



**PORSCHE  
CAPITAL  
MARKET  
LIMITED**



**20<sup>TH</sup> ANNUAL REPORT  
2011-12**

# NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of **PORSCHÉ CAPITAL MARKET LIMITED** will be held on Friday, 29<sup>th</sup> September, 2012 at 12:00 P.M. at the Registered Office of the Company at A - 29, Chander Vihar, Mandawali, New Delhi - 110092 to transact the following businesses:

## ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2012 and Profit & Loss Account for the year ended on that date together with the reports of the Board of Directors & Auditors' thereon.
2. To appoint a Director in place of Mr. Diwakar Joshi, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s NKG & CO. , Chartered Accountants, having firm registration no. 005963C, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board to fix their remuneration.

Place: New Delhi

Date: 31<sup>st</sup> August, 2012

BY ORDER OF THE BOARD OF DIRECTORS  
PORSCHÉ CAPITAL MARKET LIMITED

Sd/-

DIWAKAR JOSHI  
DIRECTOR  
DIN NO:- 06716185

## NOTES:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Corporate members intended to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.

Members/Proxy holders are requested to bring their copy of Annual Report and Attendance slip sent herewith, duly filled-in for attending the Annual General Meeting.

The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 27<sup>th</sup> September, 2012 to, Saturday 29<sup>th</sup> September, 2012(both days inclusive).

Re-appointment of Directors: At the ensuing Annual General Meeting Mr. Diwakar Joshi, liable for retire by rotation, and being eligible, offers themselves for re-appointment. The details pertaining to these directors required to be provided pursuant to Clause 49 of the listing agreement are furnished in the statement on Corporate Governance published elsewhere in this Annual report.

Members are requested to intimate their Email IDs for correspondence and quicker response to their queries.

## THE DIRECTORS' REPORT

Dear Shareholders,

Yours Directors have pleasure in presenting the Annual Report and Audited Accounts of Porsche Capital Market Limited ('the Company') for the year ended 31<sup>st</sup> March, 2012 ('the financial year').

### FINANCIAL HIGHLIGHTS

The summarised performance of the Company for the years 2011-12 is given below:

Particulars	For Financial Year Ended	
	31 <sup>st</sup> March, 2012	31 <sup>st</sup> March, 2011
Total Income	23000	19800
Total Expenditure	(24796)	(22560)
Profit before Depreciation and Tax	(1796)	(2760)
Less: Depreciation	0	0
Profit after Depreciation but before Tax	(1796)	(2760)
Less: Current Tax	0	0
Add: Excess Provision of Income Tax of Previous years	0	0
Profit / (Loss) After Tax	(1796)	(2760)
Proposed Dividend	0	0
Tax on Dividend	0	0
Transferred to Statutory Reserves	0	0

### FINANCIAL PERFORMANCE

During the year under review, your Company has recorded a total income of Rs 23000, against Rs. 19800 in the previous year, with total increase of 16.16 %. Net loss for the financial year ended March 31, 2012 decreased to Rs. 1796 from Rs. 2760 for the previous year.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, the Management Discussion and Analysis of the financial condition and results of consolidated operations of the Company under review, is annexed to Directors' Report.

### PUBLIC DEPOSIT

Your Company has not accepted any deposits from the public during the year under review.

### RE-APPOINTMENT OF DIRECTORS

In accordance with Section 255 and 256 of the Companies Act, 1956 read with the Articles of Association of the Company, Mr. Diwakar Joshi, Executive Director of the Company, retire by rotation and are being eligible offer themselves for re-appointment at the ensuing Annual General Meeting.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

1. in the preparation of the annual accounts for the year ended March 31 2012, the applicable Accounting Standards read with the requirements set out under Schedule VI of the Companies Act, 1956 have been followed and there are no material departures from the same, if any;
2. the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of affairs of the Company as at March 31, 2012 and of the Profit of the Company for the year ended on that date;
3. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. the Directors had prepared the annual accounts of the Company on a 'going concern' basis.

## STATUTORY AUDITORS

M/s. G P Keshri & Associates, Chartered Accountants (having Firm Registration No. 017217N) as Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting and has, vide its letter, shown their inability to continue as Statutory Auditor of the Company.

