



CORPORATE INFORMATION

Board of Directors : S. D. CHUGH
 (Chairman & Managing Director)
 ROHIN CHUGH
 CHANDAN CHUGH
 JATINDER SINGH MAKKAR
 MAJOR(RETD.) G.S. GILL
 SUBHASH SIKKA

Auditors: M/s. DASS & Co.
 Chartered Accountants
 Civil Lines, Jalandhar

Corporate Advisors : M/s Dinesh Gupta & Co.
 Raj Chamber, Hind Samachar Street,
 Jalandhar.

Bankers: PUNJAB NATIONAL BANK.
 HDFC BANK LTD.
 ICICI BANK LTD.
 IDBI BANK LTD.
 CAPITAL LOCAL AREA BANK LTD.
 INDIAN BANK.

Registered & Corporate Office : ■ 923, G.T.Road,
 Jalandhar, Punjab
 Ph. 0181-4639903-08
 Fax. 0181-2459635
 e-mail: phf_leasingltd@yahoo.co.in

Branch Offices : SCF 77, Urban Estate Phase - I, Jalandhar
 Ph. 0181-4639911-13.
 SCF 5, Shastri Nagar, Batala.
 Ph. 01871-228492.
 Dhariwal Complex, Opp. Bawa Lalvani School
 Kapurthala. Ph. 01822-232349.
 Putli Ghar, Amritsar
 Ph. 0183-2229181

Contents :

Notice	2
Director's Report	
Auditor's Report	5
	17
Balance Sheet	21
Cash Flow Statement	22
Profit & Loss A/c	23
Significant Accounting Policies	24
Notes to Financial Statement	25-34
Notes to Accounts	35
Schedule as 9BB	38
Schedule - D	41
Financial Highlights	42

NOTE : MEMBERS ARE REQUESTED TO BRING ANNUAL REPORT IN THE ANNUAL GENERAL MEETING.

Stock Exchanges : The Ludhiana Stock Exchange Association Ltd
 Where Company's Shares are Listed : The Delhi Stock Exchange Association Ltd.

**PHF LEASING LIMITED**

Regd. & Corporate Office: 923, G.T. Road, Jalandhar - 144001 (Pb.) INDIA

Ph.:+91 181 4639903-08, Fax: +91 181 2459635

Email: phf_leasingltd@yahoo.co.in

Website: phfleasing.com, CIN - U65921PB1988PLC008430

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 23rd Annual General Meeting of the members of PHF LEASING LIMITED will be held on Saturday, 5th day of September, 2015 at 4.00 PM at Hotel Kings, G.T Road, Jalandhar to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Financial Statements

To receive, consider and adopt the Financial Statements of the Company for the financial year ended on 31st March, 2015, including the Audited Balance Sheet as on 31st March, 2015 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Auditors and the Directors thereon.

2. To Propose Declaration of Dividend

3. Re-appointment of Director retiring by rotation

To appoint a Director in place of Mr. Jatinder Singh Makkar (holding DIN: 01543332), whose period of office is not liable to determination by retirement of Directors by rotation and who, pursuant to the applicable provisions of the Companies Act, 2013, retires by rotation and being eligible offers himself for re-appointment.

4. Re-appointment of Director retiring by rotation

To appoint a Director in place of Mr. Gurdial Singh Gill (holding DIN: 02448066), whose period of office is not liable to determination by retirement of Directors by rotation and who, pursuant to the applicable provisions of the Companies Act, 2013, retires by rotation and being eligible offers himself for re-appointment.

5. Re-appointment of Statutory Auditors

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 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, M/s. Dass & Co., Chartered Accountants, Jalandhar (FRN. 000200N) be and are hereby re-appointed as Statutory Auditors of the Company for a period of two years to hold office until the conclusion of the Twenty Fifth Annual General Meeting of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM) at a remuneration to be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

6. Private Placement of Non convertible Debentures

To consider and if thought fit, to pass, with or without modifications, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed there under and Reserve Bank of India directions on issuance of NCDs, secured or unsecured, on private placement basis, as may be amended from time to time, the approval of the Company, be and is hereby accorded for making offer(s) or invitation(s) to subscribe to Non-Convertible Debentures on private placement basis in different tranches for one year from the date of passing of this special resolution to the extent of

Rs. 10 Crores including outstanding Debentures already issued within the overall borrowing limits of the Company, as approved by the Members, from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to prepare a borrowing plan, arrange or settle the terms and conditions on which such moneys are to be borrowed from time to time, as to interest rate, tenor, repayment, security or otherwise and to do all such acts, deeds, matters and things and give such directions as it may deemed necessary or expedient, to give effect to this resolution"

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

"RESOLVED THAT consent of the Members be and is hereby accorded to Mr. Gurdial Singh Gill, Director of the Company, who fulfills the 'Fit and Proper Criteria' Guidelines for the directors prescribed by Reserve Bank of India but who exceeds the age of 70 years, for his continuance as the Director of the Company. "

8. To approve the Appointment of Independent Directors

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



"RESOLVED THAT pursuant to the Provisions of Section 149 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed there under and Schedule IV of the Companies Act, 2013, Reserve Bank of India directions and the listing agreement the approval of the Company, be and is hereby accorded for the appointment of Mr. Jagdish Lal Gaba and

Mrs. Neelam Kohli as the Independent Directors of the Company appointed by the Board in its meeting held on December 16, 2014.

For & on behalf of
PHF LEASING LIMITED

Sd/-

Place : Jalandhar
Date : July 25, 2015

S. D. CHUGH
Managing Director

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER. THE PROXY FORM DULY COMPLETED MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.
2. Change in Member's address, if any may please be intimated to the Company.
3. All relevant documents with regard to the above business will be available for inspection during business hours on all working days at the registered office of the Company.
4. Explanatory statement pursuant to Sec 102 of the Companies Act, 2013 is enclosed.
5. Members are requested to bring copies of Annual Report at the meeting.
6. The Register of Members and Share Transfer Books of the Company shall remain closed on 4th and 5th of September, 2015 (Both days inclusive).
7. Shareholders desiring any information as regards the Accounts are requested to write to the company at least seven working days prior to meeting so as to enable the management to keep the information ready.

**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013**

Item No. 6:

Object and Purpose:

Your Company needs funds for expansion and working capital needs. To fund the increasing needs of business, the Company may issue debt instruments including but not limited to Secured Non Convertible Debentures and unsecured Subordinated Debt Bonds etc. Under new Companies Act, 2013, a company shall not make a Private Placement of its debentures unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the Shareholders of the Company by a Special Resolution for each of the offer. It also provides that in case of offer or invitation for non-convertible debentures, it shall be sufficient if the company passes a previous special resolution only once in a year for all the offers or invitation for such debentures during the year and issue the same in different tranches. The Company is authorized to borrow upto Rs. 50 Crore vide Special Resolution passed in the meeting of shareholders dated June 21, 2014. The approval of the Members is being sought by way of a Special Resolution under Sections 42 and 71 of the Act read with the Rules made there under, to enable the Company to offer or invite subscriptions for NCDs on a private placement basis upto Rs. 10 Crores including outstanding Debentures already issued, in one or more tranches, during the period of one year from the date of passing of the Resolution at Item No. 6 within the overall borrowing limits of the Company, as approved by the Members from time to time.

The Directors commend the Resolution at Item No. 6 of the accompanying Notice, for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolution at Item No. 6.

Item No. 7:

Mr. Gurdial Singh Gill, has exceeded the age of 70 years. He has been rendering valuable guidance to the company since the incorporation of the company and has been instrumental in the remarkable growth of the company. The Nomination Committee has found to be eligible under 'fit and Proper Criteria'. The Board recommends for his continuance as a director of the company to avail the benefit of his expertise in the industry.

The Board commends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the shareholders.



Item No. 8

Your Company was listed in Ludhiana Stock Exchange and Delhi Stock Exchange, Exit orders of both have been passed by SEBI, in furtherance of which the Company has applied to the Bombay Stock Exchange for getting its shares listed. For meeting the requirements of Clause 49 of the Listing Agreement, and for complying with the Provisions of Section 149 of the Act read with the Rules made there under and Schedule IV, the Company is required to appoint Independent Directors in the Board.

For meeting the requirements of the Act and the listing agreement Mr. Jagdish Lal Gaba and Mrs. Neelam Kohli are proposed to be appointed as the Independent Directors by the Board. In the opinion of the Board, the Directors appointed fulfills the conditions specified in the Act and the rules made thereunder and that the proposed directors are independent of the management.

The Board commends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the shareholders.

None of the Directors are concerned or interested in any context in the aforesaid resolutions except the directors being appointed.

For & on behalf of
PHF LEASING LIMITED

Sd/-

Place : Jalandhar
Date : July 25, 2015

S. D. CHUGH
Managing Director



DIRECTOR'S REPORT

To
The Esteemed Members,

Your Directors are pleased to present the 23rd Annual Report and the Company's audited accounts for the financial year ended March 31, 2015.

FINANCIAL HIGHLIGHTS

The Company's financial performance, for the year ended March 31, 2015 and previous years are as under:

(Figures Rs. in lacs rounded off)

SR. No.	<u>PARTICULARS</u>	Current Year Ended March 31, 2015	Previous Year Ended March 31, 2014
1.	H.P. Stock	1673.23	1648.23
2.	Borrowings	1365.00	1364.00
3.	Gross Income	421.93	395.31
4.	Expenditure (excluding depreciation)	364.97	314.33
5.	Depreciation	10.47	5.96
6.	Profit before taxes	75.33	75.01
7.	Taxes/Adjustments	25.72	23.45
8.	Net Profit after Tax	49.61	51.57
9.	Profit Brought Forward	60.34	55.55
10.	Profit available for appropriation	109.95	107.12
11.	Provision for dividend	26.89	26.89
	Provision for dividend tax	5.47	4.57
12.	Statutory reserve	10.00	10.32
	General reserve	4.00	5.00
	Depreciation on fixed Assets of useful life	2.00	0.00
13.	Paid up Capital	298.78	298.78
14.	Reserve & Surplus	202.31	187.65
15.	Net Owned Funds	500.40	486.43
16.	Dividend %	9%	9%
17.	Earnings Per Share	1.66	1.73
18.	Capital Adequacy Ratio	27.16	26.90



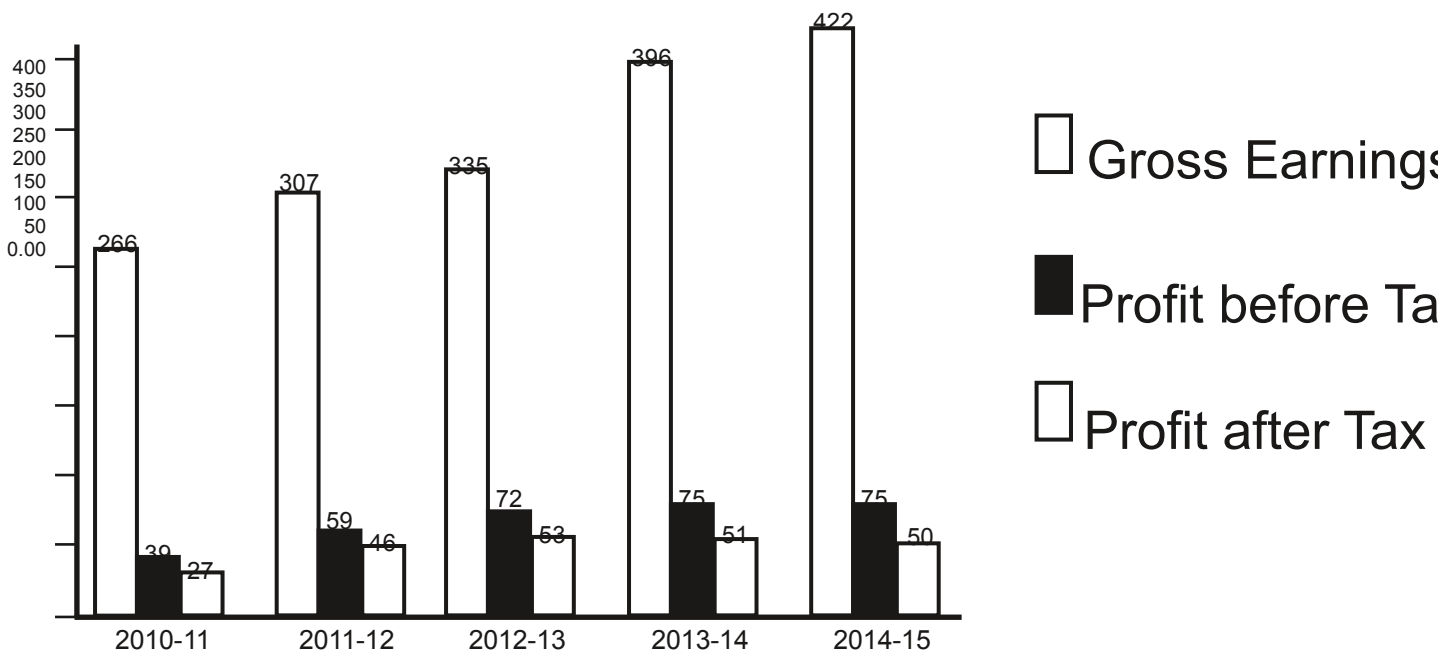
PHF Leasing Limited has reported wholesome financial and operating performance in spite of deep sluggishness in the market during financial year 2014 -15. Operating in a volatile environment, PHF Leasing Ltd. demonstrated the resilience of its business model. Your Company has recorded a growth in the business of the company during the financial year 2014-15 which is attributable to its hard end efforts towards providing best-in-class service and consumer oriented facilities which enabled it to deliver profits in the financial year 2014-15.

TOTAL GROSS INCOME

The Current Year financial statement witnesses an increase in the funding of assets which has led to an upward movement in the Total Gross income from Rs. 395.31 lacs as on March 31, 2014 to Rs. 421.93 lacs as on March 31, 2015 registering an increase of 6.73%.

NET PROFITS

Inspite of reporting an increase in the gross profit of the Company, the net profit of the Company stood at Rs. 49.61 lacs during the financial year ending March 31, 2015 as compared to Rs. 51.57 lacs during the previous year. The decrease in the net profit was due to increased Finance cost, other operation cost and higher depreciation adjustment of previous years. The management is planning to develop well managed policies in order to increase the profit of the company by increased lending, developing new products and higher recovery.





OPERATING PROFITS

The recession in the market coupled with inflation and rising interest expenses has hit the profitability of the company with total expenditure increasing from Rs. 314.33 lac to Rs. 364.97 lac resulting an increase of 16.11% which includes increase in finance cost by 11.98%. The Operating Profit of the Company stood at Rs. 67.09 Lac as compared to Rs. 90.48 Lac during the previous year. The Company is putting in untiring efforts towards the recovery of Non Performing assets, which has resulted in prompt recovery of Non Performing assets. The Company will continue to pay special attention towards recovery of NPA's during the current year as well.

NET OWNED FUNDS

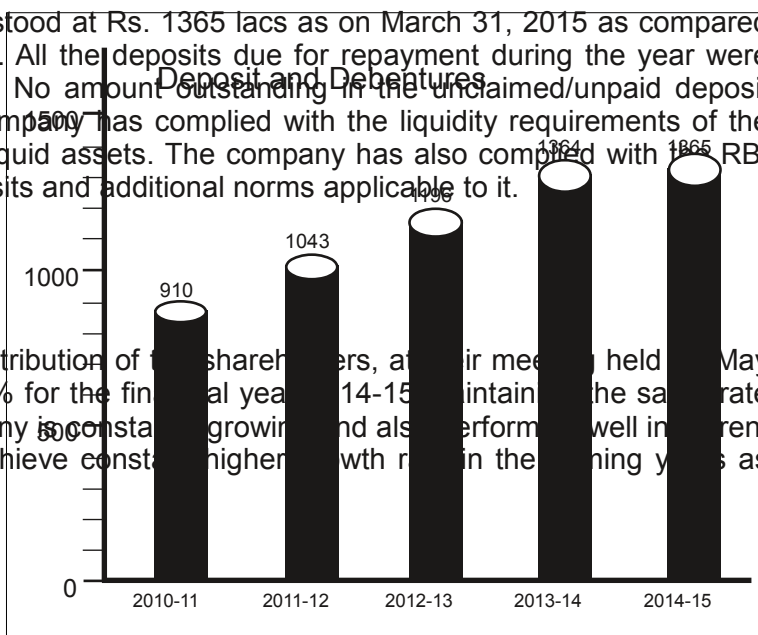
Net Owned Funds of the Company as on March 31, 2015 increased to Rs. 500.40 Lacs as compared to Rs. 486.43 Lacs as on March 31, 2014.

BORROWINGS

The borrowings of the company stood at Rs. 1365 lacs as on March 31, 2015 as compared to Rs. 1364 lacs as on March 31, 2014. All the deposits due for repayment during the year were either paid or renewed during the year. No amount outstanding in the unclaimed/unpaid deposit account as on March 31, 2015. The Company has complied with the liquidity requirements of the Reserve Bank of India to maintain the liquid assets. The company has also complied with RBI directions regarding acceptance of deposits and additional norms applicable to it.

DIVIDEND

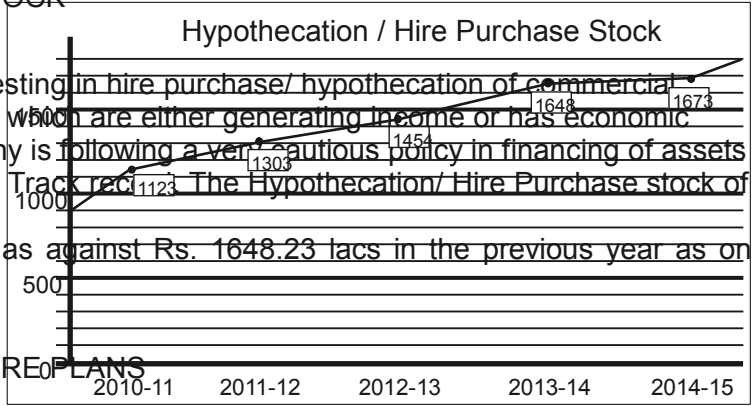
Your Directors, to reward the contribution of the shareholders, at their meeting held on May 30, 2015 recommended a dividend of 9% for the financial year 2014-15, maintaining the same rate of dividend for the last year. Your Company is constantly growing and also performing well in the current year. The Company looks forward to achieve constant higher growth in the coming years as well.





