

10th

Annual Report 2016-17



“India’s leading integrated Agri value chain enterprise”



PRIME CUSTOMER SERVICES LIMITED

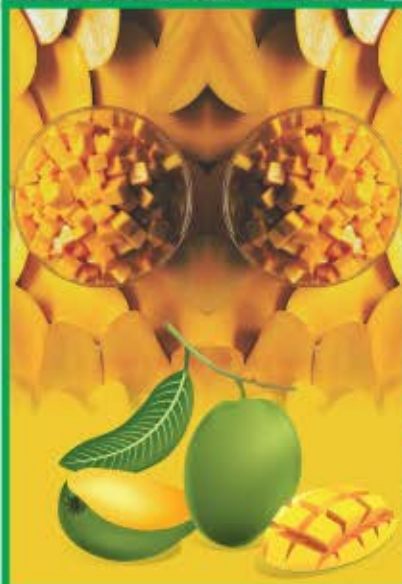


▲ Our Chairman presenting ideas to Gujarat Chief Minister Smt. Anandiben Patel



▲ PCSL meeting for pomegranate farmers at Village Lakhani, Tal. Deesa, (B.K.) Gujarat

Our Mango collection centre operations at Valsad, Gujrat



Our Brands, Logos and Business activities

PRIME Fresh

We deliver fresh



Fresh
@home
UR NEED @ UR PLACE



Founder's Vision and Message:

Dear Shareholders,

10 years ago, a vision was formed of becoming a company of Brilliance, equivalent to the best in the industry with our leadership quality, passion, innovation, entrepreneurship and management. We started with a vision to create a Corporate which would integrate multiple disciplines including Supply of Fruits and Vegetables, Warehousing & Manpower services, Pack house & cold storage along with Supply Chain Management services in due course. The journey so far has been challenging. However, we strongly believe that in every challenge lies an opportunity and we have used every opportunity to make it more purposeful and result oriented towards the overall success of the company and its stakeholders while preserving the business ethics. The past has been so far remunerative in terms of value addition, satisfaction and confidence amongst all stakeholders particularly employees, customers, suppliers, Banks and society at large including the government due to our huge contribution by way of distribution of revenues to all these partners.

On Customer and Service Front: We continue to remain engaged in building portfolio of scalable businesses leveraging enterprise strengths, new locations and existing clients. There has been an immense internal drive and focus to carefully nurture competencies. As the business opportunities are expanding and we are in constant search of exploring the new ones, there is burning desire to make most of them count. Over the years there has been increase in the type of services i.e. from Fruits & Vegetables aggregation to distribution, cold chain facilities of few products to numerous products, warehousing and C & F Services, manpower handling and management services, packaging services, sorting & grading services. Over the coming years, we are planning to add many more services relating to agro and other allied products and products in which the company has core competency or in which the company is developing the new competency. **Overall customer satisfaction and there through strong customer base over long term and continued business expansion is the basic strategy.**

On Supply Chain and Continued & Timely Supply-Source Front: The continued, timely and reliable supply is one of the pillars of our business and with this conscious thinking we are constantly improving the raw material supply sources. We persistently are putting Efforts towards tapping the right source of materials through direct farm visits across the country, owning/ leasing farms, assisting farmers financially or through technical guidance related to basic infrastructure facilities, providing scientific inputs and educating farmers for improving yield and cultivation area, direct sourcing the materials from the market and such other measures. We have been tying up with many farmer groups, NGOs and FPOs for the long-term association to ensure our raw material supply.

On Infrastructure Facilities Front: At Prime, we are putting relentless efforts to adapt the state-of-the-art technology available to improve and expand our services levels and the equivalent will continue in the future as well. Our resilient connect with APMC, farmers, exporters, whole sellers, retailers and food processor shall help us to reach new altitudes over the coming years. It is indeed satisfying to witness a fulfilling journey of an enterprise that is so deeply motivated by its commitments to create value for all stake holders and society at large.

Believing in the power of our vision, we at Prime chose to persevere on this journey and on our commitment with confidence, driven by values of trusteeship and vitality powered by a dedicated team.

