

18<sup>th</sup> Annual Report  
2011 - 2012

# PRIME

## Capital Market Limited



# Prime Capital Market Limited

## 18th Annual Report 2011 - 2012

### BOARD OF DIRECTORS

Sushil Kumar Purohit	Chairman & Managing Director
Pawan Kr. Borad	Independent Director
Chandresh N Shah	Independent Director

### REGISTERED OFFICE

18A, B.J.B. Nagar  
Bhubaneshwar-751014, Orissa

### CORPORATE OFFICE

P-27, Princep Street,  
Kolkata - 700 072

### BANKERS

Axis Bank Ltd.  
Kotak Mahindra Bank  
Syndicate Bank

### AUDITORS

M/s. B. S. Kedia & Co.  
Chartered Accountants

### REGISTRAR & SHARE TRANSFER AGENT

ABS Consultants Private Limited  
99, Stephen House,  
4, B.B.D. Bag (East),  
Kolkata - 700 002.

### ANNUAL GENERAL MEETING

Date : 21st September 2012  
Time : 3.30 P.M.  
Venue : 18A, B.J.B. Nagar  
Bhubaneshwar - 751 014, Orissa

## C O N T E N T S

- ❖ Notice
- ❖ Directors' Report
- ❖ Management Discussions & Analysis
- ❖ Report on Corporate Governance
- ❖ Auditors' Certificate on Corporate Governance
- ❖ Secretarial Compliance Report
- ❖ Auditors' Report
- ❖ Balance Sheet
- ❖ Profit & Loss Account
- ❖ Cash Flow Statement
- ❖ Notes to Accounts

Members are requested to bring their copy of Annual Report at the time of Meeting

## NOTICE

Notice is hereby given that the Eighteenth Annual General Meeting of the members of Prime Capital Market Limited will be held on Friday, the 21st day of September, 2012 at 3.30 P.M. at 18A, B.J.B. Nagar, Bhubaneswar-751014, Orissa to transact the following businesses as :

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Directors' Report and Audited Statement of Accounts for the year ended 31st March 2012.
2. To declare dividend.
3. To appoint Director in place of Mr. Sushil Kr. Purohit, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold the office from the conclusion of this Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS :

5. To consider and if thought fit to pass with or without modifications the following resolution as an ordinary resolution :

"RESOLVED THAT Pursuant to the provisions of Section 260 and all other applicable provisions of the Companies Act, 1956 (the Act) and in terms of Article 87 of the Articles of Association of the Company, Mr. Pawan Kr. Borad, who was appointed as an Additional Director of the Company at the Board meeting held on 4th April 2011 and who holds the office up to the date of this Annual General Meeting in terms of provision of section 260 of the Act, and in whose respect the Company has received a notice from a member under Section 257 of the Act, together with necessary deposit as mentioned in the said section, proposing the candidature of Mr. Pawan Kr. Borad for the office of Director of the Company be and is hereby appointed as Director of the Company."

### Notes :

1. A member entitled to attend and Vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. Proxies, in order to be effective, must be received at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
3. The Register of Member and the Share Transfer Books of the Company will remain closed from 14th September 2012 to 21st September 2012 (both days inclusive).

4. A detail of Director seeking re-appointment in this Annual General Meeting is attached separately to the notice.
5. Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail Id [primecapitalmarket@hotmail.com](mailto:primecapitalmarket@hotmail.com) for quick and prompt redressal of their grievances.
6. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
7. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by the Depository Participant to the Annual General Meeting.
8. Members desirous of getting any information about the accounts of the Company, are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting.
9. Members are requested to intimate change in their address immediately to M/s ABS Consultants Private Limited, the Company's Registrar and Share Transfer Agents, at their office at 99, Stephen House, 4, B.B.D. Bag (East), Kolkata-700 002.
10. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s ABS Consultants Private Limited, Registrar and Share Transfer Agents of the Company, at their address given above.
11. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.
12. Members holding shares in physical form and wishing to avail of the nomination facility, are requested to send the duly filled in nomination in the prescribed form (form 2B) to M/s ABS Consultants Private Limited, Registrar and Share Transfer Agents of the Company, at their address given above or to the Compliance Officer at the Registered Office of the Company.
13. Members are requested to bring copies of Annual Report to the Annual General Meeting.
14. The Members/Proxies should bring the attendance slip duly filled in and signed for attending the meeting.
15. Members are requested to quote Folio Number/Client ID in their correspondence.
16. The Equity shares of the Company are listed on Calcutta, Delhi & Bhubaneshwar Stock

Exchanges and Listing Fees for the financial year 2011-2012 have been paid to CSE.

17. Green initiatives in Corporate Governance to receive documents through email by registering your email address :

The Ministry of Corporate Affairs (MCA) has taken a "Green initiative in the Corporate Governance" by providing an opportunity to the shareholders to register their email address with Company and changes therein from time to time.

