

# PRIME CAPITAL MARKET LIMITED



23<sup>RD</sup>

ANNUAL REPORT  
2016-2017



# PRIME CAPITAL MARKET LIMITED

## BOARD OF DIRECTORS

Sushil Kumar Purohit Chairman & Managing Director  
 Gwal Das Vyas Independent Director  
 Dhruva Narayan Jha Independent Director  
 Saroj Devi Kothari Independent Director

## COMPLIANCE OFFICER

Ms. Nikita Sureka

## REGISTERED OFFICE

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

## ADMINISTRATIVE OFFICE

P-27, Princep Street, 3rd Floor  
 Kolkata-700 072

## BANKERS

Axis Bank Limited  
 Kotak Mahindra 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 : 25<sup>th</sup> September, 2017  
 Time : 2.30 P.M.  
 Venue : 18A, B.J.B. Nagar  
 Bhubaneshwar-751014, Orissa

Corporate Identification No.  
 L671200R1994PLC003649

## 23<sup>RD</sup> ANNUAL REPORT 2016 - 2017

## C O N T E N T S

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

**NOTICE**

Notice is hereby given that the 23<sup>rd</sup> Annual General Meeting of the members of M/s. **Prime Capital Market Limited** will be held on Monday, the 25<sup>th</sup> day of September, 2017 at 2.30 P.M. at its Registered Office at 18A, B. J. B. Nagar, Bhubaneswar-751 014, 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 31<sup>st</sup> March 2017.
2. **Appointment of Statutory 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 read with the Companies (Audit and Auditor) Rules, 2014, 142 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), and based on the recommendations of the Audit Committee, to fill up the casual vacancy caused due to the resignation of existing Auditors M/s. B. S. Kedia & Co., Chartered Accountants, Kolkata, M/s. Deepak Acharya & Associates, Chartered Accountants, Kolkata (FRN No. 329654E), who have offered themselves for appointment as Auditors to the Company and have confirmed their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of Companies (Audit and Auditors) Rules, 2014, be and are hereby appointed as Statutory Auditors of the Company and to hold office from the conclusion of the 23<sup>rd</sup> Annual General Meeting up to the conclusion of the 28<sup>th</sup> consecutive Annual General Meeting (subject to ratification by the members at every subsequent AGM) at a remuneration as may be decided by the Board of Directors of the Company.”

**SPECIAL BUSINESS :**

3. **To Appoint Mr. Gwal Das Vyas as Independent Director of the Company**

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 149 read with the Rule 3 of the Companies (Appointment & Qualification of Directors) Rules 2014, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Saroj Devi Kothari (DIN: 0001312905) who was appointed as Additional Director of the Company with effect from January 4, 2017 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013

(“Act”) being eligible, be and is hereby appointed as an Independent Director, not liable to retire by rotation, for a term of five years commencing from January 4, 2017.

“**RESOLVED FURTHER THAT** any of the Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things which may be necessary for appointment of Mrs. Saroj Devi Kothari (DIN: 0001312905) as an Independent Director of the Company.”

#### NOTES :

1. The Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy, in order to be effective, must be received at the Company’s Registered Office not less than forty-eight hours before the Meeting.

Pursuant to Section 105 of Companies Act, 2013, a person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total Share capital of those carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any person or shareholder.

3. The Register of Member and the Share Transfer Books of the Company will remain closed from 19<sup>th</sup> September 2017 to 25<sup>th</sup> September 2017 (both days inclusive).
4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
5. A detail of Directors seeking re-appointments in this Annual General Meeting are attached separately to the notice.
6. Corporate Members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of Companies Act, 2013 are requested to send to the Company a certified copy of relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the meeting.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company’s Registered Office on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 A.M. to 1.00 P.M. up to the date of this Annual General Meeting.
8. Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail Id [primecapital.kolkata@gmail.com](mailto:primecapital.kolkata@gmail.com) for quick and prompt redressal of their grievances.

9. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
10. 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 appropriate authorities to the Annual General Meeting.
11. 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.
12. 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.
13. 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.
14. The Securities and Exchange Board of India (SEBI) vide Circular ref. No. MRD/DOP/CIR-05/2007 dated April 27, 2007 made PAN mandatory for all securities market transactions and off market/private transaction involving transfer of shares in physical form of listed Companies, it shall be mandatory for the transferee (s) to furnish copy of PAN Card to the Company/RTAs for the registration of such transfer of shares.

SEBI further clarified that it shall be mandatory to furnish a copy of PAN in the following cases:

- a) Deletion of name of the deceased shareholder (s), where the shares are held in the name of two / more shareholders.
  - b) Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares.
  - c) Transposition of shares – when there is a change in the order of names in which physical shares are held jointly in the name of two or more shareholders.
15. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 read with Rule 19 of Companies (Share Capital and Debentures) Rules, 2014, may fill SH-13 and send the same to the office of RTA of the Company. In case of shares held in dematerialized form, the nomination/change in nomination should be lodged with their DPs.
  16. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participants to enable us to send you the quarterly reports and other communication via email.

17. Copies of Annual Report 2017 are being sent by electronic mode only to those members whose email address are registered with the Company's Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the Annual Report. The Members who have not registered their email address, physical copies of Annual Report 2017 are being sent by the permitted mode.
18. The Notice for the 23<sup>rd</sup> AGM and instructions for e-voting, along with Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. Members are requested to bring copies of Annual Report to the Annual General Meeting.
19. Members may also note that the Notice of the 23<sup>rd</sup> AGM and the Annual Report for 2016-2017 will also be available on the Company's website [www.primecapitalmarket.com](http://www.primecapitalmarket.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during all working days (except Saturday, Sunday and public holidays) between 11.00 AM to 1.00 PM up to the date of this AGM. Even after registering for e-communication, members are entitled to receive such in physical form, upon making a request for the same by post or email. For any communication, the Shareholders may also send requests to the Company's email id : [primecapital.kolkata@gmail.com](mailto:primecapital.kolkata@gmail.com)
20. A route map showing directions to reach the venue of the 23<sup>rd</sup> Annual General Meeting is given at the end of the Report.
21. Members can opt for one mode of voting i.e. either by physical ballot or through e-voting. If Members opt for e-voting then do not vote by Physical Ballot or vice-versa. However, in case Members have casted their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.
22. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting or physical Ballot, the said resolutions will not be decided on a show of hands at the AGM. The voting right of all shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. September 18, 2017.
23. In order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Proxy cum Ballot Form is attached. Members desiring to exercise vote by Ballot are requested to carefully read the instructions printed in the form, to complete the Ballot Form with assent (for) or dissent (against) and send it to Ms. Gayatri Phatak, Scrutinizer, C/o ABS Consultants Private Limited, Unit: Prime Capital Market Limited, 99, Stephen House, 6<sup>th</sup> Floor, 4, B.B.D. Bag (East), Kolkata-700 001, Tel. No: +91 33-2220 1043, Fax No : +91 33- 2243 0153, E-mail : [absconsultant@vsnl.net](mailto:absconsultant@vsnl.net) so as to reach him on or before September 20, 2017 by 5.00 p.m. Any Ballot Form received after the said date and time, shall be treated as invalid.

24. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and in term of Regulation 44 of SEBI LODR Regulations, 2015, the Company is pleased to provide to the members facility of “remote e-voting” (e-voting from place other than venue of the AGM) to exercise their votes at the 23<sup>rd</sup> AGM by electronic means and the business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).
25. The facility of voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 23<sup>rd</sup> AGM. The Members attending the AGM, who have not casted their vote through remote e-voting shall be able to exercise their voting rights at the AGM. The Members who have already casted their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again at the AGM.
26. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.primecapitalmarket.com](http://www.primecapitalmarket.com) within two days of the passing of the Resolutions at the Annual General Meeting of the Company and will also be communicated to BSE Limited, where the shares of the Company are listed.
27. Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.
28. The details for voting electronically are as under -
- a) Date and time of commencement of voting through electronic means: **Friday, September 22, 2017 at 9.00 a. m.**
  - b) Date and time of end of voting through electronic means beyond which voting will not be allowed: **Sunday, September 24, 2017 at 5.00 p. m.**
  - c) During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **September 18, 2017**, may cast their vote electronically irrespective of mode of receipt of notice by the shareholder. **The e-voting module shall be disabled by CDSL for voting thereafter.**
  - d) Details of Website: [www.evotingindia.com](http://www.evotingindia.com)
  - e) **Details of Scrutinizer:** Gayatri Phatak, Practising Company Secretary (ACS No. 31886), E-mail: [gayatribhideandco@gmail.com](mailto:gayatribhideandco@gmail.com).
  - f) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change/ modify the vote subsequently.
29. **The instructions for Members for e-voting are as under:**
- Applicable in all cases whether NOTICE is received by e-mail or in physical form:
- i Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
  - ii Click on “Shareholders” tab
  - iii Now, select Electronic Voting Sequence No. as mentioned in the Attendance Slip