HYPOTHECATION/ HIRE PURCHASE STOCK

The company has the policy of investing in hire purchase/ hypothecation of commercial vehicles, two wheelers and three wheelers who are either generating income or has economic value to the customer. Further the Company is following a very cautious policy in financing of assets and prefers to deal with Clients with sound Track record. The Hypothecation/ Hire Purchase stock of the company has increased to Rs. 1673.23 lacs as on March 31, 2015 as against Rs. 1648.23 lacs in the previous year as on March 31, 2014.



OPERATIONS - PROSPECTS AND FUTURE PLANS

Your Company is primarily engaged in financing of all type of Vehicles, Moveable assets, Commercial Vehicles two wheelers and three wheelers which are either generating income or has economic value to the customer in India. Your Company classifies its customers as 'Borrowers' whose loans are outstanding. Your Company's core business is investing in hire purchase/ hypothecations of commercial vehicles, two wheelers and three wheelers which are either produces income or has economic value to the customer or have profitable worth and financing/ providing loans and certain other basic financial services to its progressive poor and other Borrowers. Our Borrowers are predominantly located in rural areas in India, and your Company makes available loans and finance to them mainly for use for the personal consumption, businesses or for other income generating activities.

In its core business, your Company operates with transparent policies, well-managed team at Head Office & Branches and positive efforts of field officers. Your Company is providing services to all borrowers and customers mainly from three branches located at Amritsar, Batala and Kapurthala in which the hire purchase/hypothecations of commercial vehicles, two wheelers and three wheelers services and other services of financing and loans for purchase of new or used vehicles from dealers is provided.

Our operations/field officer's team has initiated new measures to bring in efficiency and control through the 3 Ts viz. Technology, Training and Talent with able support of the Human Resource Department. In last financial year, our key focus was entirely on enhancing backend efficiency through



implementation of Document Management System as a backend technology framework for centralized loan processing. This initiative has helped us increase user productivity, credit delivery and has reduced Loan process time. The objective is to provide not just customer satisfaction, but also customer delight. Moreover, branches today have access to all reports and are being envisioned as individual business units catering to customer transaction and services.

CHANGE IN THE NATURE OF BUSINESS

For the Business Developments and Improvements, your Company has New Business Plans and Future Road Maps. To increase the efficacy and control over the business activities needs inspection and regular check of business activities has been enhanced. Your Board of Directors, at their meeting held on March 17, 2015 decided to close its Jalandhar Branch Office Located at Urban Estate, Phase -1, Jalandhar and also informed the respective Stock Exchanges and Reserve Bank of India. This information of closure of branch is also published in two newspapers; namely 'Money Makers' English newspaper on dated May 18, 2015 and 'Veerpartap' Local/Vernacular Language newspaper dated March 19, 2015. This decision of the Board of Directors of your company is to reduces the cost of the company which should helpful for generating and increasing profitability. The company is exploring innovative avenues for financing in line with the amendments made by Reserve Bank of India on November 10, 2014.

CODE OF CONDUCT & ETHICS

PHF Leasing Limited has adopted a 'Code of Conduct' (COC) & ETHICS of the Company during December 2014. The assessment and compliance was conducted by efficient and proficient Principal Officer of the Company as an independent agent of the Company, using COC as Compliance Tool. This tool requires scores to be assigned on the Ten Code of Conduct dimensions-

Code Confidential Information	
Honesty and Integrity Protection of Assets	
Conflict of Interest Regulations	
Fair Dealing Waiver	
Corporate Opportunities Affirm Compliance	

PHF Leasing Limited has also uploaded the Code of Conduct & Ethics on website of the Company as required under the compliance of the Listing Agreement.



LISTING WITH BOMBAY STOCK EXCHANGE (BSE)

Your company has filed an application with the Bombay Stock Exchange (BSE) on December 16, 2014 to the BSE for listing of the company under Direct Listing Norms due to the exit of Delhi Stock Exchange (DSE) and Ludhiana Stock Exchange (LSE) under SEBI circular of exit of de-recognised/non-operational stock exchanges. The company had filed the application in the form of information memorandum for Listing of the equity shares of the company on Bombay Stock Exchange (BSE) under Direct Listing Norms for listing of companies exclusively listed on exiting/de-recognized stock Exchanges (RSEs), for listing of the Company. The Listing of Company with Bombay Stock Exchange (BSE) is in process and further the company has duly complied with the Compliances of the Listing Agreement regularly with in time.

RESERVE BANK OF INDIA - REGULATORY UPDATE

Your Company has been following all the relevant guidelines and directions issued by the Reserve Bank of India from time to time. The Company has been classified as a registered Category-A, NBFC-AFC (Non-Banking Financial Company - Asset Finance Company) since Inception of company. The company has been submitting regularly all necessary returns to RBI and ensuring compliance of all the regulatory norms.

FINANCIAL INCLUSION

Financial inclusion has always been an important public policy goal and after last year's report of the RBI committee headed by Mr. Nachiket Mor which outlined the recommendations to achieve greater inclusion in India, RBI and Government of India have announced some new measures to achieve the goal of universal inclusion in India having significant implications for the stakeholders.

PHF Leasing Limited is also taking on the positive efforts anticipated by the new government, which will help in mounting the financial inclusion in India. The company is geared to perform better during the current year.

DEPOSITS

The company is registered with Reserve Bank of India as Deposit taking NBFC (AFC-D). The Company has accepted fresh public deposit during the financial year 2014-15 till November 09, 2014 and the Public deposit outstanding as on March 31, 2015 is Rs. 675.45 lacs. Further the Company is only renewing the public deposit after the enforcement of revised regulatory frameworks for NBFC vide Circular No. RBI 2014-15/299 dated: 10 November, 2014.

FAIR PRACTICES CODE

Your Company has duly complied with the provisions of RBI relating to the maintenance and review of the Fair Practice Code. PHF Leasing Limited has adopted Board approved Fair Practices Code, which provides operating guidelines for effective dissemination and implementation of responsible business practices and grievance redressal system. The company is implementing the best policies prevalent in



the industry for transparency and efficient recovery. The Reserve Bank of India has issued revised instructions by Master Circular- Fair Practice Code on July 1, 2015 which have been duly incorporated in the Fair Practice Code of the company and are being complied in letter and spirit. Further, the Company is also complying with the KYC Procedures as a tool to Risk Management.

At the operational level, all NBFCs are required to display prominently details of their company's grievance redressal officer, including details of the local office of the RBI at their branches and other places of business, for the benefit of the customers. Your Company has revised the Code of Conduct along with relevant policies in line with the RBI's amended Fair Practices Code for NBFCs and the details of its grievance redressal officer and the local office of the RBI, have been displayed at its branches. Fair Practice code has also been displayed on Web site of the company at www.phfleasing.com .

DISCLOSURES PURSUANT TO COMPANIES ACT, 2013 & RULES AND LISTING AGREEMENT

1. EXTRACT OF ANNUAL RETURN UNDER SECTION 92(3) READ WITH RULE 12 OF CHAPTER VII RULES.

The extract of the Annual Return as provided under Section 92 (3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 forms part of this report and is annexed hereto.

2. NUMBER OF BOARD AND COMMITTEE MEETINGS WITH DATES AND NUMBER OF MEETINGS ATTENDED BY EACH DIRECTOR UNDER SECTION 134(3) (B);

Particulars	Board Meetings	Audit Committee	Risk Management Committee	Nomination and Remuneration	Independent Directors Meeting
Number of Meetings	15	2	0	2	2
Dates of Meeting	April 01, 2014, April 26, 2014, May 31, 2014, June 21, 2014, June 30, 2014, July 19, 2014, August 16, 2014, September 20, 2014, October 25, 2014, November 29, 2014, December 09, 2014, December 16, 2014, January 31, 2015, March 17, 2015, March 30, 2015	January 31, 2014, March 30, 2015	—	November 29, 2014, March 30, 2015	March 17, 2015



NO. OF MEETINGS ATTENDED BY DIRECTORS

Name of Directors	Board Meeting Attended	Audit Committee	Risk Management Committee	Nomination and * Remuneration	Independent Directors Meeting
Mr. S.D Chugh	15	-	-	-	-
Mr. S.C Sikka 15	2	-	2	1	-
Mr. Rohin Chugh	15	-	-	1	-
Mr. Chandan Chugh	15	-	-	-	-
*Mrs. K.V Chugh	4	-	-	-	-
Mr. J.S Makkar	15	-	-	1	-
Mr. G.S Gill 15	-	-	1	-	-
Mr. J.L Gaba 3	2	-	1	1	-
Mrs. Neelam Kohli	3	2	-	-	1

*Mrs. Kavita Vinod Chugh, Director of the Company passed away on June 25, 2014. The Board places on record the appreciation of the guidance given by Mrs. Kavita Vinod Chugh during her tenure as director.

*The company has formed Audit Committee, Risk Management Committee on December 16, 2014. As such the committees have functioned for short period during the year under review.

3. DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 134(3)(C); SEC 134 (5) (A) TO (F) AND SEC 134(5)(E)

In accordance with the applicable Provision of the Company Act, 2013, Your Directors state that: -

- (i) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the Provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds & other irregularities;

- (iv) The Directors have prepared the annual accounts on a going concern basis; and



- (v) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- (vi) 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.

4. INDEPENDENT DIRECTORS' DECLARATION UNDER SECTION 149(6) & (7).

PHF Leasing has received the declarations from the Independent Directors under the provisions of section 149(6) & (7) of Companies Act as on the first meeting of the Board in which they participated as a director.

5. APPOINTMENT OF INDEPENDENT DIRECTOR UNDER SECTION 149(4).

PHF Leasing had appointed Mr. S.C Sikka as independent Directors in the Annual General Meeting held on July 25, 2014 for a period of 5 years and also appointed Mr.Jagdish Lal Gaba and Mrs. Neelam Kohli as an Independent Director on the Board of PHF Leasing in Board meeting held on dated December 16, 2014. Their confirmation is being proposed in the forthcoming Annual General Meeting.

6. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, ATTRIBUTES, INDEPENDENCE ETC. UNDER SECTION 178(1) & (3)

The Nomination and Remuneration Committee of the Company has put in place 'Fit & Proper' criteria policy for considering the appointment and remuneration of Directors and Key Managerial Personnel as per the guidelines issued by RBI. The policy contains detailed procedures for determining qualification, positive attributes, due diligence mechanism and reference checks for appointment of Directors and Key Managerial Personnel.

7. COMMENTS BY THE BOARD ON QUALIFICATION, RESERVATION OR ADVERSE REMARKS OR DISCLAIMER MADE BY AUDITORS IN AUDIT REPORT.

M/s Dass & Co., Chartered Accountants, Jalandhar Statutory Auditors of the company have audited the accounts of the company for the financial year 2014 - 2015 as per the accounting standards followed in India. There is no qualification, reservations or adverse remarks given by the Auditors which need comments by the Board. The notes to accounts referred to in Auditors' Report has been discussed by the Board and are self-explanatory and therefore, in the opinion of the Directors, do not call for any further comments.



8. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARKS OR DISCLAIMER MADE BY PCS IN SECRETARIAL AUDIT REPORT.

The Secretarial Audit Report from M/s Dinesh Gupta & Co., Company Secretaries, Jalandhar is obtained for the financial year ended March 31, 2015 and there are no Qualification, Reservation, Adverse Remarks or Disclaimer made by M/s Dinesh Gupta & Co. in the said Secretarial Audit Report which need explanations or comments by the Board.

9. LOANS, GUARANTEES & INVESTMENTS UNDER SECTION 186

The company has disclosed in the financial statements the full particulars of the loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient of the loan or guarantee or security as provided under section 186 (4) of the Companies Act, 2013. However, no Loans, Guarantees have been given and investment made other than in the ordinary course of business.

10. RELATED PARTY TRANSACTION UNDER SECTION 188 READ WITH RULE 8(2) OF COMPANY (ACCOUNT) RULES, 2014

The particulars of Contracts or Arrangements made with related parties made pursuant to Section 186 are furnished in prescribed Form AOC-2 attached as Annexure A to this report.

11. STATE OF THE COMPANY'S AFFAIRS

The state of affairs of the company in details has been given separately in different sections of the Board Report and also under Management Discussion and Analysis.

12. AMOUNTS PROPOSED TO BE CARRIED TO RESERVES, IF ANY

The Company is required to transfer 20% of its Profit after Taxes (PAT) mandatorily to statutory reserves as per Section 45 (IC) of the Reserve Bank of India Act. Accordingly, the amount of Rs 10 Lacs has been transferred to statutory reserves as on March 31, 2015.

13. AMOUNT RECOMMENDED TO BE PAID AS DIVIDEND

The Board has recommended 9% Dividend to the Shareholders of the Company for the year 2014-15. aggregating to Rs. 26,89,020/-



14. MATERIAL CHANGES & COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY, OCCURRING BETWEEN DATE OF FINANCIAL STATEMENTS AND THE BOARD'S REPORT.

There is no such material change and commitment which affects the financial position of the company occurring between the date of Financial statement and date of Board Report.

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO, IN MANNER PRESCRIBED.

A) Conservation of Energy

The company being an NBFC, the Energy consumed by the Company during this period is only in the form of electricity and diesel used in generators. The company has allocated specific cost budgets for the same in Head office and all its branches to reduce electric waste and the same is monitored on periodical basis. Other measures like use of LEDs, power saver air-conditioning equipments etc are being installed for conserving the energy. The company is also exploring for using alternative source of energy. There is no capital investment on energy conservation equipment other than specified above.

B) Technology Absorption

(i) PHF Leasing is using customized centralized finance software for its operational and financial activities. It is designed to handle large volume of accounts and transactions. It is equipped with customizable modules, menu driven interface that can be easily adapted to the changing business and growth requirements that also safeguards IT investments.

(ii) New Developments in Technology Field

The company has hired a renowned Vendor for providing for changing regulatory and need based developments.

(iii) The Company has not used any imported technology during the previous three financial years.

(iv) During the year, the Company has not incurred any expenditure on Research & Development.

C) Foreign exchange earnings and Outgo-

There was no foreign exchange inflow or Outflow during the year under review.



16. DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT POLICY

Risk is an integral part of your Company's business, and sound risk management is critical to the success of the organization. As a financial intermediary, your Company is exposed to risks that are particular to its lending and the environment within which it operates. Your Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout your Company. The risk management process is continuously improved and adapted to the changing global risk scenario.

Your Company has an elaborate process for risk management. The company has a comprehensive Risk Management Policy. Major risks identified in the processes are systematically addressed through mitigating actions on a continuing basis. These are discussed with both in the Risk Management Committee and the Audit Committee and corrective actions are taken as advised. The Risk Management Committee of the Board reviews the risk management policies in relation to various risks and regulatory compliance issues.

17. DETAILS OF CSR POLICY AND ITS IMPLEMENTATION

In the midst of certain uncertainties in the sector, PHF Leasing has continued to demonstrate its commitment to a wide range of social initiatives. The Company basically is a Social Responsible Institution and has holistic approach to Go Green and Save Little Angles alleviation. Notwithstanding the fact that the provisions of Section 134(3) are not applicable to the company, it has been organising awareness for the Go Green and Save Little Angles.

18. MANNER IN WHICH FORMAL ANNUAL EVALUATION OF PERFORMANCE OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS HAS BEEN CARRIED OUT

The Company's Board of Directors is dedicated to act in good faith; exercise its judgment on an informed basis and in the best interest of the company and its stakeholders. Accordingly, the Board approved policy for performance evaluation has been put into place in accordance with the requirements of Section 178 of the Companies Act, 2013 which provides that a policy is to be formulated and recommended to the Board, setting the criteria, based on which the performance of every director including the performance of the Board and Board Committees shall be assessed by the Company. Such an evaluation procedure provides a fine system of checks and balances on the performance of the directors and ensures that they exercise their powers in a rational manner.

The Nomination and Remuneration Committee undertook the review of skills, activities and time commitment of the Board and Committees for the year 2014-15. This was undertaken to ensure that Board and Committees are well positioned to develop and execute PHF Leasing's strategy. The review of the performance of Nomination Committee and its members has been done by Board. The review included a discussion on how the Board should approach its work in future. Given the review of Board skills, certain key areas of Board's working are tested which includes strategy, assurance, risk, governance and compliance processes. The outputs of evaluation are discussed with the Board, each committee and individually.



19. CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS/ KEY MANAGERIAL PERSONNEL DURING THE YEAR

Board of Directors/ KMPs of PHF Leasing Ltd. as on March 31, 2015

S.No.	Name of Director	Designation/ Category	Experience
1	Mr. Subhash Chander Sikka	Chairman- Independent	15 years in NBFC
2	Mr. Shiv Dyal Chugh	Managing Director	40 years in NBFC and Finance
3	Mr. Jagdish Lal Gaba	Independent Director	15 years in NBFC and Cotton
Industry			
4	Mrs. Neelam Kohli	Independent Director	5 years
5	*Mrs. Kavita Vinod Chugh	Deceased on dated June 25, 2014	
6	Ritika Sood	Company Secretary	3 Years
7	Kuldeep Bhandari	CFO	Experience of 17 years in handling Financial & accounts Dept. of the Company

The Board of directors of the company is duly constituted in accordance with the provisions of the Companies Act, 2013, Listing Agreement and RBI regulations. Mr. Jatinder Singh Makkar and Mr. Gurdial Singh Gill shall retire by rotation at the Annual General Meeting, and being eligible offers himself for reappointment.

Mr. Subhash Chander Sikka an Independent Director of the company was appointed as Chairman on the Board of the Company on board meeting held on dated March 30, 2015, as required by the Listing agreement and Companies Act, 2013.