I am glad to conclude, Prime is a company of leaders that puts people at the center of the winning solutions.

Mr. Jinen Ghelani - Chairman & Managing Director

PRIME CUSTOMER SERVICES LIMITED

CORPORATE INFORMATION:

BOARD OF DIRECTORS

Jinen Ghelani	-	Chairman & Independent Director
Hiren Ghelani	-	Whole-time Director
Neha Ghelani	-	Whole-time Director
Sameer Rajguru	-	Whole-time Director
Mihir Manek	-	Independent Director
Ravi Menon	-	Independent Director
Brijesh Misra	-	Independent Director

CHIEF FINANCIAL OFFICER

Jinen Ghelani

COMPLIANCE OFFICER

Kruti Sheth
Company Secretary

STATUTORY AUDITORS

O.P. Bhandari & Co.
Chartered Accountants
30, Omkar House, C.G. Road,
Navrangpura, Ahmedabad- 380 009

SECRETARIAL AUDITOR

Umesh Ved & Associates
Practising Company Secretaries
304, Shoppers Plaza-V,
Navrangpura, Ahmedabad - 380 009

BANKER OF THE COMPANY

Axis Bank, Ahmedabad

REGISTERED OFFICE

41/6, 8/A Haji Pir Kirvani Dargah, Jamalpur Char Rasta, Nr.
Marvadi Chal Ahmedabad 380001

ADMINISTRATIVE OFFICE

102, Sanskar-2, Nr. Ketav Petrol Pump,
Ambawadi, Ahmedabad- 380015

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East) Mumbai 400059

EQUITY SHARES ISIN DEMAT CODE:

INE442V01012

LISTED ON:

BSE SME Platform

CONTENTS	PAGE NO.
Notice.....	01
Directors' Report.....	04
Management Discussion & Analysis.....	09
Auditors' Report.....	24
Balance Sheet	29
Statement of Profit & Loss Account.....	30
Cash Flow Statement.....	31
Notes on Financial Statements.....	32
Consolidated Financial Statements.....	45

NOTICE

Notice is hereby given that 10th Annual General Meeting of the company will be held on Friday, 29th day of September, 2017 at 2.00 P.M., at the AHMEDABAD MANAGEMENT ASSOCIATION (AMA), Dr V S Marg, IIM-A Road, Vastrapur, Ahmedabad 380015 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company [including Consolidated Balance Sheet and Statement of Profit and Loss] for the financial year ended on 31st March, 2017 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare final dividend of ₹ 0.20 per share (2%) on equity shares of the Company for the financial year ended 31st March, 2017.
3. To appoint a Director in place of Mr. Sameer Rajguru (DIN: 07198139) who retires by rotation and being eligible, offers himself for re-appointment.
4. Ratification of appointment of 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 Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Company hereby ratifies the appointment of M/s O. P. Bhandari & Co., Chartered Accountants (Firm Registration No. 112633W), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM to be held in 2018 to examine and audit the accounts of the Company for the financial year 2017-18 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

**By Order of the Board of Directors
For, Prime Customer Services Limited**

Date : 24th August, 2017
Place : Ahmedabad

**Jinen Ghelani
Managing Director
(DIN: 01872929)**

Registered Office:
41/6, 8/A Haji Pir Kirvani Dargah,
Jamalpur Char Rasta, Nr. Marvadi Chal
Ahmedabad 380001

NOTES:

1. A Member Entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. The proxy need not be a member of the company. A blank form of proxy is enclosed herewith and, if intended to be used, it should be returned duly completed at the registered office of the company not less than forty eight hours before the scheduled time of the commencement of the annual general meeting.
2. The Register of Members and the Share Transfer books of the Company will remain closed from Saturday, 23rd September, 2017 to Friday, 29th September, 2017 (both days inclusive) for Annual General Meeting.
3. Mr. Sameer Rajguru (DIN: 07198139) retires by rotation and being eligible offer himself for re-appointment. The Details pertaining to aforesaid directors as required under Companies Act, 2013, Secretarial Standards on General Meeting and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is furnished in Annexure 1 to the notice.
4. The route map and prominent landmark of the venue of the Annual General Meeting as required under Clause 1.2.4 of the Secretarial Standards on the General Meeting is annexed herewith as Annexure 2 to the Notice.
5. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
7. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact BIGSHARE SERVICES PRIVATE LIMITED for assistance in this regard.
8. Electronic copy of the Annual Report being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report being sent in the permitted mode.