- along with “PRIME CAPITAL MARKET LIMITED” from the drop down menu and click on “SUBMIT”.
- iv Now Enter your User ID (as mentioned in the Attendance Slip)
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - v Next enter the Image Verification as displayed and Click on Login.
  - vi If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - vii If you are a first time user please use the e-Voting particular provided in the Attendance Slip and fill up the same in the appropriate boxes.
  - viii After entering these details appropriately, click on “SUBMIT” tab.
  - ix Members holding shares in physical form will then directly reach to the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field.

Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - x For Members holding shares in physical form, the details in Attendance Slip can be used only for e-voting on the resolutions contained in this Notice.
  - xi Click on the EVSN for PRIME CAPITAL MARKET LIMITED on which you choose to vote.
  - xii On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - xiii Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
  - xiv After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- xv Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi You can also take out the print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix For Institutional Shareholders and Custodians :**
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance user should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

### Statement pursuant to Section 102 of the Companies Act 2013

#### ITEM NO. 3

The Board of Directors of the Company at its meeting held on January 4, 2017, on the recommendation of the Remuneration and Nomination Committee, had appointed Mrs. Saroj Devi Kothari as an Additional Director on the Board of the Company. Further, in terms of provisions of Sections 149 and 152 read with Schedule IV of the Companies Act, 2013 (hereinafter referred as ‘the Act’) and rules made thereunder, the Board of Directors of the Company had also appointed (subject to the approval of the members at the ensuing General Meeting), Mrs. Saroj Devi Kothari as an Independent Director of the Company

within the meaning of Section 149(6) of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for a term of 5 consecutive years commencing from January 4, 2017.

The Company has also received a declaration from Mrs. Saroj Devi Kothari as specified under Section 149(6) and Schedule IV of the Companies Act 2013. Considering her vast experience, her presence on the Board will be of immense value to the Company.

The Company has received a notice in writing from a member along with deposit of the requisite amount pursuant to Section 160 of the Act, proposing the candidature of Mrs. Saroj Devi Kothari for the office of Independent Director of the Company, to be appointed as such under the provisions of Section 149 of the Act.

A copy of the letter of appointment of Mrs. Saroj Devi Kothari as an Independent Director setting out the terms and conditions shall also be available for inspection at the registered office / corporate office of the Company during business hours.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives other than Mrs. Saroj Devi Kothari is in any way concerned or interested, financial or otherwise, in the said Resolution.

In the opinion of the Board, Mrs. Saroj Devi Kothari, proposed to be appointed as an Independent Director, fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder, and is independent of the management.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

Further details of Mrs. Saroj Devi Kothari have been provided in Annexure 1.

#### Annexure - 1

<b>Name of Director</b>	<b>Mrs. Saroj Devi Kothari</b>
Directors' Identification No. (DIN)	0001312905
Date of Birth	23 <sup>rd</sup> October 1969
Date of Appointment on Board	4 <sup>th</sup> January 2017
Qualification	S.S.C.
Experience	Having skill of management & administration for more than 10 years.
Terms & Conditions of appointment	5 Years commencing from 4 <sup>th</sup> January 2017
Remuneration details	Maximum of ₹ 5000/- per meeting
Shareholding in Company	Nil
Relationship with the Company & Other Directors	Not Any
No. of Board Meeting attended during the year	3 (Three)