*Mrs. Kavita Vinod Chugh, Director of the Company passed away on June 25, 2014 before the previous year Annual General Meeting of Financial Year 2013-14. The Board places on record the appreciation of the guidance given by Mrs. Kavita Vinod Chugh during her tenure as director.

Further, Mr. Jagdish Lal Gaba and Mrs. Neelam Kohli were appointed as Independent Directors of the company during the financial year by the board in its meeting held on December 16, 2014. The Board has offered them for their appointment as Independent Directors which will be considered and approved by the shareholders in the Annual General Meeting pursuant to section 152 (2) of Companies Act, 2013.

Mr. Jagdish Lal Gaba is graduate and Industrialist by profession and proprietor of the 'Gaba Thread Mill'. He has wide knowledge of Financing and Business Administration. He has 15 years experience of NBFC industry and its affairs. He plays a key role in designing and functioning of Company.



Mrs. Neelam Kohils graduate in Arts. She has wide knowledge of HR Policies and Business Administration. She has adequate experience of NBFC industry and its affairs. She plays a key role in designing and updating HR Strategy.

Both the directors shall hold the office upto the date of forthcoming Annual General Meeting (AGM) and are eligible for reappointment. Keeping in view their qualification and expertise in the field, the Board commends their reappointment to the Board of the company.

Ms. Ritika Sood was appointed as Company Secretary/KMP and Compliance Officer of the Company in Board Meeting held on dated November 29, 2014. She resigned from the post vide her resignation letter dated March 30, 2015 due to some reasons noted by Board of Company. Mr. Mahesh Kumar Company Secretary was appointed as Company Secretary of the Company on April 1, 2015.

APPOINTMENT OF KMPs

The following are the KMPs as on March 31, 2015. Mr. Kuldip Bhandari was appointed as CFO during the year as pursuant to provisions of Companies Act, 2013.

Name	Designation
Mr. Shiv Dyal Chugh	Managing Director
Mr. Kuldip Bhandari	Chief Financial Officer

20. NAME OF THE COMPANIES WHICH HAS BECOME / CEASED TO BE SUBSIDIARIES/ ASSOCIATES OR JOINT VENTURES DURING THE YEAR

During the financial year 2014-15, no Company became or ceased to be the subsidiary/ Associate or joint venture of PHF Leasing Limited.

21. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS, TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the previous year following Orders were passed by the Tribunal, Regulator and Courts:

- a) The company had purchased 12 Bonds of Madhya Pradesh State Electricity bonds 1999 worth Rs. 12.00 Lacs on 13.01.2000 whose maturity period expired on 13.01.2007. During the year 2014-15, the Company received Rs. 16,26,786/- which pertain to Principal sum Rs. 12,00,000/- and Rs. 4,26,786/- towards interest calculated @ 7% upto 31.03.2005 and @ 8% for the subsequent period from



01.04.2005 to 13.01.2007 as against contracted rate of 13.70%. The Company had filed recovery Suit against Madhya Pradesh State Electricity Board in Delhi High Court for the recovery of differential interest as per Contract rate against the payment given by the Madhya Pradesh State Electricity Board. The Company has also filed claim of interest for the delayed receipt of principal & interest.

b) The issue regarding allow-ability of depreciation on Lease Assets under the Income Tax Act for the assessments years 1998-99, 1999-2000 have been settled in favour of the company as the Hon'ble Punjab & Haryana High Court quashed the reopening in view of the favourable judgement of Hon'ble Supreme Court in the case of ICDS Ltd Vs CIT. Further, the company has received the refund of the tax deposited along with the interest thereon.

22. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A statement of adequacy of Internal Controls with reference to financial statements is attached with Auditor's report.

23. SEPARATE SECTION CONTAINING A REPORT ON PERFORMANCE AND FINANCIAL POSITION OF EACH OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

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

24. ESTABLISHMENT OF VIGIL MECHANISM

Section 177 of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules 2014 provides for establishment of vigil mechanism for directors and employees. PHF Leasing has framed Vigil Mechanism to report concerns to the management, about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy, without any fear or threat of being victimized. The Audit Committee of the Company reviews the functioning of Vigil Mechanism half yearly to ensure its effectiveness. Any employee or director of the Company can approach Chairman of the Audit Committee and/ or Ethics Counsellor for reporting genuine concern of actual or probable violation of Company's code of conduct.

Further, the Vigil Mechanism/ Whistle Blower Policy of the Company is also available on the website www.phfleasing.com of the company.

25. DISCLOSURE IN RESPECT OF ANY MD / WTD RECEIVING COMMISSION FROM A COMPANY AND ALSO RECEIVING COMMISSION OR REMUNERATION FROM ITS HOLDING OR SUBSIDIARY COMPANY

During the year 2014-15, Mr. Shiv Dyal Chugh had received Rs.9.90 lacs as remuneration from the Company. There is no other Whole Time Director of the Company. No Separate Commission was received by him or any other Director.



26. RATIO OF DIRECTORS' REMUNERATION TO MEDIAN EMPLOYEES' REMUNERATION AND OTHER DISCLOSURES

Information as per Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under:

- (i) None of the Directors were in receipt of managerial remuneration other than Mr. Shiv Dyal Chugh during the financial year 2014-15.
- (ii) The KMPs is primarily responsible and instrumental in achieving the goals of the company and the increase in their remuneration is suitable as compared to the performance of the Company.
- (iii) Average increase in remuneration of Chief Financial Officer is 16.46% in the financial year 2014-15.
- (iv) The percentage increase in the median remuneration of the employees in the financial year 2014-15 was 14.91%.
- (v) The number of permanent employees on the rolls of the Company was 45 during the financial year 2014-15.

-- The Equity Shares of your Company were listed on Delhi Stock Exchange and Ludhiana Stock Exchange but these two stock exchanges were exit under SEBI circular of exit of de-recognised/non-operational stock exchanges. The company had filed the application in the form of information memorandum for Listing of the equity shares of the company on Bombay Stock Exchange (BSE) under Direct Listing Norms for listing of companies exclusively listed on exiting/de-recognized stock Exchanges (RSEs), for listing of the Company. The Listing of Company with Bombay Stock Exchange (BSE) is in process and further the company is duly complied with the Compliances of the Listing Agreement regularly with in time. The Net Owned Funds of the Company as on March 31, 2015 increased to Rs. 500.40 lacs as compared to Rs. 486.43 lacs as on March 31, 2014 showing a growth of 2.87%.

-- The increase in remuneration of employees depends on various factors like qualification, experience, performance, length of service etc. PHF Leasing being a growing organization, the increase in remuneration of KMPs who is instrumental in the growth of the company since the start of Core Business of the company is not disproportionate to the average increase in remuneration of other employees who are joining at various intervals and at different levels.

-- The remuneration being given to the KMPs is not inconsistent to the significant performance of the company.

-- None of the Directors were in receipt of any variable remuneration during the year 2014-15.

-- Mr. Shiv Dyal Chugh has been given Rs. 9.90 lacs as remuneration during in Financial Year 2014-15.



- None of the Directors were in receipt of any Sitting fees during in Financial Year 2014-15.
- The Company hereby affirms that the remuneration paid to employees of the Company during the financial year 2014-15 is as per the terms of remuneration policy of the Company.

Information as per Rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

There are no employees in the Company drawing salary of Rs 60 lacs per annum or Rs 5 lac per month or more; and none of the employees are relatives of Directors. Moreover, none of the employees of the Company hold by himself or along with his spouse or dependent children two percent or more equity shares of the Company.

27. ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS, SWEAT EQUITY, ESOS ETC.

The company has not issued any equity shares with Differential Rights, Sweat Equity, ESOP etc.

NON-PERFORMING ASSETS

Your Company has made provisions for NPAs as per guidelines of RBI. The company is making earnest efforts through continuous appraisal, timely recovery and sound policy of write-offs for reducing and controlling the NPAs. A transparent and pragmatic recovery policy has been framed to ensure that there is no let up in the recovery and upgradation of the over dues. During the year under review company has made a provision of Rs. 4.47lacs as per the norms prescribed by RBI. The Company has transferred Rs. 0.02lacs as provision on standard assets @ 0.25% as per the new RBI instructions.

AUDITORS AND AUDITOR'S REPORT

M/s Dass & Company, Chartered Accountants, Jalandhar Statutory Auditors of the company have audited the accounts of the company for the financial year 2014-15 as per the accounting standards followed in India. M/s Dass & Company, Chartered Accountants, Jalandhar Statutory Auditors of the Company, hold office untill the conclusion of the Twenty Fifth Annual General Meeting of the company to be held in the year 2017 (subject to ratification of their appointment at every AGM) at a remuneration to be fixed by the Board of Directors of the Company."

The Company has received letters from ~~M/s Dass & Company~~ to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141 (3) (g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.



DIRECTORS RESPONSE TO THE COMMENTS, IF ANY, MADE BY THE AUDITORS IN THEIR REPORT

Auditors' Report read together with relevant notes to accounts does not contain any qualification of significant nature and do not call for any explanation/ clarification by the Board.

SECRETARIAL AUDIT

In compliance with the new provisions of Companies Act, 2013, the Secretarial Audit of the Company has been conducted by M/s Dinesh Gupta & Co., Company Secretaries, Jalandhar for the financial year ended March 31, 2015. The said report is attached to the Board Report.

CUSTOMER GRIEVANCE REDRESSAL

The RBI on July 01, 2015 amended the Fair Practices Code for all NBFCs requiring NBFCs to lay down an appropriate grievance redressal mechanism within the organization to resolve disputes between the company and its customers. The mechanism is to ensure that all disputes arising out of the decisions of lending institution's functionaries are heard and disposed of at least at the next higher level.

PHF Leasing adopted a well-structured customer grievance redressal mechanism and provides customers a reliable and easily accessible interface for timely and fair resolution of enquires & complaints. The policy aims to minimize the instances of customer complaints through proper service delivery and review mechanism.

●

Grievance Redressal at Branch Level - We have placed suggestion cum complaint boxes in all our branches as the customers' first point of contact for any query resolution. Due to low literacy and vulnerable backgrounds, our customers find it convenient talking to someone face-to-face rather than calling a remote helpdesk, hence we have given importance to placement of suggestion cum complaint boxes in all our branches.

●

Grievance Redressal Officer - We have appointed Grievance Redressal Officer (GRO) at Head Office for 3rd level escalation. GRO monitors customer grievances at all the levels and is responsible for ensuring timely resolution of all complaints through CCRs and Help Desks. A report on status of customer grievances is periodically reviewed at various levels of Management and the Board for decision making and minimizing complaints.

Our efforts at customer education during the years have paid off with an increasing number of customers approaching our grievance redressal channels for their queries.



INSTITUTIONAL RATING

Your Company's has obtained MB+ grading from ICRA, the Credit Rating Agency, as on March 31, 2014 and during the Financial Year 2014-15, the company has applied to the ICRA for Institutional Rating to ensure the operations in a more scalable and sustainable manner.

CORPORATE GOVERNANCE

The Company has complied with all the requirements regarding Corporate Governance as required under the revised Clause 49 of the Listing Agreement with the Stock Exchange(s). The report on Corporate Governance, Management Discussion and Analysis, as well as the Auditors Certificate on the compliance of Corporate Governance forms part of the Annual Report and same is stated in Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion & Analysis report, highlighting the important aspects of business, forms part of this report.

ACKNOWLEDGMENT

We are grateful to our Bankers, Central and State Governments, Reserve Bank of India and other statutory bodies for their co-operation and guidance. We appreciate company's staff for putting in their best. We express our sincere gratitude to our valued clients, depositors, hirers and associates for their trust and co-operation. Last but not least on behalf of the Board of Directors; I thank you dear shareholders for your continuous support at all times.

For and on behalf of the Board of Directors

PHF LEASING LIMITED

Place : Jalandhar
Date : May 30, 2015

Sd/-
Shubhash Chander Sikka
Chairman

Sd/-
Shiv Dyal Chugh
Managing Director



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. INDUSTRY STRUCTURE AND DEVELOPMENT

Global growth was a modest 3.4% in 2014 as per the estimates of the International Monetary Fund (IMF, WEO 2015), reflecting a pick-up in growth in the advanced economies relative to the previous year and a slowdown in the emerging markets and developing economies, like the US, Eurozone, and UK are expected to have gained traction in 2014, emerging economies like China, Russia, Brazil, etc. are expected to see a slowdown in their respective economies. Overall, it appears that the pace of economic recovery is getting marked by specificity

On a real trade weighted basis, the US dollar gained by 7.1% in 2014 as stronger than expected economic growth and expectations regarding the normalization of monetary policy by the US Federal Reserve supported the currency vis-a-vis its major trading partners

Overall, global growth is expected to be 3.5% in 2015 (IMF, WEO April 2015). Relative to last year, the outlook for advanced economies is improving, while growth in the emerging markets and developing economies is projected to be lower. This primarily reflects weaker prospects for some large emerging market economies and oil-exporting countries.

The Indian economy started FY 2014-15 on a positive note with significant improvement in market and business sentiment, following the 'General Elections in May 2014'. Thereafter, a supportive global commodity price environment along with gradual improvement in governance resulted in moderate increase in economic output. As per the new revamped series (with FY 2011-12 as the base year), GDP growth for FY 2014-15 is expected to come at 7.4% from 6.9% in FY 2013-14. Barring agriculture, mining, and trade, transport and communication services, all other sectors are expected to show improvement in their sectoral performance as per CSO's (Central Statistical Organization) advance estimate. Overall the improvement in headline GDP growth in FY 2014-15 is projected to be led by sectors like electricity, finance and manufacturing.

Inflation as measured by the CPI (Consumer Price Index) showed a substantial decline during FY 2014- 15. After averaging close to 10.0% over a period of six years between FY 2008-09 till FY 2013-14, average CPI inflation fell to 6.0% in FY 2014-15. During FY 2014-15, the Indian rupee traded in a band of 58.46-63.68. The currency remained below the 60 level to a dollar after the announcement of the general election results in May 2014, as the underlying portfolio inflows in both equity and debt instruments were seen to be supportive. Thereafter, rupee started to depreciate in a very gradual fashion closing the financial year at 62.50. The mild depreciation in rupee occurred despite a benign global commodity price environment resulting in compression of the trade deficit and robust surplus on the balance of payments account.



The Society of Indian Automobile Manufacturers (SIAM) has reported that domestic sales of Passenger Vehicles grew by 3.90% during the year April 2014 - March 2015 as compared to the year 2013-2014 (last year). The overall Commercial Vehicles sales registered a growth of 2.83% in April 2014 - March 2015 as compared to the last year. Medium & Heavy Commercial Vehicles (M&HCVs) registered growth of 16.02% and Light Commercial Vehicles declined by 11.57%. Three Wheelers sales grew by 10.80% in April 2014 - March 2015 as compared to the last year. Passenger Carriers and Goods Carriers grew by 12.16% and 5.27% respectively in April 2014-March 2015 as compared to the last year.

There was improvement in net interest margin as compared to the last year on account of reduction in Repo Rate by Reserve Bank of India twice by 25 basis point each in January and March 2015 better negotiation with banks financial institution sets Company's good track record of debt servicing innovative resource planning and efficient management of working capital.

The Company is mainly in the financing of Assets for Income generating activity. There is stiff competition amongst major NBFC companies as of today, but the history & background of your Company has helped in retaining old clients and securing new ones. Despite the adverse market conditions, the Company has managed to maintain its stability, which is due to timely adoption of prudent business strategies, measures taken to reduce cost of funds and cost of operations, improved fund management and effective steps taken to maintain the level of the Company.

2. OUTLOOK

The roller coaster liquidity ride post the global financial crisis witnessed Indian NBFCs facing a predicament. Many of them had a favorable business opportunity to convert the available liquidity into short-term, profitable assets as the banking system and infrastructure-focused NBFCs dealt with asset quality issues. On the other hand, global regulatory attention on shadow banks brought the spotlight on their operations, governance, liquidity management and most of all, linkages with the banking system.

The NBFC sector in India has undergone a significant transformation over the past few years and has come to be recognised as a systemically important component of the financial system. NBFCs are now closely interconnected with entities in the financial sector and may be exposed to risks which could impact the NBFC sector as well as other participants in the financial sector. The NBFC segment has witnessed consolidation over the recent past (especially in the NBFC-ND-SI segment) as indicated by the total number of registered NBFCs with the RBI witnessing a consistent year on year decline against the overall growth in their assets over the same period.

NBFCs asset growth and composition of advances

NBFCs have grown rapidly in India and that is reflected from their asset growth pattern over the years. NBFCs, over a period, have created product niches in sectors like infrastructure finance, automobile finance, gold loans, personal finance and capital markets.



NBFC profitability and Non-performing asset growth

The NBFC sector has shown a consistent year-on-year growth in net profits over the last few years. The effects of the market recovery are evident especially in the year 2014. With the Government and RBI's increased focus on financial inclusion, one could expect a continued growth run in the near future.

3. OPPORTUNITIES, RISKS AND CONCERNS

Unseasonal rains and hailstorms in March 2015 had adversely impacted Rabi crops. According to the agriculture ministry 62 lacs hectare of total 306 lacs hectare sown area has been damaged. As a result overall inflation might witness an upward pressure in the coming months. However it is believed that the impact of inflation will only be temporary if the government efficiently uses its large pool of food grain stocks.

It is expected that the average inflation for F.Y. 2015-16 would be 5.8% as compared to 6% for F.Y. 2014-15 due to lower crude oil prices resulting into lower production and transportation costs normal monsoon proactive steps by the government such as lower MSP increases and better utilization of food grain stocks and reduction in fiscal deficit. Mining Sector has reported expansion of 2.5% in output in the month of March 2015. Index for coal was also up nearly 12.6% during March 2015. The successful coal auctions should push growth in mining and power sector.

The inflation is expected to be under control leading to further cut in Repo Rate by RBI for F.Y. 2015-16. The GDP is expected to grow at 8% in the F.Y. 2015-16. The green shoots of recovery are visible from improvement in the March 2015 figures indicating rise in industrial production commercial vehicles sales new investment announcement rise in Foreign Direct Investment and revival of stalled projects. In the light of the above factors our Company expects to achieve better performance during the F.Y. 2015-16.

4. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal control system is designed to ensure operational efficiency, Effective use of resources and safeguarding of assets protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal analysis process for reviewing the adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures.

To provide reasonable assurance that the assets are safeguarded against loss or damage and that the accounting records are reliable for preparing the financial statements, the Company has a proper and adequate system of internal controls. The Company has in place well structured systems and procedures in line with the best of practices and well defined roles and responsibilities for people in all functions at various levels.



5. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

The Company recognizes people as its most valuable asset and it has built an open, transparent and meritocratic culture to nurture this asset. The Company has put in place sound policies for the growth and progress of its employees. These include definite performance-based incentive plans employees. The Company also recognizes the importance of providing training and development opportunities to its people to enhance their skills and experience, which in turn enables the Company to achieve its business objectives.

Talent Management is a key people planning tool that provides an integrated means of identifying, selecting, developing and retaining top talent within our organization. Attrition has been managed well and has been below industry benchmarks.

The Company regards its employees as valuable asset and continuously reviews and evolves policies and procedures to attract and retain its pool of technical and managerial personnel through a conducive work environment.

6. STAKEHOLDER'S RELATIONS

Investor being the back bone of your company, the company pays special attention towards maintaining cordial and fluent relations with them. Prudent efforts are made to provide best attention towards investors and the same time to redress their grievances in a prompt manner. Your company treats the borrowers as the equal stake holders in line with the investors and bankers. Your company has incorporated all the guidelines provided by the Reserve Bank of India with respect to fair practice code in its code of conduct. All these untiring efforts of your company have resulted in no complaints during the year. Further more your company has always been active and vigil in providing timeliness information to the stakeholders.

7. STRENGTHENING THE KNOWLEDGE PROPOSITION

A knowledge-led culture has been the company's core strength. While the knowledge of the customer enables the company to address delinquency risk, the knowledge of the territory enables it to prudently invest into relevant markets. Product knowledge enables it to address and control the credit quality across product verticals. The company has created a scalable business model based on creation of an organizational structure that readily addresses all the risks concerning Customers, Territory and Products. As a result, the company is able to mitigate its credit risk efficiently, in wake of its growing volumes.



8. RISK MANAGEMENT

Risk Management is an integral part of the Company's business strategy. The risk management process is governed by the Enterprise Wide Risk management framework. The Risk Management oversight structure includes Senior Management and regularly reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyzes risk exposure related to specific issues and provides oversight of risk across the organization. The Management nurtures a healthy and independent risk management function to inculcate a strong risk management culture in the Company.

As part of the Risk Management framework, the management of Credit Risk, Market Risk, Operational Risk and Fraud Risk are placed under the Head-Risk, to ensure Integrated Risk Management for various Risks. The Credit Risk management structure includes extensive credit policy and procedures for various businesses. Concentration Risk is managed by sector, geographical region, single borrower and borrower group.

The Risk Management Committee formed in compliance with RBI guidelines reviews liquidity risk and the interest rate risk profile of the organization on a regular basis. The Company has a practice of Ongoing monitoring of Key Risk Indicators which is performed by Senior Management. Causal analysis is carried out and corrective actions are implemented on KRI exceptions. A Senior Management meets periodically to review the operational risk profile of the organization.

9. IT SUPPORT

During FY 2014-15, the Company stabilized its Transactional systems and made significant progress towards its goal of total automation of all its business processes. At PHF Leasing there is emphasis on continual improvement and upgradation of systems and the underlying processes.

10. ENVIRONMENTAL PROTECTION

Environment is the great matter of concern for the Company. Company over the last few years has tried its best to conserve the environment. Company is always keen to make new policies for the environment and Company regularly monitor all the policies made in this matter. Company is committed to achieve high level of efficiency by lowering down the impact of industrial wastage on the environment.

11. COMPLIANCE

The Company has complied and continues to comply with all the applicable regulations, circulars and guidelines issued by the RBI such as Capital Adequacy, Net Owned Funds, provisioning for Non-Performing Assets and for standard assets, Concentration of Credit and Investment, filings, etc. The Company has duly constituted the Audit Committee, Nomination & Remuneration Committee and the Risk Management Committee as required under the guidelines. Company has laid "Fit & Proper Criteria" for the appointment of Directors as required under the guidelines. The Company has complied with all applicable provisions of the Companies Act, 1956 and the Companies Act, 2013 and the RBI Act, 1934 and other applicable rules/regulations/guidelines issued from time to time.



12. REVISED REGULATORY FRAMEWORK AND NEW FUNDING OPTIONS TO NBFCs

The evolution and growth of Non-Banking Finance Company (NBFC) sector has been significant in the recent past. NBFCs form an integral part of the financial sector and therefore are exposed to similar risks and challenges that are faced by other players in the financial sector. Therefore, the need was felt to address the risks, and also to address the concerns of NBFCs. The recommendations made by the Working Group on Issues and Concerns in the NBFC Sector and the Committee on Comprehensive Financial Services for Small Businesses and Low Income Households were considered and the changes in the regulatory framework have been introduced. The Reserve Bank of India (RBI) has notified new norms for regulation of non-banking financial companies (NBFCs), tightening rules related to minimum net owned funds, deposit acceptance ratio, capital norms, asset classification rules, corporate governance and more. Regulatory framework aims to address risks wherever they exist; address regulatory gaps and arbitrage arising from differential regulations, both within the sector as well as vis-a-vis other financial institutions; harmonize and simplify regulations to facilitate a smoother compliance culture among NBFCs; and strengthen governance standards.

RBI mentioned that, "a lighter regulatory framework has been placed on NBFCs other than for those with large asset sizes and deposit accepting. For NBFCs with large asset sizes, and for all deposit accepting NBFCs, regulations have been harmonized across NBFCs, and to some extent, with banks. The intent is to create a level playing field that does not unduly favour or disfavour any institution." It further stated that in limited areas where harmonization has resulted in strengthening the regulations, generally adequate time has been given to manage the transition. The regulator will then focus on the most important and systemic risks.

The NBFC sector has been gaining importance as the share of NBFCs has grown from 10.7 per cent of the banking assets in 2009 to 14.3 per cent in 2014.

As per the revised norms, NBFCs in operation before April 1999 are to raise their minimum net owned funds (NOF) to Rs 1 crore by March 2016 and further to Rs 2 crore by March 2017 from Rs 25 lakh currently or risk cancellation of their permits. NBFCs are now required to mark a loan as bad debt if the interest has not been paid for 90 days or three months. Till now, NBFCs marked a loan as bad loan only if the interest was not paid for six months while for banks it was three months. Provisions for standard assets have also been raised from 0.25 per cent of the loans outstanding to 0.40 per cent of loans.

For deposit-taking NBFCs, the revised norms have made it mandatory to get an investment grade rating by March 2016 or stop accepting deposits. Moreover, till March 2016, the unrated asset finance companies which are sub-investment grade can only renew deposits on maturity and not accept fresh deposits till they get an investment-grade rating. All asset financing NBFCs are now allowed to accept deposits up to 1.5 times their net owned funds, down from four times their net owned funds earlier. There are only 3% NBFCs which are accepting deposits.



Previously, non-deposit taking NBFCs with assets over Rs 100 crore were considered systemically important, but this cut-off has now been increased to Rs 500 crore "in light of the overall increase of growth of the NBFC sector." RBI has also asked all non-deposit taking NBFCs with an asset size of Rs 500 crore to streamline the core capital adequacy ratio of 10 per cent, compared with a range of 7.5 per cent to 12 per cent at present. NBFCs have been given time till March 2017 to comply with the norms.

Reserve Bank of India has liberalized the norms for issue of secured redeemable non convertible debentures by aligning the same with the Companies Act, 2013. The ceiling of Rs. 25 lacs per investor has been done away and NBFCs are allowed to issue debentures to 200 investors in a year with minimum investment of Rs. 20,000/-. Moreover, issue of Unsecured Redeemable Debentures for Rs. 1 crore and above has been excluded from the definition of 'Public Deposit'.

To 'fund the unfunded' self- employed as well as small businesses, Prime Minister Narendra Modi on April 8, 2015, launched Micro Units Development and Refinance Agency (MUDRA) Yojana that will offer loans of up to Rs 10 lakh at low rate of interest. MUDRA has been formed with a corpus of Rs. 20,000/- crores to provide refinance to NBFCs, Banks etc for achieving its objectives. All NBFC's registered with RBI have been made eligible. This will boost the funding to NBFCs and will give fillip to its growth.

12. CAUTIONARY STATEMENT

The Management Discussion and Analysis Report may contains forward looking statements that involve risks and uncertainties including, but not limited to, risks inherent in the Company's growth strategy, dependence on certain businesses, dependence on the availability of qualified and trained manpower, economic conditions, government policies and other factors. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. This report should be read in conjunction with the financial statements included herein and the notes thereto.

For and on behalf of the Board of Directors

PHF LEASING LIMITED

Place : Jalandhar
Date : May 30, 2015

Sd/-
Shubhash Chander Sikka
Chairman

Sd/-
Shiv Dyal Chugh
Managing Director



REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CONDUCT:

The Company is committed to benchmarking itself with the best in all areas including Corporate Governance. The Company's philosophy of Corporate Governance is aimed at strengthening the confidence among Shareholders, customers, employees and ensuring a long - term relationship of trust by maintaining transparency and disclosures. The Company believes in maintaining highest standards of quality and ethical conduct, in all the activities of the Company.

2. BOARD OF DIRECTORS:

a) Composition:

The Board of Directors provides strategic direction and thrust to the operations of the Company. As on 31st March, 2015, the Board of Directors of the Company had an optimum combination of Executive and Non-Executive Directors. The Company complies with the norms prescribed under Clause 49 of the Listing Agreement for constitution of Board of Directors.

None of the Independent Directors has any other material pecuniary relationship or transaction with the Company, its Promoters, its Directors, its senior management, which would affect their independence.

Further, none of the Directors on the Board is a member of more than 10 Committees and Chairman in more than 5 Committees, across all companies in which they are director.

b) Board Procedure:

The agenda is prepared in consultation with the Chairman of the Board and the Chairman of the other committees. The agenda for the meetings of the Board and its committees, together with the appropriate supporting documents, are circulated well in advance of the meeting.

Matters discussed at Board Meeting generally relates to Company's performance, quarterly /half yearly results of the Company, review of the reports of the Internal Auditors, Audit Committee and compliances with their recommendations, suggestions, non compliance of any regulatory, statutory or listing requirements etc.

c) Attendance at the Board Meetings and the last Annual General Meeting:

The Board Meeting dates are decided well in advance and communicated to Directors to enable them to plan for their schedule in order to attend the meetings.

During the year under review, the Board of Directors met 15 (Fifteen) times viz. April 01, 2014, April 26, 2014, May 31, 2014, June 21, 2014, June 30, 2014, July 19, 2014, August 16, 2014, September 20, 2014, October 25, 2014, November 29, 2014, December 09, 2014, December



The details of composition and category of Directors, their attendance at each Board meeting held during the financial year 2014-2015 and at the last Annual General Meeting, their directorships in other companies and membership /chairmanship in committees are as follows:

Name	Category	Attendance at Board Meeting		Directorships in other Public Ltd Companies			Membership / Chairmanship of Committees* (including Company)		Attendance at A.G.M. held on 25th July, 2014
		Held	Attended	Director	Chairman	Member			
*Subhash Chander Sikka	Chairman, Non-Executive & Independent Director		15	15	-	1	3	YES	
Shiv Dyal Chugh	Managing Director, Executive & Non Independent			15	15	5	5	1	YES
*Kavita Chugh	Director & Non Executive		4	4	-	-	-	NO	
Rohin Chugh	Director & Non Executive		15	15	1	1	1	YES	
Chandan Chugh	Director & Non Executive			15	15	2	-	1	YES
J.S Makkar	Director & Non Executive		15	15	1	-	1	YES	
G.S Gill	Director & Non Executive		15	15	-	-	-	YES	
Jagdish Lal Gaba	Independent Director & Non Executive		3	3	-	2	2	NO	
Neelam Kohli	Independent Director & Non Executive		3	3	-	-	2	NO	

* Mrs. Kavita Vinod Chugh, Director of the Company, expired on June 25, 2014 before the previous year Annual General Meeting of Financial Year 2013-14. The Board of Company, on behalf of her, had filed her resignation from directorship of company w.e.f. July 24, 2014. She also resigned from the directorship of other 4 Public Limited Companies w.e.f. July 24, 2014. The Board places on record the appreciation of the guidance given by Mrs. Kavita Vinod Chugh during her tenure as director.

* Mr. Subhash Sikka, an Independent Director, was elected as the chairman of the Board of Company w.e.f. March 30, 2015. He was also a member of the other 3 Committee's of Company.

* Mr. Jagdish Lal Gaba and Mrs. Neelam Kohli were appointed by Board, as Independent Director of the Company, w.e.f. December 16, 2014. They are also part of Committee's of Company.

* Membership/Chairmanship of only the Audit Committee, Nomination & Remuneration Committee, Risk Management Committee and Investor Grievance Committee of all Public Limited Companies have been considered.



Information regarding Directors seeking Appointment/Re-appointment at Annual General Meeting:

Name of Director	Mr. Jatinder Singh Makkar	Mr. Gurdial Singh Gill	Designation
Director & Non Executive	Director & Non Executive		
Date of Appointment	20/07/1992	20/07/1992	
Expertise in NBFC Functional Areas	22 Years	30 Years	
Shareholding in PHF Leasing Limited	10000 Shares	55800 Shares	
Directorships held in other companies	1	-	
Membership/Chairmanship of Committees of other Public Companies	1	-	

Remuneration Paid to Directors

Sr. No.	Name of Director	Designation	Salary Per Annum
1.	Mr. Shiv Dyal Chugh	Managing Director	Rs. 9,90,000

3. AUDIT COMMITTEE :

As on 31st March, 2015, the Committee comprised of three Independent Directors having financial background and knowledge in the business of the Company.

The Audit Committee met Two times viz. 31st January, 2015 and 30th March, 2015 during the year under review and the number of meetings attended by each member during the year ended 31st March, 2014 is as follows:

Name of Member	Designation	No of Meetings			
		Held	Attended		
Mr. Jagdish Lal Gaba	Chairman (Independent Director)	2	2		
Ms. Neelam Kohli	Member (Independent Director)	2	2		
Mr. Subhash Chander Sikka	Member (Independent Director)	2	2	2	

* The Audit Committee of the Company was constituted on date December 16, 2014.

Ms. Ritika Sood (Company Secretary & Compliance Officer) of the Company acts as Secretary to the Committee. She resigned from the post vide her resignation letter dated March 30, 2015 due to some reasons noted by Board of Company. Mr. Mahesh Kumar Company Secretary was appointed as Company Secretary of the Company on April 1, 2015.



The terms of reference of this Committee are wide. Besides having access to all the required information from within the Company, the Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors of the Company. The brief descriptions of terms of references are as follows:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Reviewing with management, the annual financial statements before submission to the Board for approval with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement are included in the Directors' Report in terms of Clause (c) of Sub-Section 3 & 5 of Section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgement by the management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of related party transactions.
 - Qualifications in draft Audit Report.
- Review with management quarterly/half yearly/yearly financial statements before submission to the Board for approval.
- Recommending the appointment/re-appointment/removal of Statutory Auditors, fixation of audit fees and also approval of payments for any other services.
- Reviewing with management, Statutory and Internal Auditor's adequacy of the internal control systems.
- Discussing with Internal and Statutory Auditors of any significant findings and follow-up thereon and reviewing the reports furnished by them.
- Reviewing the Company's financial and risk management policies.
- Compliance with the Stock Exchanges and legal requirements concerning financial statements.
- Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and/ or other Committees of Directors of the Company.

4. NOMINATION AND REMUNERATION COMMITTEE:

The broad terms of reference of the Remuneration Committee are to recommend the Company's policy on remuneration packages for the Managing Director/Executive Directors, reviewing the structures, design and implementation of remuneration policy in respect of key management personnel.



The Nomination and Remuneration Committee met Two times viz. 29th November, 2014 and 30th March, 2015 during the year under review and the number of meetings attended by each member during the year ended 31st March, 2015 is as follows:

Name of Member	Designation		No of Meetings	
	Held	Attended		
Mr. Subhash Chander Sikka	Chairman	(Independent Director)	2	2
*Mr. Gurdial Singh Gill	Member	(Independent Director)	1	1
*Mr. Jatinder Singh Makkar	Member	(Independent Director)	1	1
*Mr. Rohin Chugh	Member	(Non Executive Director)	1	1
*Mr. Jagdish Lal Gaba	Member	(Independent Director)	1	1

* The Nomination & Remuneration Committee was re-constituted in Board meeting held on dated December 16, 2014.

* Mr. Gurdial Singh Gill resigned as member of the Nomination & Remuneration Committee w.e.f. December 16, 2014.

* Mr. Jatinder Singh Makkar resigned as member of the Nomination & Remuneration Committee w.e.f. December 16, 2014.

* Mr. Rohin Chugh was elected as member of the Nomination & Remuneration Committee w.e.f. December 16, 2014.

* Mr. Jagdish Lal Gaba was elected as member of the Nomination & Remuneration Committee w.e.f. December 16, 2014.

Ms. Ritika Sood (Company Secretary & Compliance Officer) of the Company acts as Secretary to the Committee. She resigned from the post vide her resignation letter dated March 30, 2015 due to some reasons noted by Board of Company. Mr. Mahesh Kumar Company Secretary was appointed as Company Secretary of the Company on April 1, 2015

None of the Non - Executive Directors are being paid any remuneration or sitting fees during the year ended 31st March, 2015.

5. INVESTOR GRIEVANCE COMMITTEE/STAKEHOLDERS RELATIONSHIP COMMITTEE:

During the financial year 2014-15, no Investor Grievance Committee/Stakeholders Relationship Committee meeting was held.

No Investor Grievance/Stakeholders Complaints were received by the Company during the financial year 2014-15. Due to Non receipt of any Stakeholder Grievance/Complaint and Nil Complaint status there was no requirement of meeting of the Committee during the previous year.



