



PRIMEAST INVESTMENTS LIMITED

Twenty First Annual Report

2003 - 2004

**DEVATHA PLAZA, 131, RESIDENCY ROAD,
BANGALORE - 560 025.**

**PRIMEAST INVESTMENTS LIMITED
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Primeast Investments Limited

PRIMEAST INVESTMENTS LIMITED

Board of Directors

Shri.R.C.BHAVUK Managing Director

Shri. KANWALJEET SINGH BAWA

Shri.GURMUKH SINGH THAKRAL

Shri.KARAN SINGH THAKRAL

Shri.B.P.CHATURVEDI

Bankers

INDIAN OVERSEAS BANK

Auditors

M/s. BRAHMAYYA & CO.

Chartered Accountants, Bangalore.

Company Secretary

K. J. BINOJ

Registered Office

DEVATHA PLAZA

131, Residency Road,

BANGALORE - 560 025.

Primeast Investments Limited**NOTICE**

NOTICE is hereby given that the Twenty First Annual General Meeting of the Members of PRIMEAST INVESTMENTS LIMITED will be held on Thursday, the 30th September, 2004 at 10.00 a.m. at Conference Hall, 2nd Floor, Directorate of Youth Services, State Youth Centre (Near Reserve Bank of India), Nrupathunga Road, Bangalore 560 001 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as on 31.3.2004 and the Profit & Loss Account for the financial year ended on that date together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. B.P. Chaturvedi who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Gurmukh Singh Thakral who retires by rotation and being eligible offers himself for reappointment.
4. To appoint the Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration as may be agreed with the Board of Directors.

BY ORDER OF THE BOARD OF DIRECTORS

Regd. Office
Devatha Plaza, 131,
Residency Road,
Bangalore

K.J. BINOJ*Company Secretary*

Place : BANGALORE
Date : 30.08.2004

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE PROXY FORM IS ANNEXED AT THE END OF THIS REPORT PROXY FORMS DULY COMPLETED IN ALL RESPECTS SHALL BE LODGED WITH THE COMPANY ATLEAST 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
2. Members are requested to address all correspondence regarding De-mat, share transfers, certificate endorsement, change of address and general queries, to the Registered office.
3. The Proxies and members are requested to bring their attendance slip annexed at the end of this report to the meeting and sign at the entrance of the meeting venue.
4. The Explanatory Statement as required by Section 173 of the Companies Act, 1956 is annexed hereto and the papers, documents referred to therein are open for inspection at the Registered Office of the Company between 9:30 am and 5:30 p.m. on any working day prior to the date of the meeting.

BY ORDER OF THE BOARD OF DIRECTORS

Regd. Office
Devatha Plaza, 131,
Residency Road,
Bangalore

K.J. BINOJ*Company Secretary*

Place : BANGALORE
Date : 30.08.2004

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT IN
THE FORTHCOMING ANNUAL GENERAL MEETING
(IN PURSUANCE TO LISTING AGREEMENT WITH STOCK EXCHANGES)**

Item No.2

- 1) Name: Mr. B.P. Chaturvedi
- 2) Date of Birth: 07.06.1937
- 3) Expertise: Financial and overall Corporate management
- 4) List of Companies in which : M/s. Thakral Computers Pvt. Ltd.,
outside directorship held as on M/s. Thakral Investments (India) Pvt. Ltd.,
30-08-2004 M/s. Netizen Infotek (India) Pvt. Ltd.,
M/s. Future World (P) Limited,
M/s. Trust Leasing Finance (P) Limited,
M/s. Asiatic Steel Industries Limited,
M/s. Givo Limited,
M/s. Westminster Developments Pvt. Ltd.,
M/s. Normandy Developments Pvt. Ltd.,
M/s. Khazina Developments Pvt. Ltd.,
M/s. Zarina Developments Pvt. Ltd.,
M/s. Minnow Trading Co. Pvt. Ltd.
- 5) Chairman / Member of the : Member, Audit committee of M/s. Givo Limited.
Committee of the Board of the
Companies on which he is a
Director as on 30.08.2004