9. Electronic copy of the Notice of the 10th Annual General Meeting of the Company along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 10th Annual General Meeting of the Company along with Attendance Slip and Proxy Form is being sent in the permitted mode.
10. Members may also note that the Notice of the 10th Annual General Meeting, Attendance Slip, Proxy Form and Annual Report will also available on the Company's website www.primecustomer.co.in for their download.
11. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a Certified Copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
12. Members are requested to bring attendance slip along with their copy of Annual Report to the meeting.
13. In case of joint holders attending the meeting, only such holder who is higher in the order of names will be entitled to vote.
14. The facility for voting through ballot paper shall be made available at the AGM. The members attending the meeting shall be able to exercise their right of demanding poll.
15. The record date for the purpose of Dividend and determining the eligibility of the Members to attend the 10th Annual General Meeting of the Company is Friday, 22nd September, 2017.
16. A person who is not a member as on the record date should treat this Notice for information purpose only.
17. The voting rights of members, in case poll is demanded, shall be in proportion to their shares of the paid up equity share capital of the Company as on the record date of Friday, 22nd September, 2017.
18. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the record date i.e. Friday, 22nd September, 2017, can also attend the meeting.
19. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9:00 am to 5:00pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
20. The Transfer of Unclaimed Dividend to Investor Education & Protection Fund of the Central Government as required in terms of Section 125 of the Companies Act, 2013, during the current Financial Year is not applicable.
21. In pursuance of the provisions of Section 108 of the Act and the Rules framed there under, as amended from time to time, the Company is exempted from giving the Members the facility to cast their vote electronically, through the remote e-voting services on the resolutions set forth in this Notice. However, voting through permitted mode under the Companies Act, 2013 will be allowed at the venue of Annual General Meeting.
22. Mr. Umesh Ved, Company Secretary of M/s. Umesh Ved & Associates, (Membership No 4411, CP 2924), Ahmedabad has been appointed as the Scrutinizer to scrutinize the Ballot voting at the ensuing Annual General Meeting of the company process in a fair and transparent manner.
23. The scrutinizer shall within a period of not exceeding two working days from the conclusion of the voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
24. The results of the voting along with the scrutinizer's report shall be placed in company's website within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.

**By Order of the Board of Directors
For, Prime Customer Services Limited**

Date : 24th August, 2017
Place : Ahmedabad

**Jinen C Ghelani
Managing Director
(DIN: 01872929)**

Registered Office:
41/6, 8/A Haji Pir Kirvani Dargah,
Jamalpur Char Rasta, Nr. Marvadi Chal
Ahmedabad 380001

ANNEXURE TO THE NOTICE

Annexure- '1'

**Details of the Directors seeking appointment/re-appointment at the 10th Annual General Meeting
Annexure to Item No. 3**

Name of Director	Sameer Ramesh Rajguru
DIN	07198139
Date of Birth	01/06/1977
Date of first Appointment	17/05/2016
Educational Qualification	B.com, Inter CA
Expertise in Specific Functional Area and experience	Having 19 years experience in Branch Handling, Branch Networking, business development, operations and recruitment of staff and generation of revenue
Directorship held in other Companies	NIL
Chairmanship/Membership of the committee of the Board of Directors of the Company	NIL
Committee positions held in other Companies	NIL
No. Of Equity Shares held in the Company as on 31/03/2017	16000
Inter se Relationship	NIL

Annexure- '2'

Route Map of the Annual General Meeting:



DIRECTORS' REPORT

To,
The Members,
Prime Customer Services Limited,

The Board of Directors have pleasure in presenting their Report along with Annual Report and Audited Financial Statements for the year ended 31st March, 2017.

