presented in these financial statements for the year ended March 31, 2019 and in the preparation of an opening Ind AS Balance Sheet at April 1, 2018 (the Company's date of transition). According to Ind AS 101, the first Ind AS Financial Statements must use recognition and measurement principles that are based on standards and interpretations that are effective at March 31, 2020, the date of first-time preparation of Financial Statements according to IndAS. These accounting principles and measurement principles must be applied retrospectively to the date of transition to Ind AS and for all periods presented within the first Ind AS Financial Statements.

Any resulting differences between carrying amounts of assets and liabilities according to Ind AS 101 as of April 1, 2018 compared with those presented in the Indian GAAP Balance Sheet as of March 31, 2018, were recognized in equity under retained earnings within the Ind AS Balance Sheet.

31 Income taxes

A. Amounts recognised in profit or loss

	As at March 31, 2020	As at March 31, 2019
Current tax expense		
Current year	48.25	61.42
Adjustment for prior years	—	—
	48.25	61.42
Deferred tax expense		
Change in recognised temporary differences	(0.02)	(0.27)
	(0.02)	(0.27)
Total Tax Expense	48.23	61.15

B. Amounts recognised in Other Comprehensive Income

	As at March 31, 2020			As at March 31, 2019		
	Before tax	Tax (Expense)/ Income	Net of tax	Before tax	Tax (Expense)/ Income	Net of tax
Remeasurements of defined benefit liability	—	—	—	—	—	—
Changes in fair value of financial instruments	60.55	—	60.55	—	—	—
	60.55	—	60.55	—	—	—

Note : Pursuant to Taxation Laws (Amendment) Ordinance 2019, the company intends to exercise the option permitted u/s 115BAA of the Income Tax Act, 1961 to compute Income Tax at the rate (i.e. 25.17 %) from the current Financial Year. The Tax expense for the quarter and year ended March 31, 2020 is after considering the impact of Revised Tax Rates and accordingly by revising the annual effective Interest tax rates, deferred tax assets/liabilities have been re-measured.



32. There are no borrowing costs that have been capitalised during the year ended March 31, 2020 and March 31, 2019.
33. There have been no events after the reporting date that require adjustment/disclosure in these financial statements.
34. Provision for tax is made for both Current and Deferred Taxes. Provision for current Income Tax is made on the current tax rates based on assessable income.
35. Balance due to / from some of the parties are subject to confirmation.
36. Previous year's figures are re-classified, re-grouped, re-arranged where is necessary.
37. Quantative information pursuant to the provisions of paragraphs 3, 4C, 4D of Part II of Schedule VI of the Companies Act.

Shares, Securities, Bonds & Commodities	Qty.	Amount
Opening Stock	29,58,526	20,26,047
(Previous Year)	29,58,526	20,26,047
Purchases	9,400	34,20,554
(Previous Year)	1,98,450	4,24,30,740
Sales	9,400	35,95,610
(Previous Year)	1,98,450	3,02,30,740
Closing Stock	29,58,526	20,26,047
(Previous Year)	29,58,526	20,26,047

As per our report of even date attached
FOR SUNIL K. GUPTA & ASSOCIATES
 Chartered Accountants
 Firm Registration No.002154N

FOR PMC FINCORP LIMITED

(CA MAHESH CHANDRA AGARWAL)
Partner
 Membership No. : 088025

(RAJ KUMAR MODI)
Managing Director
 DIN : 01274171

(REKHA MODI)
Director
 DIN : 01274200

Place : New Delhi
Date : 28.07.2020

(CHANDRESH KUMAR SHARMA)
Chief Financial Officer

(CHETNA SAJWAN)
Company Secretary
 Membership No: 60209



**Schedule to the Balance Sheet
of a non-deposit taking non-banking financial company”
(as required in terms of paragraph 13 of Non-Banking Financial
(Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)**

(₹ in lakhs)

Sr. No	Particulars	Amount Outstanding	Amount Overdue
	Liabilities side		
(1)	Loans and advances availed by non-banking financial company inclusive of interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured	-	-
	: Unsecured (other than falling within the meaning of public deposits*)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter - corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(f) Other Loans:		
	Loan repayable on demand from bank	-	-
	(Bank Overdraft limit from Karnataka Bank Limited secured by Fixed Deposit with the same Bank		

(₹ in lakhs)

Sr. No	Particulars	Amount Outstanding
	Assets side	
(2)	Break-up of Loans and Advances including bills receivables (other than those included in (4) below:	Amount Outstanding
	(a) Secured	-
	(b) Unsecured	7,116.86
(3)	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities	
	(i) Lease assets including lease rentals under sundry debtors:	
	(a) Financial lease	-
	(b) Operating lease	-
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Assets on hire	-
	(b) Repossessed Assets	-
	(iii) Other loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	-
	(b) Loans other than (a) above	-



(₹ in lakhs)

(5) Borrower group-wise classification of assets financed as in (2) and (3) above:			
Category	Amount net of provisions		
	Secured	Unsecured	Total
(1) Related Parties**			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
(2) Other than related parties	-	7116.86	7116.86
Total	-	7116.86	7116.86

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
Category	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)	
(1) Related Parties**			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
(2) Other than related parties	81.06	888.52	
Total	81.06	888.52	

** As per Accounting Standard of ICAI

(₹ in lakhs)

(7) Other information	
Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related Parties	-
(b) Other than related parties	-
(ii) Net Non-Performing Assets	
(a) Related Parties	-
(b) Other than related parties	-
(iii) Assets acquired in satisfaction of debt	-