Name of Member	Grievance	Designation	Relationship
Mr. Rohin Chug,		Chairman, (Non Executive Director)	
Mr. Chandan Chugh,		Member, (Non Executive Director)	
Mr. Subhash Chander Sikka,		Member, (Independent Director)	

Ms. Ritika Sood (Company Secretary & Compliance Officer) of the Company acts as Secretary to the Committee. She resigned from the post vide her resignation letter dated March 30, 2015 due to some reasons noted by Board of Company. Mr. Mahesh Kumar Company Secretary was appointed as Company Secretary of the Company on April 1, 2015

The Committee meets as and when required to deal with the matters relating to monitoring and redressal of complaints from Shareholders relating to transfer, non -receipt of Annual Report, etc.

The Committee is also empowered to consider and approve the physical transfers, transmissions, transposition, issue of duplicate certificates, consolidation / split / renewal of share certificates etc.

The Compliant Status during previous year was as follows:

At the beginning of the year	Received during the year	Resolved during the year	Pending
NIL	NIL	NIL	

6. GENERAL BODY

The details of last three Annual General Meetings

Financial Year	Date of AGM	Time	Location of Meeting	No. of Special Resolutions
2013-14	July 25, 2014	04:00 PM	Hotel Kings, G. T. Road, Jalandhar	7
2012-13	June 22, 2013	04:00 PM	Hotel Sekhon Grand, G. T. Road, Jalandhar	2
2011-12	June 16, 2012	04:00 PM	Hotel Kings, G. T. Road, Jalandhar	3

No Extra-Ordinary General Meeting was held during the Financial Year under review.



Details of Special Resolutions passed in last three Annual General Meetings:

1) During year 2013-14:

6. Special Resolution pursuant to Circular no. CIR/MRD/DSA/18/2014 dated May 22, 2014 issued by SEBI, for Listing of the Securities of the company with Bombay Stock Exchange.

7. Special Resolution for Consider and approve, the continuance as the Director of company of Mr. G. S. Gill under fit and proper criteria Guidelines of the RBI.

8. Special Resolution for adoption of new Articles of Association of the company containing regulations in conformity with the Companies Act 2013.

9. Special Resolution under section 180 (1) (a) and other applicable provisions of the Companies Act, 2013.

10. Special Resolution under section 180 (1) (c) and other applicable provisions of the Companies Act, 2013.

11. Special Resolution under section 149, 150, 152 and any other provisions of the companies Act, 2013 and rules made there under, for appointment of Major Gurdial Singh Gill (DIN- 02448066), Independent Director of the company.

12. Special Resolution under section 149, 150, 152 and any other provisions of the companies Act, 2013 and rules made there under, for appointment of Mr. Subhash Chander Sikka (DIN- 01871492), Independent Director of the company.

2) During year 2012-13:

6. Special Resolution to appoint M/s Dinesh Gupta & Co. under section 383A of Company Act 1956, for issuance of compliance certificate.

7. Special Resolution for Consider and approve, the continuance as the Director of company of Mr. G. S. Gill under fit and proper criteria Guidelines of the RBI.

3) During year 2011-12:

6. Special Resolution to appoint M/s Dinesh Gupta & Co. under section 383A of Company Act 1956, for issuance of compliance certificate.

7. Special Resolution under section 198, 269, 309 read with Schedule XIII of Company Act, 1956, for Re-appointment of Mr. S. D. Chugh as Managing Director of the Company.

8. Special Resolution for Consider and approve, the continuance as the Director of company of Mr. G. S. Gill under fit and proper criteria Guidelines of the RBI.

None of the business proposed to be transacted in the ensuing Annual General Meeting require a special resolution passing through Postal Ballot.



7. DISCLOSURES:

RELATED PARTY TRANSACTIONS:

Related party transactions are defined as transactions of the Company of material nature had with promoters, directors or with their relatives etc.

The transactions with the related parties, as per the requirements of the Accounting Standard 18, are disclosed in Notes to Accounts, forming part of the Annual Report.

None of the transactions with any of the related parties were in conflict with the interest of the Company.

8. MEANS OF COMMUNICATION:

The Company's quarterly/half-yearly/Annual results are published in news papers viz. Money Makers (English) and Veerpartap (Hindi Local) and are also notified to the Stock Exchange as required under Listing Agreement to enable the Stock Exchange to upload on their website. Half yearly reports are not being sent to each household of Shareholders. These results are displayed on the Company's website: www.phfleasing.com under investor section.

9. GENERAL SHAREHOLDERS INFORMATION

- 1) Annual General Meeting:
 Date : 05 September, 2015
 Time : 04.00 P.M.
 Venue : Kings Hotel, G.T Road, Jalandhar.

- 2) Financial Calendar:
 April 01, 2014 to March 31, 2015

Adoption of Quarterly Results Ended In the month of	(tentative)
June 30, 2014 July 19, 2014	
September 30, 2014 October 25, 2014	
December 31, 2014 January 31, 2015	
March 31, 2015 May 30, 2015	



3) Date of Book Closure:

From Friday, September 04, 2015 to Saturday September 05, 2015 (both days inclusive)

4) Listing on Stock Exchanges:

Your Company's had applied at BSE Limited for listing of Equity Shares of the Company on Bombay Stock Exchange (BSE) under Direct Listing Norms for listing of companies exclusively listed on exiting/de-recognized stock Exchanges (RSEs). The Company has paid the Processing fees to Bombay Stock Exchange on December 18, 2014. Further the Company has filed clarification of the Details required by the Bombay Stock Exchange (BSE) on dated May 30, 2015. The company is in process of Listing of equity shares of the company on BSE and have positive anticipation to get it listed on Bombay Stock Exchange (BSE).

5) Registrars and Share Transfer Agents:

Skyline Financial Services Private Limited
 D-153 A, 1st Floor, Okhla Industrial Area
 Phase - I, New Delhi - 110 020
 Fax : 011-26812682

Email us at: admin@skylinerta.com or

Call us on Tel.: 011-26812682, 83, 011-64732681 to 88

Category	Number of Shares Held	Percentage of Shareholding (%)		
(A) Category wise distribution of Equity shareholding as at March 31, 2015 :				
(1) Indian				
a) Individuals/ Hindu Undivided Family	2040510	68.29		
b) Central Government/ State Government(s)	0	0		
c) Bodies Corporate	54600	1.83		
d) Financial Institutions/ Banks	0	0		
e) Any Other (specify) Trust	0	0		
Sub-Total (A) (1)	2095110	70.12		
(2) Foreign				
a) Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0		
b) Bodies Corporate	0	0		
c) Institutions	0	0		
d) Any Other (specify)	0	0		
Sub-Total (A) (2)	0	0		
Total Shareholding of Promoter and Promoter Group (A) = (A) (1) + (A) (2)				
	2095110	70.12		



(B)	Public shareholding		
(1)	Institutions		
a)	Mutual Funds	0	0
b)	Banks/Financial Institutions	0	0
c)	Central Government/ State Government	0	0
d)	Venture Capital Funds	0	0
e)	Insurance Companies	0	0
f)	Foreign Institution Investors	0	0
g)	Foreign Venture Capital Investors	0	0
h)	Any Other (Specify)	0	0
	Sub-Total (B)(1)	0	0
(2)	Non-institutions		
a)	Bodies Corporate	2000	0.07
b)	Individuals -		
	i) Individual shareholders holding nominal share capital up to Rs.1 lakh.	539890	18.07
	ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	272800	9.13
c)	Non Resident Indians	0	0
c-i)	Public Trusts	75000	2.51
c-ii)	Corporate Bodies-OCB	0	0
c-ii)	Intermediary/Other Depository A/C	0	0
c-iv)	Hindu Undivided Family	3000	0.10
c-v)	Clearing member /House	0	0
c-vi)	Qualified Foreign Institution Investors-Individual	0	0
c-vii)	Qualified Foreign Institution Investors-Corporate	0	0
	Sub-Total (B)(2)	892690	29.88
	Total Public Shareholding (B)= (B)(1) +(B)(2)	892690	29.88
	TOTAL (A)+(B)	2987800	100.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0
	GRAND TOTAL (A)+(B)+(C)	2987800	100.00



7) Distribution of shareholding as on March 31,

Shares		Number of Shareholders	% of Total Number of Shareholders		Total Number of Shares	% of Total No. of Shares
Form	To					
1	to 500	260	49.17	9997	0.00	3.35
501	to 1000	147	28.11	1378	0.00	4.61
1001	to 2000	49	9.37	6950	0.00	2.33
2001	to 3000	12	2.29	3260	0.00	1.09
3001	to 4000	5	0.96	1922	0.00	0.64
4001	to 5000	14	2.68	6950	0.00	2.33
5001	to 10000	16	3.06	1263	0.00	4.23
10001	& Above	20	3.82	2432	910.00	81.43
Total		523	100.00	29878	8000.00	100.00

* The total number of Shareholders, i.e., 523 also includes the Shareholders with more than 1 Folio / Client ID.

8) Dematerialization of shares and Liquidity:

For the listing of the Equity Shares of the company on Bombay Stock Exchange there is requirement of 50% Shares in Dematerialization form. The company is in procedure for opening of D-mat accounts of its Shareholders. The company had taken effective steps and also company had posted the request letters to its Shareholders for Dematerialization of shares.

The Company has provided the facility for opening of D-mat Account to its Shareholders with the- Max Growth Capital Private limited located at- 15, B.S.F. Colony, Opp. H.M.V. Collage, G.T. Road, Jalandhar City-144001, Phone-181-5008555, email: info@maxgrowthcap.com , website: www.maxgrowthcap.com

at plummeting cost. About 0.08% shares have been dematerialized as on March 31, 2015.

9) Disclosure of accounting treatment:

In the preparation of the financial statement the Company has followed Accounting Standards issued by Institute of the Chartered Accountants of India to the extent applicable.



10) Disclosure of Risk management:

The Company has initiated the risk assessment and minimization procedure.

11) Outstanding ADRS, GDRS, Warrants or any convertible instruments, conversion date and impact on Equity:

Your Company has not issued any ADRs, GDRs, warrants or any convertible instruments during the financial year ended March 31, 2015.

12) Address for Investor's Correspondence:

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non- receipt of dividend or any address, non-receipt of dividend or any other query relating to shares, please write to:

Mr. Mahesh Kumar
Company Secretary & Compliance Officer
PHF Leasing Limited
Regd. & Corp. Office:
923, G.T. Road, Jalandhar-144001
Ph: 0181-4639903-08
Email: phf_leasingltd@yahoo.co.in



DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT UNDER CLAUSE 49 (II) (E) (2)
OF THE LISTING AGREEMENT

The Shareholders,

I, Shiv Dyal Chugh, Managing Director of the Company, do hereby declare that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct adopted by the Board of Directors and Senior Management of the Company. The same has been made available on the website of the Company i.e., www.phfleasing.com.

For and on behalf of the Board
For PHF Leasing Limited

Sd/-
Shiv Dyal Chugh
Managing Director

Place: Jalandhar
Date: May 30, 2015



MD/CFO CERTIFICATION

To
The Board of Directors
PHF Leasing Limited
923, G. T. Road, Jalandhar

We, the undersigned, in our respective capacities as the Executive Director and Chief Financial Officer of PHF Leasing Limited ("the Company"), to the best of our knowledge and belief, hereby certify that:

(a) We have reviewed financial statements and the Cash Flow statement for the year ended 31st March, 2015 and based on our knowledge and belief, state that:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and for evaluating the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee that:

(i) there has been no significant changes in internal control over financial reporting during the year under reference;

(ii) there has not been any significant changes in accounting policies during the year which need to be disclosed in the notes to the financial statements; and

(iii) we are not aware of any material instances of significant fraud during the year and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board
For PHF Leasing Limited

Sd/-

Sd/-



Dinesh Gupta
B.Com, LLB, FCS

DINESH GUPTA &
COMPANY
COMPANY SECRETARIES
Raj Chambers, Hind Samachar Street,
Jalandhar City 144001 (Punjab) India
Tel: 0181- 5010014
Mobile: +91-9815164949
E Mail: dineshgupta.cs@gmail.com

The Members
PHF Leasing Limited, Jalandhar

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PHF Leasing Limited.

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

For Dinesh Gupta & Co.
Company Secretaries

Sd/-
(Dinesh Gupta)
FCS 3462; C. P. No.: 1947
Place: Jalandhar
Dated: May 26, 2015



Dinesh Gupta
B.Com, LLB, FCS

DINESH GUPTA &
COMPANY
COMPANY SECRETARIES
Raj Chambers, Hind Samachar Street,
Jalandhar City 144001 (Punjab) India
Tel: 0181- 5010014
Mobile: +91-9815164949
E Mail: dineshgupta.cs@gmail.com

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE AS STIPULATED IN CLAUSE
49 OF THE LISTING AGREEMENT

To
The members of
PHF Leasing Limited
923, G. T. Road, Jalandhar

We have examined the compliance of conditions of Corporate Governance by PHF Leasing Limited ("the Company"), for the financial year ended on 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchange. The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For Dinesh Gupta & Co.
Companies Secretaries

Sd/-
Dinesh Gupta
Partner
M. No. F3462 C. P. No. 1947



Dinesh Gupta
B.Com, LLB, FCS

DINESH GUPTA &
COMPANY
COMPANY SECRETARIES
Raj Chambers, Hind Samachar Street,
Jalandhar City 144001 (Punjab) India
Tel: 0181- 5010014
Mobile: +91-9815164949
E Mail: dineshgupta.cs@gmail.com

SECRETARIAL AUDIT REPORT

The Members,
PHF Leasing Limited
Jalandhar

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PHF Leasing Limited (hereinafter called the company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the PHF Leasing Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder 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:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;



(v) The following applicable Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2009;

The following regulations and Guidelines of SEBI are not applicable to the company as no such event took place in the Company:

a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

c) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;

d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

(vi) Reserve Bank of India Act, 1934 and directions, regulations and circulars issued therein relating to Non Banking Finance Companies.

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

(i) Secretarial Standards with respect to board and general meetings of The Institute of Company Secretaries of India are not in force as on the date of this report and;

During the period under review and as per the representations and clarifications made, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.



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

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

Decisions of the Board Meetings, as represented by the management, were taken unanimously.

Exit order has been passed against Delhi Stock exchange and Ludhiana Stock Exchange by SEBI as per order No. WTM/PS/45/MRD/DSA/NOV/2014 and WTM/RKA/MRD/166/2014 dated 19th November, 2014 and 30th December, 2014 respectively. The company has filed an application with the Bombay Stock Exchange for listing of the shares of the company under Direct Listing Norms for listing of companies exclusively listed on exiting/ de recognized stock exchanges (RSEs)

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

For Dinesh Gupta & Co.
Company Secretaries

Sd/-
(Dinesh Gupta)
FCS No: 3462
C. P. No.: 1947

Place: Jalandhar
Dated: May 26, 2015



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 arm's length transactions under third proviso thereto.

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

Name (s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of contracts or arrangements or transaction including the value, if any	Date of approval by the Board, if any Amount paid as advances, if any
N.A	N.A	N.A	N.A	N.A	N.A
N.A	N.A	N.A	N.A	N.A	N.A
N.A	N.A	N.A	N.A	N.A	N.A
N.A	N.A	N.A	N.A	N.A	N.A

For and on behalf of the Board of Directors

PHF LEASING LIMITED

Sd/-

Shubhash Chander Sikka
Chairman

Sd/-

Shiv Dyal Chugh
Managing Director



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

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company

I. REGISTRATION & OTHER DETAILS (Management & Administration) Rules, 2014.	
1	CIN L65110PB1992PLC012488
2	Registration Date 20th July 1992
3	Name of the Company PHF LEASING LTD.
4	Category/Sub-category of the Company Public Limited Company
5	Address of the Registered office & contact details 923, G.T. Road, Jalandhar
6	Whether listed company
7	Name, Address & contact details of the Registrar & Transfer Agent, if any. New Delhi- 110220 Tel.No. +91 11 26812682, 26812683

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.			
2.			
3.			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	"% of shares held"	"Applicable Section"
1.					
2.					
3.					