List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	<ul style="list-style-type: none"> <li>• JMD Ventures Limited</li> <li>• Purbanchal Steel Limited</li> <li>• Scan Infrastructure Limited</li> <li>• Spiral Pack (India) Limited</li> <li>• Unisys Softwares &amp; Holding Industries Limited</li> <li>• V. B. Industries Limited</li> <li>• Warner Multimedia Ltd.</li> </ul>
Memberships / Chairmanships of Audit and Stakeholders' relationship Committees across Public Companies	<p>Membership – 5 Chairmanship – 3</p>

Kolkata, May 30, 2017

By order of the Board  
For Prime Capital Market Limited

**Registered Office :**  
18A, B.J.B. Nagar,  
Bhubaneswar-751014, Orissa

**Sushil Kumar Purohit**  
(DIN : 00073684)  
Chairman & Managing Director

## DIRECTORS' REPORT

To The Members,

Your Directors have pleasure in presenting the 23<sup>rd</sup> Annual Report of your Company together with the Audited Statements of Accounts for the financial year ended March 31, 2017.

(₹ in Lakh)

Financial Results	Year Ended 31.03.2017	Year Ended 31.03.2016
Income for the Year	109.77	906.23
Profit before Tax & Extraordinary Items	0.80	8.10
Less : Provision for Taxation	0.25	2.50
Profit after Tax	0.55	5.60
Add / (Less) : Extra Ordinary Items	0.13	1.30
Profit available for appropriation	0.68	6.90
Add : Profit Carried Forward from Previous Year	280.79	275.27
<b>Appropriated as under :</b>		
Transfer to General Reserve	0.11	1.38
Balance carried forward to Next Year	281.37	280.79

### OVERVIEW OF ECONOMY

India is projected to grow by 7.7 per cent in fiscal 2017, remaining the fastest growing large developing economy, as it benefits from strong private consumption and gradual introduction of significant domestic reforms, a United Nations report said. The United Nations World Economic Situation and Prospects (WESP) 2017 report said India's economy is projected to grow by 7.7 per cent in fiscal year 2017 and 7.6 per cent in 2018, benefiting from strong private consumption. It however cautioned that low capacity utilisation and stressed balance sheets of banks and businesses will prevent a strong investment revival in the short term.

The World Bank too decelerated India's GDP growth for 2016-17 fiscal to 7 per cent from its previous estimate of 7.6 per cent citing the impact of demonetisation. The UN report does not make any mention of the withdrawal of the high-denomination 500 and 1000 currency notes by the Indian government nor its impact on the country's economic growth.

The report said India has positioned itself as the most dynamic emerging economy among the largest countries and is expected to remain the fastest growing on the back of robust private consumption and significant domestic reforms gradually being implemented by the government. It estimated that in the 2016 fiscal, India grew by 7.6 per cent.

### OVERALL PERFORMANCE & OUTLOOK

Gross revenue from operations during the year was stood at ₹ 109.77 lakh in comparison to last years' revenue of ₹ 906.23 lakh. In term of Net Profit (after Tax & Extra-Ordinary Items), the same has been stood at ₹ 0.68 lakh in comparison to last years' Net Profit of ₹ 6.90 lakh; showing a decline in comparison to last years' profit.

Your Company is one of the RBI registered NBFC and is in the business of Finance & Investments.

Your Company is hopeful of recovering from bad phase as time progresses.

**DIVIDEND AND RESERVES**

Due to inadequate profit and in order to conserve resources to meet the working capital requirements, your Directors do not propose any dividend for the year under review.

During the year under review, sum of ₹ 0.11 lakh were transferred to General Reserves.

**SHARE CAPITAL**

The paid up Equity Share Capital as on March 31, 2017 was ₹ 10.0001 Crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2017, none of the Directors and/or Key Managerial Person of the Company hold instruments convertible in to Equity Shares of the Company.

**FINANCE AND ACCOUNTS**

Your Company prepares its financial statements in compliance with the requirements the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on historical cost basis. The estimates and judgments relating to the financial statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits/(loss) and cash flows for the year ended 31<sup>st</sup> March 2017.

The Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

There is no audit qualification in the standalone financial statements by the statutory auditors for the year under review.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**SUBSIDIARY COMPANY**

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year. Accordingly, a policy on material subsidiaries has not been formulated.