The Company has received letter from M/s NKG & CO. , Chartered Accountants, having firm registration no. 005963C, to the effect that their appointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956 and that they are not disqualified for such appointment within the meaning of Section 226 of the Companies Act, 1956.

A Board of directors of the company has recommended their appointment in the ensuing Annual General Meeting.

## PARTICULARS OF EMPLOYEES

No Employee of the Company draws remuneration in excess of limit prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## ENERGY CONSERVATION MEASURES, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of Section 217(1) (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are not applicable to the Company. Therefore, the information relating to conservation of energy or technology absorption etc. is not given. There has been no foreign exchange earning and outgo during the year under Report.

## CORPORATE GOVERNANCE

A report on Corporate Governance along with a Certificate from the Auditors regarding the compliance with conditions of Corporate Governance in terms of Clause 49 of the Listing Agreement is annexed to this Report.

## ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from

Shareholders, Bankers, regulatory bodies and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in successful performance of the Company during the year.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SD/-

Virender Singh

DIRECTOR

Place: - New Delhi

Date: - 31<sup>st</sup> August, 2012

SD/-

Kailash Chand

DIRECTOR

Nominal Capital -Rs. 35,00,00,000/-  
CIN. L65993DL1992PLC048483

**COMPLIANCE CERTIFICATE**  
[Under Section 383A Sub-Clause (1)]

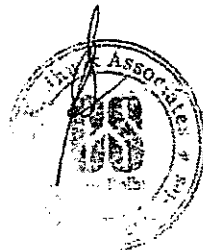
**The Members**

M/s Porsche Capital Market Limited,  
A-29, Chander Vihar, Madawali,  
Delhi- 110092

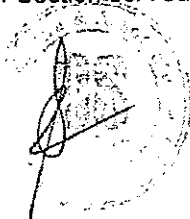
I have examined the registers, records, books and papers of M/s. Porsche Capital Market Limited, having Registered office at A-29, Chander Vihar, Madawali, Delhi-110092 as required to be maintained under the Companies Act, 1956 (the Act) and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended 'as on 31<sup>st</sup> March, 2012. In my opinion and to the best of my information and according to the examination carried out by me and explanations furnished to me by the Company, I certify that in respect of the aforesaid financial year.

1. The company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has not filed the forms and returns with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company being a Public Ltd. company has minimum prescribed paid up Capital and its minimum number of members during the said Financial Year were not less than seven.
4. The Board of Directors duly met Nine times on 18th May, 2011, 19<sup>th</sup> May 2011, 1<sup>st</sup> June 2011, 1<sup>st</sup> September 2011, 3<sup>rd</sup> October 2011, 29<sup>th</sup> October 2011, 9<sup>th</sup> January 2012, 1<sup>st</sup> March 2012 and 25<sup>th</sup> March 2012 in respect of meetings held proper notices were given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has not closed its Register of Members, and/or Debenture holders during the financial year.
6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2011 was held on 30<sup>th</sup> September 2011 after giving due notice to the members of the Company and the resolution passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the year under the review.

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8. The Company has not advanced any loan to its directors and / or persons or firms or Companies referred in Section 295 of the Act.
9. The Company has not entered into contract and transactions for purchase or sales of goods, services and materials above Rs. 5,000/- with group company as per Balance Sheet as at 31<sup>st</sup> March, 2012 and not falling under the provisions of Section 297 of the Act during the Financial Year.
10. The Company has not required making any entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of directors, members or Central Government, as the case may be.
12. The company has not issued any duplicate share certificates during the year.
13. The company has:
  - (i) Not allotted any shares/debentures or other securities during the Financial Year
  - (ii) Recorded one case of transfer of share and not recorded any transmission of shares during the Financial Year.
  - (iii) Not declare any dividend for the financial year 2010-2011.
  - (iv) Duly complied with the requirements of Section 217 of the Act.
14. The Composition of Board of Directors of the Company is duly constituted.
15. The Company has not appointed any Managing Director/Whole time Director during the Financial Year 2011-2012.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, and Registrar or other such authorities under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any debentures & other securities during the financial year.
20. The Company has not bought back any shares during the Financial Year 2010-2011
21. There was no redemption of Preference Shares or Debentures during the year. The Company has not any Preference Shares and Debentures during the Financial Year 2011-2012.
22. There were no transactions necessitating the Company to keep in abeyance the right to dividend, right shares and bonus shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposited including any unsecured loans falling within the purview of Section 58A during the Financial Year.