IV. SHARE HOLDING PATTERN									
(Equity share capital breakup as percentage of total equity)									
(i) Category-wise Share Holding									
Category of Shareholders	"No. of Shares held at the beginning of the year [As on 31-March-2014]"				"No. of Shares held at the end of the year [As on 31-March-2015]"				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2,040,510	-	2,040,510	68.29%	2,040,510	-	2,040,510	68.29%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	54,600	54,600	1.83%	-	54,600	54,600	1.83%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	2,095,110	-	2,095,110	70.12%	2,095,110	-	2,095,110	70.12%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	-	2,095,110	2,095,110	70.12%	-	2,095,110	2,095,110	70.12%	0.00%



B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	0.00%	0.00%	
b) Banks / FI	-	-	-	0.00%	-	-	0.00%	0.00%	
c) Central Govt	-	-	-	0.00%	-	-	0.00%	0.00%	
d) State Govt(s)	-	-	-	0.00%	-	-	0.00%	0.00%	
e) Venture Capital Funds	-	-	-	0.00%	-	-	0.00%	0.00%	
f) Insurance Companies	-	-	-	0.00%	-	-	0.00%	0.00%	
g) FIs	-	-	-	0.00%	-	-	0.00%	0.00%	
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	0.00%	0.00%	
i) Others (specify)	-	-	-	0.00%	-	-	0.00%	0.00%	
Sub-total (B)(1):-	-	-	-	0.00%	-	-	0.00%	0.00%	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	106,100	106,100	3.55%	500	1500	2,000		
0.07% -98.11%									
ii) Overseas	-	-	-	0.00%	0	0	-	0.00%	0.00%
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	436,290	436,290	14.60%	1500	538390	539,890		
18.07% 23.75%									
ii) Individual shareholder holding nominal share capital in excess of Rs 1 lakh	-	272,800	272,800	9.13%	0	272800	272,800		
9.13% 0.00%									
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	75,000	75,000	2.51%	75000	75,000	75,000	2.51%	0.00%
Hindu undivided family	-	2,500	2,500	0.08%	500	2500	3,000	0.10%	20.00%
Sub-total (B)(2):-	-	892,690	892,690	29.88%	2,500	890,190	892,690	29.88%	0.00%
892,690 29.88%									
Total Public (B)	-	892,690	892,690	29.88%	2,500	890,190	892,690	29.88%	0.00%
29.88% 0.00%									
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%

Grand Total (A+B+C) - 2,987,800 ~~2,987,800~~ 100.00% 2,500 2,985,300
 2,987,800 100.00% 0.00% ~~2,987,800~~ 55



(ii) Shareholding of Promoter

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares of the company	% of total Shares	% of Shares Pledged/encumbered to total shares	No. of Shares of the company	% of total Shares	% of Shares Pledged/encumbered to total shares	
1	Jatinder Singh Makkar	10,000	0.33%	0	10,000	0.33%	0.00%	
2	Chandan Chugh	20,000	0.67%	0	20,000	0.67%	0.00%	
3	Rohin Chugh	20,000	0.67%	0	20,000	0.67%	0.00%	
4	Jyotsna	50,000	1.67%	0	50,000	1.67%	0.00%	
5	Shiv Dyal Chugh	76,960	2.58%	0	76,960	2.58%	0.00%	
6	Guridal Singh Gill	85,800	2.87%	0	55,800	1.87%	-34.97%	
7	Kavita Vinod Chugh	347,500	11.63%	0	-	0.00%	-	
8	Seth Ram Chand S D Chugh (HUF)	566,730	18.97%	0	566,730	18.97%	0.00%	
9	Shiv Dyal Chugh	863,520	28.90%	0	1,211,020	40.24%	40.53%	
10	Haripal Singh Gill	-	0.00%	0	30,000	1.00%	0.00%	

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. N	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	JATINDER SINGH MAKKAR						
	At the beginning of the year	3/31/2014		10,000	0.33%	10,000	0.33%
	Changes during the year	-		-	0.00%	-	0.00%
				0.00%	-	0.00%	
				0.00%	-	0.00%	
	At the end of the year	3/31/2015		10,000	0.33%	10,000	0.33%

Sr. N	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
2	CHANDAN CHUGH						
	At the beginning of the year	3/31/2014		20,000	0.67%	20,000	0.67%
	Changes during the year	-		-	0.00%	-	0.00%
				0.00%	-	0.00%	
				0.00%	-	0.00%	
	At the end of the year	3/31/2015		20,000	0.67%	20,000	0.67%



Sr. N	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
03	ROHIN CHUGH						
	At the beginning of the year	3/31/2014		20,000	0.67%	20,000	0.67%
	Changes during the year	-		-	0.00%	-	0.00%
		-		-	0.00%	-	0.00%
	At the end of the year	3/31/2015		20,000	0.67%	20,000	0.67%
04	JYOTSNA						
	At the beginning of the year	3/31/2014		50,000	1.67%	50,000	1.67%
	Changes during the year	-		-	0.00%	-	0.00%
		-		-	0.00%	-	0.00%
	At the end of the year	3/31/2015		50,000	1.67%	50,000	1.67%
05	SHIV DYAL CHUGH						
	At the beginning of the year	3/31/2014		76,960	2.58%	76,960	2.58%
	Changes during the year	-		-	0.00%	-	0.00%
		-		-	0.00%	-	0.00%
	At the end of the year	3/31/2015		76,960	2.58%	76,960	2.58%
06	GURDIAL SINGH GILL						
	At the beginning of the year	3/31/2014		85,800	2.87%	85,800	2.87%
	Changes during the year	11/19/2014		(30,000)	-1.00%	55,800	
		-		-	0.00%	-	0.00%
		-		-	0.00%	-	0.00%
	At the end of the year	3/31/2015		55,800	1.87%	55,800	1.87%



Sr. N	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
07	KAVITA VINOD CHUGH						
	At the beginning of the year	3/31/2014		347,500	11.63%	347,500	11.63%
	Changes during the year	7/19/2014	Transfer	(347,500)	-11.63%		
				0.00%	-	0.00%	
				0.00%	-	0.00%	
	At the end of the year	3/31/2015		-	0.67%	-	0.67%
08	SETH RAM CHAND S D CHUGH (HUF)						
	At the beginning of the year	3/31/2014		566,730	18.97%	566,730	18.97%
	Changes during the year	-		-	0.00%	-	0.00%
				0.00%	-	0.00%	
				0.00%	-	0.00%	
	At the end of the year	3/31/2015		566,730	18.97%	566,730	18.97%
09	SHIV DYAL CHUGH						
	At the beginning of the year	3/31/2014		863,520	28.90%	863,520	28.90%
	Changes during the year	7/19/2014	Transfer	347,500	11.63%		
				0.00%	-	0.00%	
				0.00%	-	0.00%	
	At the end of the year	3/31/2015		1,211,020	40.53%	1,211,020	40.53%
10	HARIPAL SINGH GILL						
	At the beginning of the year	3/31/2014		-	0.67%	-	0.00%
	Changes during the year	11/19/2014		30,000	0.00%	30,000	1.00%
				0.00%	-	0.00%	
				0.00%	-	0.00%	
	At the end of the year	3/31/2015		30,000	0.67%	30,000	1.00%



Sr. N	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Shareholding during the year		Cumulative Shareholding at the end of the year	
				No. of shares	% of total shares	No. of shares	% of total shares	No. of shares	% of total shares
1	RAM CHAND MEMORIAL WEL. SOC. (R)								
	At the beginning of the year	3/31/2014		75,000	2.51%	75,000	2.51%	75,000	2.51%
	Changes during the year			-	0.00%	-	0.00%	-	0.00%
	At the end of the year	3/31/2015		75,000	2.51%	75,000	2.51%	75,000	2.51%
2	PHF FINANCE LIMITED								
	At the beginning of the year	3/31/2014		65,000	2.18%	65,000	2.18%	65,000	2.18%
	Changes during the year	9/30/2014		(30,000)	-1.00%	(30,000)	-1.00%	(30,000)	-1.00%
		11/29/2014		(35,000)	0.00%	(35,000)	0.00%	(35,000)	0.00%
	At the end of the year	3/31/2015		-	0.00%	-	0.00%	-	0.00%
3	CHAMAN LAL								
	At the beginning of the year	3/31/2014		50,000	1.67%	50,000	1.67%	50,000	1.67%
	Changes during the year			-	0.00%	-	0.00%	-	0.00%
	At the end of the year	3/31/2015		50,000	1.67%	50,000	1.67%	50,000	1.67%
4	SUMAN								
	At the beginning of the year	3/31/2014		40,000	1.34%	40,000	1.34%	40,000	1.34%
	Changes during the year			-	0.00%	-	0.00%	-	0.00%
	At the end of the year	3/31/2015		40,000	1.34%	40,000	1.34%	40,000	1.34%
5	KARAN SHARMA								
	At the beginning of the year	3/31/2014		40,000	1.34%	40,000	1.34%	40,000	1.34%
	Changes during the year			-	0.00%	-	0.00%	-	0.00%
	At the end of the year	3/31/2015		40,000	1.34%	40,000	1.34%	40,000	1.34%
6	PHF FOOD LIMITED								
	At the beginning of the year	3/31/2014		39,600	1.33%	39,600	1.33%	39,600	1.33%
	Changes during the year	11/29/2014		39,600	1.33%	39,600	1.33%	39,600	1.33%
	At the end of the year	3/31/2015		-	0.00%	-	0.00%	-	0.00%
7	JASPAL SINGH								
	At the beginning of the year	3/31/2014		32,000	1.07%	32,000	1.07%	32,000	1.07%
	Changes during the year			-	0.00%	-	0.00%	-	0.00%
	At the end of the year	3/31/2015		32,000	1.07%	32,000	1.07%	32,000	1.07%



8	NITIKA						
	At the beginning of the year	3/31/2014	30,000	1.00%	30,000	1.00%	
	Changes during the year		-	0.00%	-	0.00%	
	At the end of the year	3/31/2015	30,000	1.00%	30,000	1.00%	
9	SHIVALI BANSAL						
	At the beginning of the year	3/31/2014	27,600	0.92%	27,600	0.92%	
	Changes during the year		-	0.00%	-	0.00%	
	At the end of the year	3/31/2015	27,600	0.92%	27,600	0.92%	
10	HARLEEN BANSAL						
	At the beginning of the year	3/31/2014	14,700	0.49%	14,700	0.49%	
	Changes during the year		-	0.00%	-	0.00%	
	At the end of the year	3/31/2015	14,700	0.49%	14,700	0.49%	

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. N	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	SHIV DYAL CHUGH						
	At the beginning of the year	3/31/2014		863,520	28.90%	863,520	28.90%
	Changes during the year	7/19/2014		347,500	11.63%	347,500	11.63%
	At the end of the year	3/31/2015		1,211,020	40.53%	1,211,020	40.53%
2	KULDIP BHANDARI						
	At the beginning of the year	3/31/2014		10,000	0.33%	10,000	0.33%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	3/31/2015		10,000	0.33%	10,000	0.33%



V. INDEBTEDNESS				
Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amt. Rs./Lacs)				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	64,962,652.00	71,324,579.00	136,287,231.00	
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	5,220,623.00	-	3,589,879.00	8,810,502.00
Total (i+ii+iii)	70,183,275.00	71,324,579.00	145,097,733.00	
Change in Indebtedness during the financial year				
* Addition	-	-	-	
* Reduction	6,773,107.00	6,928,086.00	13,701,193.00	
Net Change	6,773,107.00	6,928,086.00	13,701,193.00	
Indebtedness at the end of the financial year				
i) Principal Amount	58,189,545.00	78,252,665.00	136,442,210.00	
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	6,589,769.00	-	3,567,524.00	10,157,293.00
Total (i+ii+iii)	64,779,314.00	81,820,189.00	146,599,503.00	

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:				
SN	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Name	Sh. Shiv Dyal Chugh		(Rs./Lac)
	Designation	Managing Director		
1	Gross salary	990,000		990,000
1961	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.00		-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00		-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-		-
2	Stock Option	-		-
3	Sweat Equity	-		-
4	Commission	-		-
	- as % of profit	-		-
	- others, specify	-		-
5	Others, please specify	990,000		990,000
	Total (A)	-		-
	Ceiling as per the Act	-		-



B. Remuneration to other Directors

SN.	Particulars of	Remuneration	Name of Directors		Total Amount (Rs./Lac)
1	Independent Directors	Sh. Subash Sikka			
	Fee for attending board committee meetings	0	0	0	-
	Commission	0	0	0	-
	Others, please specify	0	0	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	Mr. Jagdish Lal Gaba	Mrs. Neelam Kohli		
	Fee for attending board committee meetings	0	0	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	990,000.00
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of	Remuneration	Name of Key Managerial Personal			Total Amount (Rs./Lac)
	Name		Mr. Kuldip Bhandar	Ms. Ritika Sood		
	Designation	CEO	CFO	CS		
1	Gross salary	-	246,778.00	88,000.00	334,778.0	
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	0	
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	
2	Stock Option	-	-	-	-	
3	Sweat Equity	-	-	-	-	
4	Commission as % of profit - others, specify	-	246,778.00	88,000.00	-	
5	Others, please specify	-	-	-	334,778.0	
	Total	-	-	-	0	

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]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment		-	-	-	-
Compounding		-	-	-	-
B. DIRECTORS					
Penalty					
Punishment		-	-	-	-
Compounding		-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty		-	-	-	-
Punishment		-	-	-	-
Compounding		-	-	-	-

**AUDITOR'S REPORT**

To
The Members
PHF LEASING LIMITED, JALANDHAR

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of M/s PHF Leasing Limited. (the company), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system or financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on the other Legal and Regulatory Requirements

1. As required under the Companies (Auditors Report) Order, 2015 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we report that :-

- i. a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- b) The management at reasonable intervals has physically verified the fixed assets and no material discrepancies were noticed on such physical verification.
- ii. The company is Non Banking Financial Company engaged in the business of providing of loans and advances. It does not hold physical inventories. Thus, paragraph 3(ii) of the order is not applicable to it.
- iii. a) The company has granted loan to three companies covered in the register maintained under section 189 of the Companies Act.



- b) The receipt of the principal amount and interest are regular.
- c) There is no overdue of Principal and interest:
- iv. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets and for financing of loans & advances. During the course of our audit we have not observed any major weaknesses in internal control system.
- v. The company is registered with Reserve Bank of India as Deposit Taking Company and it has complied with the directives issued by the Reserve Bank of India from time to time.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the act, for any of the services rendered by the Company.
- vii. a) In our opinion and according to the information and explanation given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax other statutory dues applicable to it.
- b) According to the information and explanations given to us, there are no undisputed amount payable in respect of Income tax, Interest Tax, ,service tax which are in arrears as on 31/03/2015 for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act,1956(1 of 1956) and rules there under has been transferred to such fund within time.
- viii. The company has no accumulated losses as at 31st March, 2015 and it has not incurred any cash loss in the financial year ended on that date or in the immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks or debenture holders.
- x. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for the loans taken by others from Banks or Financial institutions.
- xi. The company has not availed any term loan during the year under audit.
- xii. According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.



2. As required under section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books ;

c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account ;

d) In our opinion, the aforesaid Standalone 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 written representations received from the directors as on 31st March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act; and

f) With respect to the other matters to be included in the Auditor's Report in accordance with the rule 11 of the Companies (Audit and Auditors) Rules 2014 in our opinion and to our best of our information and according to the explanations given to us :

i. The Company does not have any pending litigations which would impact its financial position except as stated in Para 2.12 of the Notes to Accounts ;

ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, Education and Protection Fund by the Company.
FOR DASS & COMPANY
CHARTERED ACCOUNTANTS
FRN 000200N

Place :
Dated : May 30, 2015

Jalandhar City

Sd/-
J.R.
PARTNER
M.NO. 011910

GUPTA



BALANCE SHEET AS AT 31ST MARCH, 2015

(Figure in Rs.)

Particulars		Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
1.		2.	3.	4.
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share Capital	2	29878000	29878000
	(b) Reserve and Surplus	3	20230945	18764545
2	Non-current liabilities			
	(a) Long Term Borrowings	4	57893006	69765207
	(b) Deferred tax liabilities (Net)		0	92210
	(c) Long Term Provisions	5	410205	407900
3	Current liabilities			
	(a) Short Term Borrowings	6	51121838	42791190
	(b) Other Current Liabilities	7	43474103	42307794
	(c) Short Term Provisions	8	5643550	5336020
	TOTAL		208651647	209342866
II.	ASSETS			
	Non-current assets			
1	(a) Fixed Assets			
	Tangible assets	9	13942732	14841497
	Non Current Investments	10	7200482	8400482
	Deferred tax Asset (Net)		69250	0
	Long Term Loans and Advances	11	40773655	
	(d) Other Non Current Assets	12	1177430	4766276
2	Current assets			
	(a) Cash and Cash Equivalents	13	13730209	
	(b) Short Term Loans and Advances	14	127531318	
	(c) Other Current Assets	15	4226971	588491
	TOTAL		209342866	209342866

Sd/-
J.R. GUPTA
PARTNER

For and on behalf of the Board of Directors
Date : May 30, 2015

Sd/-
Shubhash Chander Sikka
Chairman

Sd/-
Shiv Dyal Chugh
Managing Director



CASH FLOW STATEMENT

Particulars	As at 31 March 2015		As at 31 March 2014	
A. Cash Flow from operating Activities				
Profit before Tax	7533798	7501786		
Add.: Financial Expenses	17877804	25411602	15964987	
23466773				
Add.: Depreciation	1047035	596124		
Add.: Income Tax of earlier years	0	0		
Add.: Loss on sale of Assets	0	0		
Add.: Provision for Non-Performing Assets	447146		109826	
Add.: Provision for Standard Assets	2305	1496486	45390	751340
Less:				
Dividend Received	9307	-14891		
Interest Received on Government Securities	-982149		-910658	
Tax Paid	-2823908	-3815364	-2333480	-3259029
Operating Profit before Working Capital Charges		23092724		20959084
Working Capital Changes				
Increase/Decrease in Long Term Advances	4545365		-10656557	
Increase/Decrease in Non-Current Assets	3270796		0	
Increase/Decrease in Short term loans & Advances	-8424988			-7885158
Increase/Decrease in other current assets	63578		-497220	
Increase/Decrease in other current Liabilities	541690	-1086939	-12790802	-31829737
22005785		-10870653		
Less: Financial Expenses		-16169820		-15044032
Cash Flow from Operating Activities		5835965		-25914685
B. Cash from Investing Activities				
Purchase of Fixed Assets	406803	-1398092		
Decrease/Increase in Investments	1200000		-359200	
Dividend & Interest received	991456		925549	
Sale of Fixed Assets	0	0		
Cash flow from Investing activities		0		-831743

As per our remarks at the foot of the Balance Sheet on behalf of the Board of Directors
 FOR PHF LEASING LIMITED
 CHARTERED ACCOUNTANTS
 FRN 000200N

C. Cash Flow from Financing Activities

Increase/Decrease in Long Term Borrowings	-11872201	Sd/-	28242746	Sd/-
Increase/Decrease in Short Term Borrowings	8330648	Shiv Dyal Chugh	2532656	Shiv Dyal Chugh
Dividend & Dividend Tax paid	-3146020	Chairman	-3146020	Managing Director
Cash Flow from Financing Activities		-6687573		27629382

Date : 30/03/2015

Net Increase/(decrease) in Cash/Cash Equivalents (A+B+C)	933045	882954
Cash & Cash Equivalents at the beginning of the year	12797164	11914210
Cash & Cash Equivalents at the end of the year	13730209	12797164



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

(Figure in RS)

Particulars		Refer Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
1.		2.	3.	4.
I.	Revenue from Operations			
	Interest & other financial services	16	41636962	38993380
II.	Other Income	17	556500	537774
	Total Income		42193462	39531154
III.	Expenses:			
i.	Employee benefits expense	18	7987057	7275871
ii.	Finance costs	19	17877804	15964987
iii.	Depreciation and amortization expense	9	1047035	596124
iv.	Other expenses	20	9619514	7242377
v.	Provision & Write off	21	1013091	950009
	Total Expenses		37544501	32029368
IV.	Profit before exceptional and extraordinary items and tax		4648961	7501786
V.	Exceptional items		0	0
	Interest on Income Tax Refund		2884837	0
VI.	Profit before extraordinary items and tax		7533798	7501786
VII.	Extraordinary Items		0	0
VIII.	Profit before tax		7533798	7501786
IX.	Tax expense:			
	(1) Current tax		(2407100)	(2190000)
	(2) Income tax adjustment of previous years		(326776)	1723
	(3) Deferred tax		161460	(156259)
X.	Profit (Loss) for the period from continuing operations		4961382	5157250
XI.	Profit (Loss) for the period		4961382	5157250
XII.	Earnings per equity share:			
	(1) Basic		1.66	1.73
	(2) Diluted		1.66	1.73

As per our report of even date
FOR DASS & COMPANY
CHARTERED ACCOUNTANTS
FRN 000200N

For and on behalf of the Board of Directors

PHF LEASING LIMITED

Sd/-
J.R. GUPTA
PARTNER

Sd/-

Sd/-

M.NO. 011910
Place: Jalandhar
Date : May 30, 2015

Shubhash Chander Sikka
Chairman

Shiv Dyal Chugh
Managing Director

**NOTE--1 SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS****1. SIGNIFICANT ACCOUNTING POLICIES****1.1. BASIS OF ACCOUNTING :-**

The company prepares its Financial Statement under historical cost convention on accrual basis of Accounting in accordance with requirements of Companies Act, 2013, the applicable accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and Directions issued by Reserve Bank of India from time to time applicable to Non -Banking Financial Companies.