FINANCIAL PERFORMANCE:

The highlights of the financial results for the financial year 2016-17 are as follows:

(In ₹)

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
Revenue From Operations	23,86,82,742	21,03,49,558
Other Income	2,57,844	1,16,339
Total Revenue	23,89,40,586	21,04,65,897
Profit before Financial Expenses, Preliminary expenses, Depreciation and Taxation	97,14,465	1,02,52,614
Less: Financial expenses	29,92,513	31,39,701
Less: Depreciation & Preliminary Expenses	19,86,952	31,78,867
Profit Before Taxation	47,35,000	39,34,046
Less: Provision for current tax	17,07,900	17,54,000
Add / (Less) : Deferred tax	2,13,559	5,30,000
Profit After Taxation	32,40,659	27,10,046
Less: Proposed Dividend	6,98,600	NIL
Less: Tax on Dividend	1,42,218	
Add/(Less): Surplus Brought Forward from previous year	78,07,282	51,29,816
Transfer to reserves	NIL	NIL
Balance carried over to Balance Sheet	37,51,122	78,07,282

REVIEW OF OPERATIONS:

The Company has reported income from operation during the year is ₹ 23,86,82,742 as compared to the previous year's income from operation of ₹ 21,03,49,558. The Company has earned net profit before tax of ₹ 47,35,000 as against previous year's net profit before tax of ₹ 39,34,046.

Paid up share capital of the company increased from ₹ 1,52,15,000 to ₹ 3,49,30,000 Pursuant to Bonus issue of 15,21,500 (Fifteen Lakh Twenty one thousand five hundred only) Equity shares of face value of ₹ 10 each dated 17th May, 2016 and Initial public offering (IPO) of ₹ 7,28,40,000 (Rupees Seven Crore Twenty Eight Lakhs Forty Thousands only) under SME platform of BSE as 12,14,000 (Twelve Lakh Fourteen Thousands Only) Equity share of ₹ 10 each at price of ₹ 60 per Equity shares including Offer for Sale of 7,64,000 (Seven Lakh Sixty Four Thousands only) Shares, allotted as on 28th March, 2017 in terms of prospectus dated 08th March, 2017.

DIVIDEND:

Your Directors are pleased to recommended final dividend of ₹ 0.20 per share (2%) for the financial year ended on 31st March, 2017.

BONUS ISSUE:

The Company made a bonus allotment of 15,21,500 (Fifteen Lakh Twenty One Thousand Five Hundred Only) equity shares of face value of ₹ 10 each of the Company as fully paid-up bonus shares in ratio of 1:1 (i.e One (1) Bonus Equity Shares for every One (1) existing Equity Shares held by such persons respectively) to the members as on 17th May, 2016.

INITIAL PUBLIC OFFER

During the year under review your company entered into the capital markets with a maiden public issue of 12,14,000 equity shares of ₹ 10 each at a premium of ₹ 50 per share aggregating to ₹ 7,28,40,000 (Rupees Seven Crore Twenty Eight Lakhs Forty Thousands only) including Offer for Sale of 7,64,000 (Seven Lakh Sixty Four Thousands only) Shares. Your company successfully raised Rs. 2,70,00,000 (Rupees Two Crore Seventy Lakhs only) by issuing 450000 Fresh Equity Shares. The issue received good response. The equity shares have been listed and traded on the SME Platform of BSE Ltd from 31st March, 2017. Subsequent to the IPO the issued, subscribed and paid up capital of your company stands at ₹ 3,49,30,000 (Rupees Three Crore Forty Nine Lakh Thirty Thousand Only) divided into 34,93,000 (Thirty four lakh ninety three thousand only) equity shares of Rs. 10 each.

USE OF PROCEEDS:

The fund raised during the IPO will help your company to strengthen the working capital position. The proceeds from IPO will be deployed for expansion of Fruits & Vegetable Business. At the end of the last day of Financial Year of 2016-17, these funds were lying in Escrow Account.