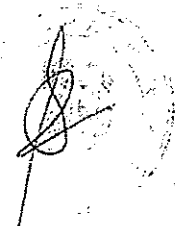


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24. The Company has not made any borrowing & obtained corporate guarantee or other Loan during the year ended on 31<sup>st</sup> day of March 2012.
25. The Company has made loans and investment, during the Financial Year.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year.
31. There were no prosecution initiated against or shows cause notices received by the Company, during the financial year, for offences under the Act. However one Case for non Filing of ROC Documents is pending in the Court.
32. The Company has not received any money as security from its employees during the year.
33. The provisions of Section 418 of the Act relating to P. F. are not applicable on the Company.

Date: 30/08/2012  
Place: New Delhi

For S. K. Jha & Associates  
Company Secretaries

  
Sanjay Kumar Jha  
Prop.  
(C.P. No.: 3749)

30/08/2012



Annexure "A"

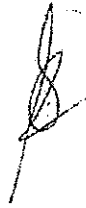
Registers and Records as maintained by M/s. Porsche Capital Market Limited

1. Minutes Book of Meeting of the Board of Directors under section 193.
2. Minutes Book of General Meeting under Section 193.
3. Register of Contracts, companies & Firms in which Directors etc. are interested under Section 301(3)
4. Register of Share Transfers under the Act.
5. Register of Directors, Managing Directors, Manager and Secretary under Section 303
6. Register of Directors Shareholding under Section 307.
7. Register of Members under Section 150.
8. Register of Share Application & Allotment.
9. Books of Accounts under Section 209.
10. Copy of Annual Return u/s159

Annexure "B"

Records as filed for Registration in the office of the Registrar of Companies by M/s. Porsche Capital Market Ltd.

S. N.	Documents	Date of filing	Subject	Delay in filing
The Company has not filed any form during the year ending 31 <sup>st</sup> March 2012.				



## CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance is to achieve business excellence, enhance long term values for its stakeholders, maintaining excellent relations across all levels and proper compliance with all applicable legal and regulatory requirements.

### 2. BOARD OF DIRECTORS

The Board of Directors of the Company (Board) has optimum combination of Non-Executive and Independent Directors.

Mr. Diwakar Joshi acts as the Executive Director and Mr. Virender Singh is the Independent Director and Mr. Kailash Chand Upreti Non Executive Independent Director on the Board of the Company.

None of the Directors hold directorship in more than 15 public limited companies nor is a member of more than 10 committees or chairman of more than 5 committees across all the public limited companies in which they are Directors.

#### BOARD MEETING:

As of March 31, 2012, the Board consisted of Three Members. The Composition and the category of Directors on the Board of the Company were as under:

Category	Name of Director
Executive Director	Mr. Diwakar Joshi
Non Executive Director and Independent Director	Mr. Virender Singh
Non Executive and Independent Director	Mr. Kailash Chand Upraiti
Non Executive Director and Non Independent Director	Mr. Ranjeet Arya

During the financial year 2011-12, thirteen Meetings of the Board of Directors were held on the following dates:

18<sup>th</sup> May, 2011, 19<sup>th</sup> May, 2011, 1<sup>st</sup> June, 2012, 27<sup>th</sup> June, 2011, 1<sup>st</sup> September, 2011, 29<sup>th</sup> September, 2011, 30<sup>th</sup> September, 2011, 3<sup>rd</sup> October, 2011, 29<sup>th</sup> October, 2011, 9<sup>th</sup> January, 2012, 1<sup>st</sup> March, 2012 and 25<sup>th</sup> March, 2012.