1.2. FIXED ASSETS :-

Fixed Assets are carried at cost less accumulated depreciation,

1.3. DEPRECIATION :-

Depreciation on Fixed Assets has been provided, at pro-rata basis, on The Straight Line Method at the rates prescribed under Schedule II of the Companies Act, 2013.

1.4. STOCK ON HYPOTHECATION :-

The stock under Hypothecation is stated at agreed value less amount received from Hirer/Borrower.

1.5. VALUATION OF INVESTMENTS :-

Investments are valued at cost in accordance with the Para -6 of NBFCs Prudential Norms (RB) directions, 2007 of Reserve Bank of India and also in accordance with the accounting standard on investments (AS-13) issued by ICAI.

1.6. REVENUE RECOGNITION :-

- (i) Hypothecation Charges have been accounted for on reducing balance method.
- (ii) Income from money Transfer/Foreign Exchange income has been accounted on accrual basis.
- (iii) Overdue Income is accounted for as and when it is recovered.
- (iv) Income on NPA assets is recognized as and when realized as recommended in para 3 of NBFCs Prudential Norms (RB) directions, 2007 of Reserve Bank of India.
- (v) Dividend Income is recognized on declaration/receipt of dividend.
- (vi) Income from Bad debts recovered is recognized as and when realized.

1.7. PROVISIONS FOR NON PERFORMING ASSETS :-

Provision for non performing Assets is made in accordance with the Non Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

1.8 .PROVISIONS FOR STANDARD ASSETS:-

Provision for Standard Assets has been made @ 0.25% of the Standard Assets as prescribed in RBI circular No. DNBS.PD.CC.No.207/03.02.002/2010-11 dated 17th January, 2011.

1.9. EMPLOEES BENEFITS: -

- (i) The company has taken cover under Group Gratuity Scheme with Life Insurance Corporation of India for its liability of the payment on account of gratuity. The annual contribution made to Group Gratuity Scheme by the company is charged to revenue.
- (ii) Leave Salary is paid during the year on accrual basis.



NOTE NO. 2 - SHARE CAPITAL

Particulars	As at 31 March 2015		As at 31 March 2014	
	Number	Amount	Number	Amount
Authorised Equity Shares of Rs.10/- each 45000000	4500000	45000000	4500000	
Issued Equity Shares of Rs.10/- each 30023000	3002300	30023000	3002300	
Subscribed & fully Paid up Equity Shares of Rs.10/- each 29878000	2987800	29878000	2987800	

(a) Reconciliation of number of shares

Particulars	Equity Shares			
	As at 31 March 2015		As at 31 March 2014	
TOTAL	2987800	29878000	2987800	2987800
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	2987800	29878000	2987800	
Shares Issued during the year	0	0	0	0
Shares bought back during the year	0	0	0	0
Any other movement (forfeited)	0	0	0	0
Shares outstanding at the end of the year	2987800	29878000	2987800	

(b) Rights, preferences and restrictions attached to shares

Equity Shares : The company has one class of equity shares having a par value of Rs.10/- each and eligible for one vote per share held. The dividend proposed by the Board of Directors shall be payable to the shareholders in the ensuing Annual General Meeting.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Sl. No.	Name of Shareholder	Equity Shares			
		As at 31 March 2015		As at 31 March 2014	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1.	Shiv Dyal Chugh	1287980	43.11	863520	
2.	Seth Ram Chand S.D.Chugh (HUF)	566730	18.97	566730	
3.	Kavita Vinod Chugh	0	0.00	347500	11.63



NOTE NO. 3 - RESERVE AND SURPLUS

Particulars	As at 31 March 2015	As at 31 March 2014
a. General Reserve		
Opening Balance	2500000	2000000
(+) Current Year Transfer	400000	500000
(-) Written Back in Current Year	0	0
Closing Balance	2900000	2500000
b. Statutory Reserve Fund		
Opening Balance	10192300	9160300
(+) Current Year Transfer	1000000	1032000
(-) Written Back in Current Year	-	-
Closing Balance	11192300	10192300
c. Other Reserves (Share Forfeited reserve)		
Opening Balance	38425	38425
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	38425	38425
d. Surplus in statement of Profit and Loss		
Opening balance	6033820	5554590
(+) Net Profit/(Net Loss) For the current year	4961382	5157250
(-) Proposed Dividends	2689020	2689020
(-) Proposed Dividends Tax	547430	457000
(-) Amount of Depreciation on fixed Assets whose useful life as on April 01, 2014 is NIL as per Companies act 2013	258532	0
(-) Transfer to Statutory Reserves	1000000	1032000
(-) Transfer to General Reserves	400000	500000
Closing Balance	6100220	6033820

NOTE NO. 4 - LONG TERM BORROWINGS

TOTAL Particulars	20230945	18764545 As at 31 March 2015	As at 31 March 2014
Secured Debentures		37351000	47543000
Secured against movable properties in the form of floating charge excluding investments purchased. The purpose of statutory liquidity requirements subject to prior charge created in favour of company's banker on the HP/HYP. of documents of the company.			
TERMS OF REPAYMENT (as per annexure 'A' attached below)		37351000	47543000
Unsecured Deposits			
(i) Fixed Deposits (Director & Relatives)		254703	334322
(ii) Fixed Deposits (Others)		20287303	21887885
NOTE : The Company registered with RBI, India as a deposit accepting non-banking financial company. The Company has accepted the deposit as per RBI guidelines and its repayment is also governed by the directives issued by the RBI and as per terms of deposit receipts.			
		20542006	22222207



NOTE NO. 5 - LONG TERM PROVISIONS

Particulars	As at 31 March 2015	As at 31 March 2014
(I) Provisions Contingent Provision for Standard Assets 407900	410205	
TOTAL	410205	

NOTE NO. 6 - SHORT TERM BORROWINGS

Particulars	As at 31 March 2015	As at 31 March 2014
Secured (A) WORKING CAPITAL LOAN FROM BANKS 17290545 SECURED AGAINST HP/HYP DOCUMENTS, PROMISSORY NOTES AND EQUITABLE MORTGAGE OF RESIDENTIAL HOUSE OF DIRECTORS AT CHUGH COTTAGE, URBAN ESTATE PH-1, JALANDHAR	12956652	
12956652	17290545	
(i) Fixed Deposits (Director & Relatives)	8418832	5335546
(ii) Fixed Deposits (Others)	25412461	24498992
NOTE : The Company registered with RBI, India as a deposit accepting non-banking financial company. The Company has accepted the deposit as per RBI guidelines and its repayment is also governed by the directives issued by the RBI and as per terms of deposit receipts.		
TOTAL	33831293	29834538

NOTE NO. 7 - OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2015	As at 31 March 2014
(a) Current maturities of debentures 42791190	3548000	51121838
(b) Interest accrued and due on debentures	6589769	4933976
(c) Current maturities of deposits 18934660	23879366	
(d) Income accrued and due on deposits	3567524	3515318
(e) Unpaid matured deposits and interest accrued thereon	0	407735
(f) Unpaid matured debentures and interest accrued thereon	0	575647
(g) Unpaid dividend (Refer note (a) below)	6770	4430
(h) Other payables :- Audit Fees	51180	45506
Salary	409823	425729
Leave Encashment	320043	307676
Bonus	326700	293300
E.S.I. Contribution	24595	24800
EPF/FP Contribution	84394	118530
Sundry Creditors	1400261	1863411
Cheque Issued but not yet debited	3143745	6483528
Legal Expenses	36854	35000
Rent Payable	0	5698
Tax deducted at source	85079	143226
Service Tax	0	15624
TOTAL	43474100	46474100

(a) There are no amounts due for payment to the Investor Education and
42791190 Companies Act, 1956 as at the year end.



NOTE NO. 8 - SHORT TERM PROVISIONS

Particulars	As at 31 March 2015	As at 31 March 2014
(I) Provisions		
Provision for Dividend	26890202689020	
Provision for Dividend Tax	547430 457000	
Provision for Income Tax	24071002190000	
TOTAL	56435	505336020

NOTE NO. 10 - NON CURRENT INVESTMENTS

Particulars	As at 31 March 2015	As at 31 March 2014
OTHER (VALUE AT COST)		
(A) Investments in Government or Trust securities		
i) 7.46% GOI Securities 2017	294300 294300	
ii) 6.01% GOI Securities 2028	602100 602100	
iii) 6.30% GOI Securities 2023	879159 879159	
iv) 5.69% GOI Securities 2018	1585383 1585383	
v) 7.59% GOI Securities 2018	1941000 1941000	
vi) 6.05% GOI Securities 2019	353200 353200	
vii) 5.69% GOI Securities 2018	359200 359200	
(B) Investment in Equity instruments -		
i) Capital Local Area Bank Ltd.	186140 186140	
(C) Investments in debentures or bonds		
i) 13.70% MPSEB Bonds	0 1200000	
ii) 8.81% TNEB Bonds Series 3/2008-09	1000000 1000000	
TOTAL	72004828400482	
Less : Provision for diminution in the value of Investments	0 0	
TOTAL	72004828400482	

Non Current Investments	As at 31 March 2015	As at 31 March 2014
Aggregate amount of quoted investments	6014342	6014342
Aggregate amount of unquoted investments	1186140	2386140



Net Block	Balance as at Mar. 2015						3287094	
	Balance as at April 2014						7511820	
Accumulated Depreciation	Balance as at 31 Mar. 2015						746154	
	Balance as at April 2014						908061	
Grassroots Block	Balance as at 31 Mar. 2015						307822	
	Balance as at April 2014						3287094	
Disposals	On disposals						761447	
	Adjustment due to revaluations						823859	
Revaluations	Revaluation charge for the year						13942732	
	Balance as at April 2014						1076610	
Acquired through business combinations	Balance as at 31 Mar. 2015						107014	
	Balance as at April 2014						476228	
Additions / (Disposals)	Revaluations (Impairments)						1335831	
	Acquired through business combinations						2130831	
Total	Balance as at 31 Mar. 2015						4841496	
	Balance as at April 2014						441945	
Fixed Assets	Balance as at 31 Mar. 2015						1081887	
	Balance as at April 2014						260400	
Tangible Assets	Balance as at 31 Mar. 2015						1983509	
	Balance as at April 2014						6160928	
Intangible Assets	Balance as at 31 Mar. 2015						0.00	
	Balance as at April 2014						0.00	
Total Assets	Balance as at 31 Mar. 2015						0.00	
	Balance as at April 2014						0.00	

For and on behalf of the Board of Directors
PHF LEASING LIMITED

Sd/ Shiv Dyal Chugh
Managing Director

Sd/ Shubhash Chander Sikka
Chairman

As Per Our Report Of Even Date

FOR DASS COMPANY CHARTERED ACCOUNTANTS FRN 000200N

Place : Jalandhar
Date : May 30, 2015

Sd/ J. PARTH SARER M.NO. UP011910 TA



NOTE NO. 11 - LONG TERM LOANS AND ADVANCES

Particulars	As at 31 March 2015		As at 31 March 2014	
A. Loans and Advances				
1) Capital Advances	681800	0.00		
2) Security Deposits	58000	48000		
3) Loans & advances to related parties	0.00	739800	0.00	48000
4) Other Loans & Advances				
a) Loan against Hire Purchase/Hyp.				
(i) Secured Considered good	35831421		44053426	
(ii) Unsecured Considered good	0	0		
(iii) Doubtful	5290907	41122328	230606746359493	
Less: Provision for doubtful loans and advances		1088473	641327	
Total	40773655	45766166		

NOTE NO. 12 - OTHER NON CURRENT ASSETS

Particulars	As at 31 March 2015		As at 31 March 2014	
Income Tax (Deposited under dispute)				
Income Tax (A.Y.1998-99)	0	1054073		
Income Tax (A.Y.1999-2000)	0	0	2107987	3162060
Income Tax (Refundable)				
		533905		533905
Fringe Benefit Tax (A.Y.2009-10)				
	28500	28500		
Fringe Benefit Tax (A.Y.2010-11)				
	20892	49392	20892	49392
Interest Accrued on MPSEB Bonds				
		594133		1020919
TOTAL	1177430	4766276		

NOTE NO. 13 - CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2015		As at 31 March 2014	
a. Balances with banks in current accounts		4090829		
3071465				
b. IDBI unpaid dividend A/c - 2010-11		1260		1260
c. IDBI unpaid dividend A/c - 2011-12		1280		1280
d. IDBI unpaid dividend A/c - 2012-13		1890		1890
e. IDBI unpaid dividend A/c - 2013-14		2340		0
f. Cheques, drafts on hand		1519827		1684391
g. Cash on hand	4194654		4510481	
h. FDRs (more than 12 months)		3918129		
3526397				
TOTAL		13730209		12797164



NOTE NO. 14 - SHORT TERM LOANS AND ADVANCES

Particulars	As at 31 March 2015		As at 31 March 2014	
a. Loans and Advances				
a) Loan against Hire Purchase/Hyp. secured considered good		126200956		118463406
b. Others (Specify Nature)				
Advances -- Unsecured considered good	1230362		641124	
Loan Against FDR's -- Secured	100000	1330362	1800	642924
TOTAL		127531318		119106330

NOTE NO. 15 - OTHER CURRENT ASSETS

Particulars	As at 31 March 2015		As at 31 March 2014	
Others (Specify Nature)				
Commission Receivable	2850	5571		
Money Transfer Fund	0	97039		
Prepaid Expenses	179934	182048		
Stationery Stock	17439	16896		
Advance Income Tax (Net of Provision)	2479378		1854180	
Interest Accrued on Bank FDR's	1392678		1360955	
Interest Accrued on Bonds & GOI Securities	154292	4226571	148262	3664951
TOTAL	4226571	3664951		

The Final dividend for the year as follows :-

Particulars	Total	Per Share
Dividends proposed to be distributed to equity shareholders	2689020	0.90



NOTE NO. 16- INCOME

Particulars		For the year ended 31 March 2015	For the year ended 31 March 2014
REVENUE FROM OPERATIONS:			
Hypothecation Charges and Settlement charges		40258036	
37873151			
Interest on SLR Securities		511642	487152
Interest on Bank FDR's		470507	423506
Interest on Loan against Company Deposit		0	3825
Interest Earned (Others)		272632	68524
	(A)	41512817	38856158
Other Financial Services			
Commission from money transfer		24763	29334
Foreign Exchange Income		99382	107888
	(B)	124145	137222
TOTAL (A+B)		41636962	38993380

NOTE NO. 17 - OTHER INCOME

Particulars		For the year ended 31 March 2015	For the year ended 31 March 2014
Other Income:			
Dividend	9307	14891	
Interest Deduction on Pre-matures Deposit		62808	153243
Bad Debts Recovered		465285	362360
Misc. Income	19100	7280	
TOTAL	556500	537774	

NOTE NO. 18 - EMPLOYEE EXPENSES

Particulars		For the year ended 31 March 2015	For the year ended 31 March 2014
(a) Salaries and incentives		6893114	6356238
(b) Contributions to - Insurance	725313	622991	
(c) Gratuity fund contributions		149458	112425
(d) Staff welfare expenses		219172	184217
TOTAL	7987057	7275871	



NOTE NO. 19 - FINANCE COSTS

Particulars		For the year ended 31 March 2015	For the year ended 31 March 2014
Interest Expenses on Fixed Deposit		8536269	7775617
Interest Expenses on Debentures		6324527	7109924
Bank Interest & Charges	2835415		827157
Other Borrowing Cost	181593		252290
TOTAL	17877804	15964988	

NOTE NO. 20 - OTHER EXPENSES

Particulars		For the year ended 31 March 2015	For the year ended 31 March 2014
Advertisements	381638 281582		
AGM Expenses	134406 103366		
Car Expenses	180191 190381		
Commission & Brokerage	700 11900		
Credit Rating Expenses	0 56180		
Donation	0 5100		
Electricity & Water Charges		507417	467027
Entertainment	47642 91259		
Festival Expenses	149860 171093		
General Expenses	308078 252602		
Insurance Premium	219414 182988		
Legal & Professional Charges		811635	368664
Listing Fees	5618 11236		
Loss on Sale of Repossessed Vehicles			1369537422568
Membership & Subscription Fees		35625	74800
Newspapers & Magazines	10590 16645		
Payment to Auditors	56180 50562		
Postage Expenses	43938 83800		
Printing and Stationery	340316 390353		
Rate and Taxes	78924 62269		
Recovery and Collection Charges		3115503	2261379
Rent Account	563928 582828		
Repair & Maintenance			
-Building Repair	119538 25550		
-Other Repair	398329 345517		
Rebate & Discount		106530	59946
Round off	2 9		
Scooter/Motor cycle Expenses		43674	32737
Service Tax Paid	27810 16351		
Telephone & Mobile Exp.		483099	564526
Tour & Traveling	79392 59159		
TOTAL	96195147242377		



NOTE NO. 21 - PROVISION AND WRITE OFF

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Bad Debt Written off	563640	794793
Provision for Non Performing Assets	447146	109826
Provision for Standard Assets	2305	45390

TOTAL 1013091 950009

Disclosure pursuant to Note no. 5(i)(j) of Part II of Schedule VI to the Companies Act, 1956

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
A. AUDITOR		
i. for audit fees	56180	50562
ii. for company law matters		
iii. for management services		
iv. for taxation matter		
v. for reimbursement of expenses		
TOTAL	56180	50562

As Per Our Report Of Even Date
FOR CHARTERED DASS & COMPANY
FRN 000200N ACCOUNTANTS

For and on behalf of the Board of Directors
PHF LEASING LIMITED

Sd/-
J.R. GUPTA
PARTNER

Sd/-

Sd/-

M.NO. 011910
Place : Jalandhar
Date : May 30, 2015

Shubhash Chander Sikka
Chairman

Shiv Dyal Chugh
Managing Director



Note No. - 22

B. NOTES TO ACCOUNTS

2.1. STATUTORY RESERVE:

During the year, a sum of Rs 10,00,000/--being 20% of the Profit after tax has been transferred to Statutory Reserve in accordance with section 451C of R.B.I. Act, 1934.