Primeast Investments Limited**Item No. 3 :**

- 1) Name: Mr. Gurmukh Singh Thakral
- 2) Date of Birth: 10.03.1953
- 3) Expertise: Entrepreneur with business experience spanning over 3decades.
- 4) List of Companies in which outside directorship held as on 30.08.2004
- M/s. Bhagwan Developments Pvt. Ltd.,
M/s. Carew Developments Pvt. Ltd.,
M/s. Jagbir Developments Pvt. Ltd.,
M/s. Khazina Developments Pvt. Ltd.,
M/s. Minnow Trading Co. Pvt. Ltd.,
M/s. Normandy Developments Pvt. Ltd.,
M/s. Normandy Investments Pvt. Ltd.,
M/s. Parjat Developments Pvt. Ltd.,
M/s. Raaya Developments Pvt. Ltd.,
M/s. Raffles Software Pvt. Ltd.,
M/s. Sovereign Investments Pvt. Ltd.,
M/s. Thakral Computers Pvt. Ltd.,
M/s. Thakral Investments (India) Pvt. Ltd.,
M/s. Westminster Developments Pvt. Ltd.,
M/s. Zarina Developments Pvt. Ltd.,
M/s. Glade Trading Company Pvt. Ltd.
- 5) Chairman / Member of the : NIL
Committee of the Board of the
Companies on which he is a
Director as on 30.08.2004

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty First Annual Report along with the Audited Accounts for the year ended 31.03.2004.

FINANCIAL RESULTS**Rs. in Lakhs**

	31-03-2004	31-03-2003
Income from Business	<u>1.93</u>	<u>1.07</u>
Gross Income	1.93	1.07
Less Operational Expenses	<u>27.74</u>	<u>22.29</u>
Profit / (Loss) Before Depreciation and Provisions	(25.81)	(21.22)
Depreciation	<u>1.10</u>	<u>1.33</u>
Profit / (Loss) Before Provisions	(26.91)	(22.55)
Provisions	<u>0.04</u>	<u>0.04</u>
Profit / (Loss) after Provisions	(26.95)	(22.59)
Add : Loss brought forward from previous year	(322.64)	(300.05)
Total Loss carried to Balance Sheet	(349.59)	(322.64)

OPERATIONS :

In pursuance to the Main objects of Computer Software and Internet related activities the company had entered into a strategic joint venture with Pacific Internet, Singapore vide the resolution passed under section 372 A of the Companies Act 1956 at the 17th Annual general meeting held on 30.09.2000. The Company had so far invested Rs.10.17 crores in Pacific Internet India Pvt. Ltd. The Board feels that there is a surge in the Technology Sector especially in Software and Internet Sector. The Global Telecom Companies are finding that the investment climate in India is appropriate at present and the guidelines too have been relaxed by FIPB (Foreign Investment Promotion Board). Since Pacific Internet (India) Pvt. Ltd. has increased its business volume and customer base during the last two years, the Board expects that the investment in Pacific Internet (India) Pvt. Ltd. will reap good dividends in the near future.

The Company had passed a resolution in the last Annual General Meeting for the Commencement of the business of Marketing of Financial products. The Company had made a tie up with M/s. ING Vysya Bank for marketing of Personal loan products and presently with HDFC Bank Limited. The Company plans to extend its area of operation for the entire range of Financial products such as Loan products, Investment products and Insurance products. The Board firmly believes that the tie up with HDFC Bank for Personal Loan will become profitable and will be able to diversify into other loan segments such as Auto Loan and Housing Loan at the earliest.

Primeast Investments Limited**DIVIDENDS :**

Since there are accumulated losses carried forward from previous years, the company is therefore not in a position to declare dividends.

CAPITAL :

The present paid-up capital of the Company is Rs.11.73 Crores. The present authorised capital of the Company is Rs.13 Crores, which was increased from Rs.12.50 Crores at the 20th Annual General Meeting of the company. The shares of the company have been admitted for De-mat and the ISIN No :- is INE190F01010.

LISTING PARTICULARS :

As required by Clause 32 of the Listing Agreement with the stock exchange, a cash flow statement is appended.

As per Clause 49 of the listing agreement with Bangalore Stock Exchange the following information relating to Stock Exchanges where the company's securities are listed is furnished below for general information of shareholders.

a) Bangalore Stock Exchange
Stock Exchange Tower,
No.51, 1st cross,
J.C.Road
Bangalore - 560 027.

b) The Mumbai Stock Exchange
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

It is further submitted for information of shareholders that the Annual listing fees of 2003-2004 for both the stock exchanges where the company's securities are listed have been duly paid.

DIRECTORS :

The Board of Directors of the company consists of 5 Directors, of whom 2 are Non-Executive Independent Directors and 2 Non Executive Directors and 1 Executive Director. Mr. B.P. Chaturvedi and Mr.Gurmukh Singh Thakral, Directors are due to retire by rotation and are eligible for re appointment in the coming Annual General Meeting.

The Company deeply regrets to inform that Mr. T.P. Issar, who was the Chairman of the Company from 1994 onwards, had passed away on 14.01.2004 at Bangalore. The Company values the vision and guidance provided by Mr. T.P. Issar during his tenure as Chairman of the Company. The company also places on record its appreciation for the valuable direction and leadership provided by Mr. T.P. Issar to Primeast Investments Limited, in particular and Thakral group in general.