The Company will send notices/documents such as Annual Reports and notices by email to the shareholders registering their email address. To support this laudable move of the Government, the members who have not registered their email address, so far, are requested to do so at the earliest, in respect of demat holding through the respective Depository Participant (DP) and in respect of physical holding through the Registrar and Share Transfer Agent (RTA) M/s. ABS Consultants Private Limited.

While every notice/document will be sent through email address registered with the Company, in case you desire to receive any notice/document in physical form, please intimate by email and the same shall be sent to your address registered with the Company/DP.

We solicit your patronage and support in joining hands with the Company to implement the e-governance initiative.

**Details of Director seeking appointment / re-appointment in the 18th Annual General Meeting on 21st September 2012 (in term of Clause 49 of the Listing Agreement)**

<b><u>Sushil Kr. Purohit</u></b>	
Fathers' Name	Balchand Purohit
Date of Birth	19th July 1954
Date of Appointment	8th June 2007
Expertise in specific functional areas	Accounts, Taxation, Capital & Money Market
Years of Experience	36 Years
Qualifications	B.A.
List of outside Directorship held	I. Unisys Softwares & Holding Industries Ltd.
Member of Committee on the Board	Member of Audit Committee, Investor Grievance Committee and Share Transfer Committee
Member/Chairman of Committee in other Companies	Member of Share Transfer Committee in Unisys Softwares & Holding Industries Ltd.
No. of Shares held in own name or in the name of Relatives	Nil in own name and 32600 Shares in the name of Relatives.

<b>Pawan Borad</b>	
Fathers' Name	Nagraj Borad
Date of Birth	11th September 1975
Date of Appointment	4th April 2011
Expertise in specific functional areas	In depth knowledge of Secretarial, Company Law, Accounts, Audit & Taxation Matters
Years of Experience	8 Years
Qualifications	B.Com.
List of outside Directorship held	Prime Capital Market Limited
Member of Committee on the Board	Member - Audit Committee Chairman - Investor Grievance Committee Member - Share Transfer Committee
Member/Chairman of Committee in other Companies	Not Any
No. of Shares held in own name or in the name of Relatives	Unisys Softwares & Holding Industries Ltd. Nil

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

### **Item No. 5**

The Board of Directors of your Company appointed Mr. Pawan Kr. Borad as s Additional Director of your Company at the Board meeting held on 4th April 2011 to broad base the Board.

Mr. Pawan Kr. Borad, Age 36, B.Com, has vast knowledge and rich experience in Financial & Income Tax related activities as well as expertise in Accounting, Taxation and secretarial Matters. It will be advantageous for the Company to avail his valuable services and rich experience. Your Company has received notices from members pursuant to section 257 of the Act, 1956 together with necessary deposit proposing the candidature of Mr. Pawan Kr. Borad for the office of Director of the Company.

Mr. Pawan Kr. Borad does not hold any shares in his own name or in the name of his relatives. Mr. Pawan Kr. Borad is not having Directorship and Committee Chairmanship in any of the Listed and Public Limited Cos.

Except Mr. Pawan Kr. Borad in his respective appointment, no other Director is concerned or interested in his appointment as Directors of the Company.

Kolkata, June 30, 2012

By order of the Board  
For **Prime Capital Market Limited**

### **Registered Office :**

18A, B.J.B. Nagar,  
Bhubaneswar-751014, Orissa

**Sushil Kumar Purohit**  
Chairman & Managing Director

## DIRECTORS' REPORT, MANAGEMENT DISCUSSIONS & ANALYSIS

To The Members,

Your Directors have pleasure in presenting the Eighteenth Annual Report of your Company together with the Audited Statements of Accounts for the financial year ended March 31, 2012.

(₹ in Lacs)

Financial Results	Year Ended 31.03.2012	Year Ended 31.03.2011
Income	154.38	76.61
Profit before Tax & Extraordinary Items	101.24	42.95
Less: Provision for Taxation	15.23	6.85
Profit after Tax	86.01	36.10
Add / (Less) : Extra Ordinary Items	1.59	0.89
Profit available for appropriation	84.42	36.99
Add : Profit Carried Forward from Previous Year	119.70	89.89
<b>Appropriated as under :</b>		
Transfer to General Reserve	16.88	7.18
Balance carried forward to Next Year	187.23	119.70

### BUSINESS OPERATIONS

The Business environment remains extremely challenging and the recessionary economic conditions leading to slowdown in demand and inflation pushed scale up of input costs left its adverse imprint on overall performance for 2011-2012. Directors are pleased to inform that in spite of difficult times, your Company, based on its intrinsic strength, has broadly maintained its performance. Gross income from operations remained remarkable figure of around ₹ 154.38 Lac whereas PAT remains at ₹ 84.42 during the year.

The Company is in to the NBFC Business and is registered with Reserve Bank of India (RBI) who is the sole regulatory body for monitoring activities of Registered NBFCs. Further, the Company is also doing investment activities in Capital and Securities Market. Apart from these, the Company is into the business of wealth management and Financial Consultancy services.