2.2. TAXATION

1. Provision for Income Tax has been made in accordance with Income Tax Act, 1961.
2. Provision for Dividend tax has been made at the rates prescribed under Section 115-O of the Income Tax Act, 1961.

2.3. EARNING PER SHARE : -

The Company reports earnings per share in accordance with AS 20. Earning per share is computed by dividing Net Profit after tax by weighted average number of equity shares outstanding during the year.

The computation of earning per share is given below : -

	FIGURES AS ON 31.3.2015	FIGURES AS ON 31.3.2014
Weighted Average Number of Equity Shares outstanding Nos.	2987800	2987800
Net Profit after tax	4961382	5157250
Earning per share	1.66	1.73

2.4. DEFERRED INCOME TAX (AS 22)

The company has followed accounting standard 22 Accounting for Taxes on Deferred Income Tax is recognized subject to consideration of prudence of timing difference between taxable income/expenses that originate in one period and are capable of reversal in one or more subsequent periods.

The Break up of Net deferred tax liability is follows: -

	FIGURES AS ON 31.3.2015	FIGURES AS ON 31.3.2014
W.D.V. OF Fixed Assets as per Companies Act,2013	13942732	14841497
WDV of Fixed Assets as per Income Tax Act	12421632	13245523
Timing Difference	1521100	1595974
Deferred Tax Liability	470020	493155
Deferred Tax asset on account of Tax impact of Long Term capital Loss	76733	76733
Tax impact on Provision for NPA	336338	198170
Tax impact on Standard Asset	126201	126040
Deferred Tax Asset / (Liability)	69250	(92210)



2.5. DEBENTURES ARE REDEEMABLE AT PAR IN ACCORDANCE WITH THE TERMS OF ALLOTMENT.

MATURITY PROFILE OF DEBENTURES

Rate of Interest (%)	2015-16	2016-17	2017-18	2023-24	TOTAL
10.50 %	0	0	35000	0	35000
10.70 %	200000	0	0	0	200000
10.90 %	55000	0	0	0	55000
11.00 %	3153000	6330000	600000	0	10083000
11.40 %	140000	0	0	0	140000
11.50 %	0	12261000	0	18125000	30386000
TOTAL	3548000	18591000	635000	18125000	40899000

2.6. RELATED PARTY DISCLOSURES IN TERMS OF ACCOUNTING STANDARDS 18 ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA ARE AS FOLLOWS:

Key Managerial Personnel:

- (i) Mr. Shiv Dyal Chugh Managing Director
- (ii) Mr. Kuldip Bhandari Chief Financial Officer
- (iii) Ms. Ritika Sood Company Secretary & Compliance Officer

Relatives of Key Managerial Personnel:

Mr. Shiv Dyal Chugh: Mr. Rohin Chugh, Mr. Chandan Chugh, Mrs. Jyotsna
 Mr. Kuldip Bhandari: Mrs. Asha Bhandari, Mr. Nikhil Bhandari
 Ms. Ritika Sood: Mr. Varinder Sood, Mrs. Neeta Sood

Enterprises owned or significantly influenced by Key Managerial Personnel or their relatives:

Mr. Shiv Dyal Chugh: PHF Finance Limited
 PHF Hire Purchase Limited
 PHF Investment Limited
 PHF Food Limited

Name of Related Party	Description of Relationship	Name of Transactions	Volume of Transactions (Amt. In Rs.)	Outstanding amount as at 31-03-2015 (Amt. In Rs.)	Amount written off or written back (Amt. In Rs.)
Mr. Shiv Dyal Chugh	Key Managerial Personnel	# Remuneration Interest on Fixed Deposit	990000 64437	Nil 64437	Nil Nil
Mr. Kuldip Bhandari	Key Managerial Personnel	# Remuneration	246778	Nil	Nil
Ms. Ritika Sood	Key Managerial Personnel	# Remuneration	88000	Nil	Nil



PHF Finance Limited	Enterprises upon which KMP having Significant Influence	ICD Taken	542173	Nil	Nil
		ICD Interest Paid	21800	Nil	Nil
PHF Hire Purchase Limited	Enterprises upon which KMP having Significant Influence	ICD Granted	516471	Nil	Nil
		ICD Interest received	36998	Nil	Nil
PHF Investment Limited	Enterprises upon which KMP having Significant Influence	ICD Granted	628973	Nil	Nil
		ICD Interest received	54697	Nil	Nil

Remuneration means the Gross Remuneration without any decoctions.

2.7. Sundry Creditors include Rs. Nil (Previous year Rs 99406/-) due to directors.

2.8 Prudential The Company has complied with Non Banking Financial (Deposit Accepting or Holding) Companies Norms (Reserve Bank) Directions 2007. The Capital Adequacy Ratio as on 31.03.2015 is 27.38% as against minimum of 15%

2.9.	Remuneration to Directors	2014-15	2013-14
	i. Salary to Mg. Director	990000	945000
	ii. Contribution to PF	14700	8580

2.10. Interest paid on overdue deposit is accounted for as and when such deposits are renewed.

2.11. Impairment of Assets (AS 28)

The carrying amounts of assets are reviewed at the balance sheet and tested for impairment. After due consideration of internal and external factors, it is established that the carrying amount of the assets is not less than the recoverable amount of these assets. Hence there is no impairment loss on the assets of the company.

2.12. Provisions Contingent liability and contingent assets (AS 29)

CONTINGENT ASSETS.

The company had purchased 12 Bonds of Madhya Pradesh State Electricity bonds 1999 worth Rs. 12.00 Lacs on 13.01.2000 whose maturity period expired on 13.01.2007. During the year 2014-15, the Company received Rs. 16,26,786/- which pertain to Principal sum Rs. 12,00,000/- and Rs. 4,26,786/- towards interest calculated @ 7% upto 31.03.2005 and @ 8% for the subsequent period from 01.04.2005 to 13.01.2007 as against contracted rate of 13.70%. The Company had filed recovery Suit against Madhya Pradesh State Electricity Board in Delhi High Court for the recovery of differential interest as per Contract rate and as remitted by the Madhya Pradesh State Electricity Board. The Company has also filed claim of interest for the delayed receipt of principal & interest.

2.13. Sundry debtors and creditors are subject to confirmation.

2.14 In accordance with Schedule II of the Companies Act, 2013 becoming effective from April 01, 2014, the Company has recomputed the depreciation based on the useful life of the assets as prescribed therein. The company has charged the entire depreciation so computed to the Profit and Loss account as per Para 7(b) of the Schedule II as amended vide notification No. GSR 627(E) dated 29th August, 2014.

2.15. Previous Year figures have been regrouped and recast whatever necessary.



Additional Disclosures as required by Reserve Bank of India vide
 DNBR (PD) CC. No. 029/03.10.001/2014-15 dated

its
10th

a) Capital Adequacy Ratio (Amount in Rs. crore)

	Particulars	Current Year	Previous Year		
i)	CRAR (%)	27.38	27.12		
ii)	CRAR - Tier I Capital (%)	27.16	26.90		
iii)	CRAR - Tier II Capital (%)	0.22	0.23		
iv)	Amount of subordinated debt raised as Tier-II capital	-	-		
v)	Amount raised by issue of Perpetual Debt Instruments	-	-		

b) Investments (Amount in Rs. Lacs)

	Particulars	Current Year	Previous Year		
(1)	Value of Investments				
	(i) Gross Value of Investments				
	(a) In India	72.00	72.00		
	(b) Outside India				
	(ii) Provisions for Depreciation				
	(a) In India				
	(b) Outside India				
	(iii) Net Value of Investments				
	(a) In India	72.00	72.00		
	(b) Outside India				
(2)	Movement of provisions held towards depreciation on investments				
	(i) Opening balance				
	(ii) Add : Provisions made during the year				
	(iii) Less : Write-off / write-back of excess provisions during the year				
	(iv) Closing balance				



c) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

	Upto 30/31 days	Over 1 month & upto 2 Month	Over 2 month & upto 3months	Over 3 month & upto 6 month	Over 6 month & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Deposits	28.07	42.42	25.69	130.96	348.95	199.89	554	0.00	782.52
Advances	132.15	128.23	122.58	337.76	541.29	358.32	52.56	0.34	1673.23
Investments	0.00	0.00	0.00	0.00	0.00	51.79	5.40	14.81	72.00
Borrowings	0.00	0.00	0.00	4.02	204.36	192.26	0.00	181.25	581.89

a) Remuneration of Director

Company has not paid any remuneration to the Non-executive Directors during the year.

b) Provisions and Contingencies

(Amount in Rs. Lacs)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	Current Year	Previous Year
Provisions for depreciation on Investment	NIL	NIL
Provision towards NPA	4.47	1.09
Provision made towards Income tax	24.07	21.90
Other Provision and Contingencies (with details)	NIL	NIL
Provision for Standard Assets	0.02	0.45

c) Concentration of Deposits, Advances, Exposures and NPAs

Concentration of Deposits (for deposit taking NBFCs)

(Amount in Rs. Lacs)

Total Deposits of twenty largest depositors	68.77
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	8.785%

ii) Concentration of Advances

(Amount in Rs. Lacs)

Total Advances to twenty largest borrowers	173.13
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	10.34%



iii) Concentration of Exposures

(Amount in Rs. Lacs)

Total Exposure to twenty largest borrowers /customers	173.13
Percentage of Exposures to twenty largest borrowers Total Exposure of the NBFC on borrowers / customers	10.34% customers

iv) Concentration of NPAs

(Amount in Rs. Lacs)

Total Exposure to top four NPA accounts	28.81
---	-------

v) Sector-wise NPAs

(Amount in Rs. Lacs)

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector
1.	Agriculture & allied activities	
2.	MSME	
3.	Corporate borrowers	
4.	Services	
5.	Unsecured personal loans	
6.	Auto loans	3.16%
7.	Other personal loans	

d) Movement of NPAs

(Amount in Rs. Lacs)

Particulars	Current Year	Previous Year
Year		
(i) Net NPAs to Net Advances (%)	2.50%	1.01%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	23.06	19.45
(b) Additions during the year	29.84	03.61
(c) Reductions during the year		
(d) Closing balance	52.90	23.06
(iii) Movement of Net NPAs		
(a) Opening balance	16.65	14.14
(b) Additions during the year	25.37	02.51
(c) Reductions during the year	0	0
(d) Closing balance	42.02	16.65
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	6.41	5.31
(b) Provisions made during the year	4.47	1.10
(c) Write-off / write-back of excess provisions	0	0
(d) Closing balance	10.88	6.41



(5) Break up of Investments :-		
CURRENT INVESTMENTS:-		
1. Quoted:-		
Equity	(I) Shares (a)	0.00
	(b)	0.00
Preference	(ii) Debentures &	0.00
Bonds	(iii) Units of mutual	0.00
Funds		
2. Unquoted:-		
Equity	(iv) Shares Govt. Securities (a)	0.00
Preference	(v) other (please specify) (b)	0.00
	(ii) Debentures & Bonds	0.00
	(iii) Units of mutual Funds	0.00
	(iv) Govt. Securities	0.00
	(v) other (please specify)	
LONG TERM INVESTMENTS		
1. Quoted:-		
Equity	(I) Shares (a)	0.00
	(b)	0.00
Preference	(ii) Debentures &	0.00
Bonds	(iii) Units of mutual	60.14
Funds		
2. Unquoted:-		
Equity	(iv) Shares Govt. Securities (a)	1.86
Preference	(v) other (please specify) (b)	0.00
	(ii) Debentures & Bonds	10.00
	(iii) Units of mutual Funds	0.00
	(iv) Govt. Securities	39.18
	(v) other (FDR with Bank's	
p. Borrower group wise classification of assets financed		
Please see note 2 below :-		

		Amount (Net of Provision)		
Category		Secured	Unsecured	Total
1.	Related to Parties :			
	(a) Subsidiaries	0.00	0.00	0.00
	(b) Companies in the same group	0.00	0.00	0.00
	(c) Other related parties	1663.35	12.30	1675.65
2.	Other than related parties			
	Total	1663.35	12.30	1675.65



7. Investor group wise classification of all investments (Current & Long term) in shares and securities

(Both quoted & unquoted):- Please see note 3 below :-

Category	Market Break up	Book Value/ (Net of Provisions) Value
1. Related Parties:		
(a) Subsidiaries	0.00	0.00
(b) Companies in the same group	0.00	0.00
(c) Other Related Parties	0.00	0.00
2. Other than Related Parties	62.72	62.00
Total	62.72	62.00

8. Other Information:

Amount (Rs.)

(i) Gross Non Performing Assets :-	
(a) Related Parties	0.00
(b) Other than related parties	52.90
(ii) Net Non Performing Assets :-	
(a) Related Parties	0.00
(b) Other than related parties	42.02
(iii) Assets acquired in satisfaction of debt	0.00

As per our report of even date FOR DASS & COMPANY CHARTERED ACCOUNTANTS FRN 000200N

For and on behalf of the Board of Directors

PHF LEASING LIMITED

Sd/-
J.R. GUPTA
PARTNER

Sd/-

Sd/-

Place: Bhopal
Date : May 30, 2015

Shubhash Chander Sikka
Chairman

Shiv Dyal Chugh
Managing Director



FINANCIAL HIGHLIGHTS

(Rs. In Lacs or as Indicated)

		2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
Gross Fixed Investments HP Loans Current Deposits & Current & Equity Reserves Net	Assets & Debtures & Share &	3259 139 111 1673 2067 1192 161 299 202 501	Working Capital (Net) 303 148 119 Advances 648 Assets 269 Reserves 184 Liabilities 234 Provisions 187 Capital 299 Surplus 299 Worth 88 486	2864 140 116 1454 1821 176 1196 224 299 167 465	2647 129 116 1303 1604 140 1043 198 299 146 444	2286 116 118 1123 1376 175 910 193 299 127 426	1978 114 113 967 1170 174 808 145 299 121 420	1790 119 145 800 1072 192 719 126 299 109 408
OPERATING PERFORMANCE								
Revenue				335	307	266	235	221
Gross Profit	Profit	451	Earnings 395	77	62	43	20	19
Profit Before Tax	Before Tax	85	81	72	59	39	16	13
Profit after Tax	after Tax	75	75	53	46	27	11	8
Earning Rate of Book Value Equity	per share (in Rs.) of Value (in Rs.)	1.66 9%	Dividend 73 per % 27	1.79 9%	1.53 8%	0.90 6%	— 13.99	— 13.60
GROSS EARNINGS								
As a percentage of								
Revenue				22.98	20.20	16.16	8.51	8.60
Net Worth		18.85 16.97	20.51 16.67	16.56	13.97	10.10	4.76	4.66



PHF LEASING LIMITED

Regd. & Corp. Office : 923, G.T. Road, Jalandhar - 144 001

ATTENDANCE SLIP

Please complete the Attendance Slip and hand it over at the entrance of the enclosed Annual Report.

NAME OF SHAREHOLDER (IN BLOCK CAPITALS)

REGD. FOLIO NO.

DP. ID :

No. of Shares held :

Client ID :

I hereby record my presence at 23rd Annual General Meeting of M/s PHF Leasing Limited held on 5th September, 2015 at Hotel Kings, G.T. Road, Jalandhar at 04:00 P.M.

SIGNATURE OF THE SHAREHOLDER OR PROXY

PHF LEASING LIMITED

CHANGE OF ADDRESS



REGD. FOLIO NO.

NO. OF SHARES

Dear Sir,

Kindly take on record my new address for your future communications.

PLACE :

Name :

DATED :

New Address :

.....

Signature (s)



PHF LEASING LIMITED

Regd. & Corp. Office : 923, G.T. Road, Jalandhar - 144 001

Form No. MGT-11

PROXY FORM



(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies Management and Administration)

CIN	L65110PB1992PLC012488
Name of Company	PHF LEASING LIMITED
Registered Office	923, G.T. Road, Jalandhar-144001
Name of Shareholder	
Registered address	
E-mail ID	
Folio No./	
DP ID/Client ID	
I / we, being the shareholder(s) of shares of the above named company, hereby appoint:	
1	Name
	Address
	E-mail ID
	Signature
or failing him	
2	Name
	Address
	E-mail ID
	Signature

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of M/s PHF Leasing Limited, to be held on 5th September, 2015 at Hotel Kings, G.T. Road, Jalandhar at 04:00 P.M ", and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1.		5.	
2.		6.	
3.		7.	
4.		8.	

Signed this day of 2015

Signature of shareholder:

Signature of Proxy holder(s):

Re. 1 Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.