### 3. AUDIT COMMITTEE

The Audit Committee of the Company consists three Directors out of which two are Non Executive Director of the Company. All the Directors have good knowledge of Finance, Accounts and Company Law. The Chairman of the Committee is Mr. Virender Singh Rana.

The Board constituted the Audit Committee in term of the Provisions of Clause 49 of the Listing Agreement. The Committee held five meeting during the year. The Audit Committee also advises the Management on the areas where internal control system can be improved. The Terms of reference of the Audit Committee are in accordance with all the items listed in Clause 49 (II)(A) and (E) of the Listing Agreement and Section 292 of the Companies Act, 1956 as follows:

Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.

Approval of payment to Statutory Auditors for any other services rendered by the statutory auditors.

Reviewing, with the 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 to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956;

Any changes in accounting policies and practices and reasons for the same;

Major accounting entries involving estimates based on exercise of judgment by management;

Significant adjustments made in the financial statements arising out of audit findings;

Compliance with listing and other legal requirements relating to financial statements;

Disclosure to any related party transactions;

Qualifications in the draft audit report.

Reviewing with the management the half yearly financial statements before submission to the Board for approval.

Reviewing with the management, performance of statutory and internal auditors, adequacy of internal control systems;

Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

Discussion with internal auditors any significant findings and follow up thereon;

Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matters to the Board;

Discussion with Statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Mandatorily Review the following information:

Management Discussion and Analysis of financial condition and results of operations;

Statement of significant related party transactions (as defined by the audit committee) submitted by management;

Management letters / letters of internal control weaknesses issued by statutory auditors;

Internal audit report relating to internal control weaknesses; and  
The appointment, removal and terms of remuneration of the Chief internal auditor shall be review by the Audit Committee.

The Audit Committee has the following powers:  
to investigate any activity within its terms of reference.  
to seek information from any employee.  
to obtain outside legal and professional advice.  
to secure attendance of outsiders with relevant expertise, if it considers necessary.

#### COMPOSITION AND ATTENDANCE AT MEETINGS:

During the year ended on 31<sup>st</sup> March, 2012, the composition of Audit Committee has been as under:

- a) Mr. Virender Singh Rana (Chairman)
- b) Mr. Diwakar Joshi (Member) and
- c) Mr. Kailash Chand Upraiti (Member)

During the financial year 2011-12, five meeting of Audit Committee was held.

Attendance of the Directors at the Audit Committee Meetings held during the financial year is as under:

Name of Directors	Category	No. of Meetings Attended
Mr. Virender Singh Rana	Chairman	4
Mr. Diwakar Joshi	Member	4
Mr. Kailash Chand Upraiti	Member	4

#### Shareholders Committee

The following Committee of Directors looks after the Investor Grievances, During the financial year 2011-12, Four meeting of Audit Committee was held.

Name of Directors	Category	No. of Meetings Attended
Mr. Kailash Chand Upraiti	Chairman	4
Mr. Ranjeet Arya	Member	4
Mr. Virender Singh	Member	4

#### NAME, DESIGNATION AND ADDRESS OF THE COMPLIANCE OFFICER

Mr. Diwakar Joshi- Whole Time Director,

A - 29, Chander Vihar, Mandawali, New Delhi - 110092

#### STATUS OF COMPLAINTS RECEIVED, RESOLVED AND PENDING AS ON 31<sup>ST</sup> MARCH, 2012

Number of Shareholders' Complaints received during the year	Nil
Number of Shareholders' Complaints resolved during the year	Nil
Number of Shareholders' Complaints Pending at the end of the year	Nil

#### 6. GENERAL BODY MEETINGS

The details of Annual General Meetings held during the last three years are as follows:

Year	Day, Date and Time	Venue	Special Resolution
2008-09	Wednesday, 30 <sup>th</sup> September, 2009 at 12:00 p.m.	A - 29, Chander Vihar, Mandawali, New Delhi - 110092	No
2009-10	Wednesday, 30 <sup>th</sup> September, 2010 at 12:00 p.m.	A - 29, Chander Vihar, Mandawali, New Delhi - 110092	No
2010 - 11	Wednesday, 30 <sup>th</sup> September, 2011 at 12:00 p.m.	A - 29, Chander Vihar, Mandawali, New Delhi - 110092	Yes

#### EXTRAORDINARY GENERAL MEETING

During the year under review, No Extra ordinary General Meeting was held.

