

PRIME

Capital Market Limited

19th

Annual Report 2012-2013



Prime Capital Market Limited

19th Annual Report 2012 - 2013

BOARD OF DIRECTORS

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

REGISTERED OFFICE

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

CORPORATE OFFICE

P-27, Princep Street, 3rd Floor
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 : 24th September 2013
Time : 3.30 P.M.
Venue : 18A, B.J.B. Nagar
Bhubaneswar-751014, Orissa

C O N T E N T S

- ❖ Notice
- ❖ Directors' Report
- ❖ Management Discussion & Analysis
- ❖ Report on Corporate Governance
- ❖ Auditors' Certificate on Corporate Governance
- ❖ Secretarial Compliance Report
- ❖ Auditors' Report
- ❖ Balance Sheet
- ❖ Statement of Profit & Loss Account
- ❖ Statement of Cash Flow
- ❖ Notes on Financial Statements

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

NOTICE

Notice is hereby given that the 19th Annual General Meeting of the members of **Prime Capital Market Limited** will be held on Tuesday, the 24th day of September, 2013 at 3.30 P.M. at 18A, B. J. B. Nagar, Bhubaneshwar-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 2013.
2. To appoint Director in place of Mr. Pawan Kr. Borad, who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and thought fit, to pass, with or without modification(s), the following Resolution, as an Ordinary Resolution:

"RESOLVED THAT M/s. B. S. Kedia & Co., Chartered Accountants, Kolkata be and are hereby appointed 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, to examine and audit the accounts of the Company for the financial year 2013-2014, at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors plus reimbursement of out of pocket expenses and applicable taxes."

SPECIAL BUSINESS :

1. 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. Purohit, who was appointed as an Additional Director (Executive) of the Company at the Board meeting held on 2nd August 2012 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. Purohit for the office of Director of the Company be and is hereby appointed as Executive 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 17th September 2013 to 24th September 2013 (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 primecapital.kolkata@gmail.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 filed 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 Bombay (BSE), Kolkata (CSE), Delhi (DSE) & Bhubaneshwar (BhSE) Stock Exchanges and Listing Fees for the financial year 2013-2014 have been paid to both BSE and CSE.

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. Purohit as s Additional Director (Executive) of your Company at the Board meeting held on 2nd August 2012 to broad base the Board.

Mr. Pawan Kr. Purohit, 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. Purohit for the office of Director of the Company.

Mr. Pawan Kr. Purohit does not hold any shares in his own name or in the name of his relatives.

Mr. Pawan Kr. Purohit is not having Directorship and Committee Chairmanship in any of the Listed and Public Limited Cos.

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

Details of Director seeking appointment / re-appointment in the 19th Annual General Meeting on 24th September 2013 (in term of Clause 49 of the Listing Agreement)

| | |
|--|--|
| Pawan Borad | |
| Fathers' Name | Nagraj Borad |
| Date of Birth | 6th June 1976 |
| 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 | 9 Years |
| Qualifications | B.Com. |
| List of outside Directorship held | Not Any |

| | |
|--|--|
| 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 | Nil |
| <u>Pawan Kr. Purohit</u> | |
| Fathers' Name | Sushil Kr. Purohit |
| Date of Birth | 11th September 1975 |
| Date of Appointment | 2nd August 2012 |
| Expertise in specific functional areas | In depth knowledge of both Capital and Money Market and expertise in Accounting and Taxation matters |
| Years of Experience | 10 Years |
| Qualifications | B.Com. |
| List of outside Directorship held | Not Any |
| Member of Committee on the Board | Not Any |
| Member/Chairman of Committee in other Companies | Not Any |
| No. of Shares held in own name or in the name of Relatives | Nil |

Kolkata, May 30, 2013

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 19th Annual Report of your Company together with the Audited Statements of Accounts for the financial year ended March 31, 2013.

(₹ in Lacs)

| Financial Results | Year Ended 31.03.2013 | Year Ended 31.03.2012 |
|---|--------------------------|--------------------------|
| Income | 64.91 | 154.38 |
| Profit before Tax & Extraordinary Items | 53.19 | 101.24 |
| Less : Provision for Taxation | 10.19 | 15.23 |
| Profit after Tax | 43.00 | 86.01 |
| Add / (Less) : Extra Ordinary Items | 1.21 | 1.59 |
| Profit available for appropriation | 41.79 | 84.42 |
| Add : Profit Carried Forward from Previous Year | 187.23 | 119.70 |
| Appropriated as under : | | |
| Transfer to General Reserve | 8.36 | 16.88 |
| Balance carried forward to Next Year | 220.66 | 187.23 |

OVERVIEW OF ECONOMY

According to the latest estimates, Indian Economy grew by 5% in FY 2013, reflecting lower than expected growth in both industry and services sectors. Inflation also was at elevated levels. However with commodity and crude oil prices on the decline from the peak and with various policy initiatives coming through, the Economy is estimated to grow by around 6% in FY2014 with lower Inflation.

OVERALL PERFORMANCE & OUTLOOK

The Business environment remains extremely challenging and the recessionary economic conditions leading to further slowdown in demand and inflation pushed scale up of input costs left its adverse imprint on overall performance for 2012-2013. In spite of unfavorable economic scenario, your Directors are pleased to inform you that your Company has done well for the year under review.

In spite of adverse market condition and high inflation, gross income from operations during the year was stood at ₹ 64.91 Lac in comparison to last years' figure of ₹ 154.38 Lac. In term of Net Profit, the same has been remained at ₹ 41.79 Lac in comparison to last years' Net Profit of ₹ 84.42 Lac, slide of almost of 50% in comparison to last years' figure.

The Company is in to the Business of Investment (Capital Market) and Financing activities.

Your Company is hopeful of doing well in coming years and continues to remain as one of healthy and profitable entrepreneur in coming years.

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 Subsidiary Company.

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

During the year, Mr. Pawan Kr. Purohit has been appointed as Additional Director (Executive) of the Company w.e.f. 2nd August 2012 to broad-base the Board.

Further, in accordance with the provisions of Act and Articles of Association of your Company, Mr. Pawan Borad, Director of your Company, retires by rotation and are due for election at the ensuing Annual General Meeting. Mr. Pawan Borad, being eligible, offers himself for re-appointment.

Except Mr. Sushil Kr. Purohit, relatives of Mr. Pawan Kr. Purohit, no other Directors are concerned or interested in the appointment of both Mr. Pawan Kr. Puorhit and re-appointment of Mr. Pawan Kr. Borad.

The Board recommends the appointment of both Mr. Pawan Kr. Purohit and Mr. Pawan 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 annual accounts, for the year ended 31st March 2013, 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 information and technology 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 for accounting year 2013-2014.

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

People are the backbone of our operations. It is a matter of great satisfaction for our Company that our employees have been very supportive of the Company's plan. By far the employee's relations have been cordial throughout the year.

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 into the financing activities of lending 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 BSE, CSE, DSE and BhSE. 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, May 30, 2013

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