### FUTURE PLANS

The Current financial year was remarkable year for the Company. The Company has expanded its business and has done very well in spite of adverse Market situation and tight monetary situation. The Company is willing to expand this business more and more in both Capital & Money Market and thus willing to deliver to Members of the Company.

**DIVIDEND**

In order to conserve resources to meet the working capital requirements, your Directors do not propose any dividend for the year under review.

**SUBSIDIARY COMPANY**

The Company does not have any material non-listed Indian subsidiary whose turnover or net worth (i.e. paid-up capital and free reserves exceeding 20% of the consolidated turnover or networth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

**MANAGEMENT DISCUSSION & ANALYSIS**

As required by Clause 49 of Listing Agreement, the Management Discussion and Analysis is annexed and forms part of the Directors' Report.

**MANAGEMENT**

There is no Change in Management of the Company during the year under review.

**DIRECTORS**

In accordance with the provisions of Act and Articles of Association of your Company, Mr. Sushil Kr. Purohit, Director of your Company, retires by rotation and are due for election at the ensuing Annual General Meeting. Mr. Sushil Kr. Purohit, being eligible, offers themselves for re-appointment.

Further, Mr. Pawan Kr. Borad has been appointed as Additional Director (Non-Executive) of the Company w.e.f. 4th April 2011 in place of Mr. Dhruva Narayan Jha, who has been resigned from the Board due to personal reasons.

Further, Mr. Vimal Kr. Joshi has also been resigned from the Board during the year due to his pre-commitments.

The Board recommends the appointment of both Mr. Sushil Kr. Purohit and Mr. Pawan Kr. Borad pursuant to the applicable provisions of the Act. The resolutions seeking your approval on this item along with the requisite disclosures/explanatory statement are included in the Notice for convening the Annual General Meeting.

Further, none of the Directors of the Company are disqualified under section 274(1)(g) of the Companies Act 1956.

**DIRECTORS RESPONSIBILITY STATEMENT**

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

1. In the preparation of the annuals accounts, for the year ended 31st March 2012, all the applicable accounting standards prescribed by the Institute of Chartered Accountants of India have been followed;
2. The Directors had adopted 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 of the Company for that period.

3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors had prepared the annual accounts on a going concern basis.

### **INFORMATION TECHNOLOGY**

Your Company believes that in addition to progressive thought, it is imperative to invest in research and development to ascertain future exposure and prepare for challenges. In its endeavor to obtain and deliver the best, your Company has entered into alliances/tie-ups with an IT solution Company to harness and tap the latest and the best of technology in the world and deploy/absorb technology wherever feasible, relevant and appropriate.

### **RESEARCH & DEVELOPMENT**

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature size of operations of your Company.

### **AUDITORS**

Auditors M/s. B. S. Kedia & Co., Chartered Accountants, Kolkata holds the office until the conclusion of ensuing Annual General Meeting. Your Company has received certificate from the Auditors under section 224(1B) of the Companies Act, 1956 to the effect that their reappointment if made, will be within the limit prescribed.

The shareholders are requested to appoint the Auditors and fix their remuneration.

### **COMMENTS ON AUDITOR'S REPORT:**

The notes referred to in the Auditor's Report are self explanatory and as such they do not call for any further explanation as required under section 217(3) of the Companies Act, 1956.

### **PARTICULARS OF EMPLOYEES**

There were no employees in Company during the year under review.

The information as required by provisions of section 217(2A) of the Companies Act, 1956 read with the companies (Particular of employees) amendments rules, 1975 is reported to be NIL.

### **PARTICULARS UNDER SECTION 217 (1) (E) OF THE COMPANIES ACT, 1956**

The Company is having no business other than the business of Investing in Securities Market as well as to lend money to Corporate and HNIs during the year under review and hence the information regarding conservation of energy, Technology Absorption, Adoption and

innovation, the information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, is reported to be NIL.

### **FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company has not earned or used foreign exchange earnings/outgoings during the year under review.

### **PUBLIC DEPOSITS**

During the year under review, your Company has not accepted any deposits from the public within the meaning of section 58A of the Companies Act 1956 and the rules there under.

### **REPORT ON CORPORATE GOVERNANCE**

The Company conforms to the norms of Corporate Governance as envisaged in the Companies Act, 1956 and the Listing Agreement with the Bombay Stock Exchange Limited. Pursuant to Clause 49 of the Listing Agreement, a Report on the Corporate Governance and the Auditors Certificate on Corporate Governance are annexed to this report.

### **APPRECIATION**

Your Directors wish to place on record their appreciation towards the contribution of all the employees of the Company and their gratitude to the Company's valued customers, bankers, vendors and members for their continued support and confidence in the Company.

Kolkata, June 30, 2012

By order of the Board  
For **Prime Capital Market Limited**

### **Registered Office :**

18A, B.J.B. Nagar,  
Bhubaneswar-751014, Orissa

**Sushil Kumar Purohit**  
Chairman & Managing Director