None of the business proposed to be transacted at the forthcoming Annual General Meeting is required to be approved by Postal Ballot.

#### DISCLOSURES

##### Related Party Transaction

The Company has no material significant transactions with its related parties which may have a potential conflict with the interest of the Company at large. The details of transactions with the Company and related parties are given for information under notes to Accounts.

##### Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges / SEBI / and Statutory Authorities to the extent applicable, and accordingly no penalties have been levied or strictures have been imposed on the Company on any matter related to capital markets during the last three years.

##### Whistle Blower Policy

The Company has framed a Code of Conduct for Directors and Senior Management. At present, the Company does not have any formal Whistle Blower Policy. The Directors of the Company affirms that no personnel have been denied access to the Audit Committee.

##### Proceeds from the Initial Public Offer of the Company

The Details about the utilization of the proceeds raised through Initial Public Offer of equity shares of the Company are disclosed to the Audit Committee. The Company has not utilized these funds for the purposes other than those mentioned in the prospectus of the Company.

##### 7.5 Reconciliation of Share Capital Audit

In line with the requirements stipulated by Securities and Exchange Board of India (SEBI), Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary to confirm that the aggregate number of equity shares of the Company held in National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and in physical form tally with the total number of issued, paid-up, listed and admitted capital of the Company.

##### Non-Mandatory Requirements

The Company does not comply with the non-mandatory requirements.

## MEANS OF COMMUNICATION

The half yearly financial results are regularly submitted to the Stock Exchange in accordance with provisions of the Listing Agreement and also uploaded on the Company's website

## GENERAL SHAREHOLDER INFORMATION

### Annual General Meeting

Date, time and Venue	29 <sup>th</sup> September, 2012 at 12.00 P.M. at A - 29, Chander Vihar, Mandawali, New Delhi - 110092
Financial year	1 <sup>st</sup> April, 2011 to 31 <sup>st</sup> March, 2012
Date of Book Closure	27 <sup>th</sup> September, 2012 to 29 <sup>th</sup> September, 2012
Stock Exchange	DELHI STOCK EXCHANGE AND UPSE

Place: New Delhi  
Date: 31<sup>st</sup> August, 2012

BY ORDER OF THE BOARD OF DIRECTORS

Sd/-  
DIWAKAR JOSHI  
DIRECTOR  
DIN NO.: 06782773

## **AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

### **The Members of Porsche Capital Market Limited**

We have examined the compliance of conditions of Corporate Governance by Porsche Capital Market Limited, for the year ended March 31<sup>st</sup> 2012 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For G.P. KESHRI & ASSOCIATES  
(CHARTERED ACCOUNTANTS)**

**CA. GOPAL PRASAD KESHRI**

Prop.

M.No. 098476

Place : DELHI

Date : 30.08.2012

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**ANNUAL DECLARATION BY CEO / MANAGING DIRECTOR PURSUANT TO CLAUSE 49**

**(1)(D)(ii) OF THE LISTING AGREEMENT**

I, Diwakar Joshi, Executive Director of Porsche Capital Market Limited hereby declare that all the members of the Board of Directors of the Company and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them as laid down by the Company in terms of Clause 49(1)(D)(i) of the Listing Agreement entered into with the Stock Exchanges for the financial year ended 31<sup>st</sup> March, 2012.

**Place:** New Delhi  
**Date:** 31<sup>st</sup> August, 2012

**BY ORDER OF THE BOARD OF DIRECTORS**

Sd/-

**DIWAKAR JOSHI**  
**DIRECTOR**  
**DIN NO.: 06716185**



CERTIFICATION BY THE MANAGING DIRECTOR ON FINANCIAL STATEMENTS OF THE COMPANY

I, Diwakar Joshi, Executive Director of Porsche Capital market Limited, certify that:

I have reviewed the financial statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief:

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

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

There are, to the best our knowledge the belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

We are responsible for establishing and maintaining internal controls and that we have

evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit Committee:

significant changes in internal control over financial reporting during the year;

significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

instances of significant fraud of which we have become aware 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.

SD/-

Diwakar Joshi  
Executive Director

Place: New Delhi

Date: 31.10.2012

## MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis (MDA) is structured as follows:

### A) INDUSTRY STRUCTURE AND DEVELOPMENT

On macroeconomic front the financial year 2011- 12 was among the most challenging years. The policy and governance environment impacted the economic scenario. Persistent inflation resulted in the regulator raising the policy rates leading to a high interest-rate environment.

All these factors contributed towards an industrial slowdown and eventually led to a moderation in GDP growth. Raising capital became more difficult and working capital cycles in most industries increased, resulting in cash flow issues across various sectors. The microfinance sector came to a standstill, owing to regulatory hurdles.

However, in the midst of these challenges, there were certain pockets and segments that continued to thrive.

### B) OPPORTUNITIES AND THREATS

Your Company being an investment and portfolio management Company seeks opportunities and making efforts to fully utilize it.

### C) OUTLOOK

The long term objective of the Company is to remain strong player in the market with strong emphasis on product and market development. Your Company is also continuously improving its operational efficiency, and cost control which alone can improve the bottom line in future in highly competitive environment. Further, your Company is hopeful to get advantage of this overall boomlikely to happen for the Indian markets and will do all out efforts to secure the bigger share of the increasing market in future.

### D) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper adequate internal control system to ensure that all the assets are safe guarded and protected against the loss from unauthorized used or disposition and that transactions are authorized, recorded and reported correctly.

The internal control is supplemented by an extensive internal audit, periodical review by the management and documented policies, guidelines and procedures. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets.

### E) FINANCIAL AND OPERATIONAL PERFORMANCE

#### Share Capital

The Paid up Share Capital of the Company as on 31<sup>st</sup> March, 2012 stands at Rs. 32503000 divided into 3250300 equity shares of Rs. 10/- each fully paid up.

#### Reserves and Surplus

The Reserves and Surplus is Rs. (825541.00) as on the end of the Current year.



# G.P. KESHRI & ASSOCIATES

Chartered Accountants

A-215, 5 Chawla Complex, Vikas Marg, Shakarpur, Delhi-110092

Ref. ....

Date ..31.08.2012.....

## AUDITOR'S REPORT

To,

THE MEMBERS  
PORSCHE CAPITAL MARKET LTD.

1. We have audited the attached Balance sheet of **M/S PORSCHE CAPITAL MARKET LTD.**; as at 31<sup>st</sup> March 2012 the Profit and Loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

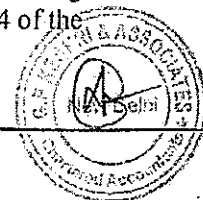
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement(s). An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principals used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.

3. As required by the Companies (Auditor's Report) order, 2003, issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement of the matters specified in the said order to the extent applicable to the company..

4. Further to our comments as per annexure referred in paragraph (3) above, we state that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion proper books of accounts, as required by law have been kept by the company as appears from our examination of those books.
- (c) The Balance sheet and profit and loss account dealt with by this report are in agreement with the books of accounts.
- (d) In our opinion, the Profit & Loss account and the Balance Sheet comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956
- (e) On the basis of information made available to us, we are of the opinion that none of the directors of the company are disqualified as on 31.03.2012 from being appointed as directors in term of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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E-mail : gopalkeshri@yahoo.com, ca.gopalkeshri@gmail.com



5. In our opinion and to the best of our information and according to explanations given to us, the said accounts read with accounting policies and notes thereon, give the information required by the Companies Act, 1956 in the manner so required and gives a true and fair view in conformity with the accounting principals generally accepted in India :-

- (i) In the case of the Balance sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2011 and
- (ii) In the case of Profit and Loss account, loss of the company for the year ended on that date.

For G.P. KESHRI & ASSOCIATES  
Chartered Accountants

  
CA. GOPAL PRASAD KESHRI  
Prop.  
Membership No. : 098476  
FRN: 017251N  
Place : Delhi  
Date : 31.08/2012