**RELATED PARTY TRANSACTIONS**

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of Listing Regulations; during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted and thus disclosure in term of Section 134(3)(h) r/w Rule 8 (2) of the Companies (Accounts) Rules, 2014 and under Regulation 34(3) & 53(f), Para A of Schedule V of SEBI(LODR) Regulations, 2015 is attached as Annexure I. Further, there are no materially significant

transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

#### **MANAGEMENT DISCUSSION & ANALYSIS**

The Management Discussion and Analysis on the operations of the Company as prescribed under Part B of Schedule V read with regulation 34 (3) of the Listing Regulations, 2015 is provided in a separate section and forms part of the Directors' Report.

#### **CHANGE IN NATURE OF BUSINESS, IF ANY.**

There are no changes in the nature of business in the financial year 2016-17.

#### **BOARD EVALUATION**

The Board of Directors have laid down the manner for carrying out an annual evaluation of its own performance, its various Committees and individual directors pursuant to the provisions of the Act and relevant Rules and the Corporate Governance requirements are in compliance with Regulation 17 of Listing Regulations, 2015. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of various criteria such as Board Composition, process, dynamics, quality of deliberations, strategic discussions, effective reviews, committee participation, governance reviews etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as Committee composition, process, dynamics, deliberation, strategic discussions, effective reviews etc. The Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as transparency, analytical capabilities, performance, leadership, ethics and ability to take balanced decisions regarding stakeholders etc.

#### **NUMBER OF MEETINGS OF THE BOARD**

The details of the Board Meetings and other Committee Meetings held during the financial year 2016-17 are given in the separate section of Corporate Governance Report.

#### **BOARD COMMITTEES**

All Committees of the Board of Directors are constituted in line with the provisions of the Companies Act, 2013 and applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **MANAGEMENT**

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

#### **DIRECTORS**

During the Year, your Board has appointed Mrs. Saroj Devi Kothari as Additional, Independent Director of the Company w.e.f. 4<sup>th</sup> January 2017 to fulfil the vacancy caused due to the resignation of Ms. Susmita Kundu who has resigned from the Board w.e.f. 4<sup>th</sup> January 2017 due to her pre-occupancy.

Further, during the year, Mr. Dhruva Narayan Jha has been appointed as Independent Director of the Company w.e.f. 20<sup>th</sup> May 2016 to broad base the Board.

Our Board comprises of distinguished members with varied experience, mainly in the area of finance, law and accounting. The Board along with its Committees provides guidance for managing the Company and also supervises and controls the performance of the Company.

Further, none of the Directors of the Company are disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

#### INDEPENDENT DIRECTORS

As per provisions of Section 149 of the 2013 Act, independent directors shall hold office for a term up to five consecutive years on the board of a company, but shall be eligible for re-appointment for another term up to five years on passing of a special resolution by the company and disclosure of such appointment in Board's Report. Further Section 152 of the Act provides that the Independent Directors shall not be liable to retire by rotation in the Annual General Meeting ('AGM') of the Company.

None of Independent Director of the Company is serving as Independent Director in more than seven / three listed entities as required under Regulation 25 of Listing Regulations, 2015. Further, none of the Directors of the Company is a member in more than ten committees or is acting as Chairman of more than five committees (Committees being, Audit Committee and Stakeholder Relationship Committee), across all the Indian Public Limited Companies in which he/she is Director. Furthermore, the necessary annual disclosures have been submitted by the Directors to the Company, regarding Committee positions held by them in other public companies.

#### DETAILS OF DIRECTORS / KMP APPOINTED AND RESIGNED DURING THE YEAR

Sl. No.	Name	Designation	Date of Appointment	Date of Resignation
1.	Ms. Susmita Kundu	Independent Director	-	4 <sup>th</sup> Jan 2017
2.	Mrs. Saroj Devi Kothari	Independent Director	4 <sup>th</sup> Jan 2017	-
3.	Mr. Dhruva Narayan Jha	Independent Director	20 <sup>th</sup> May 2016	-
4.	Ms. Nikita Sureka	Company Secretary	3 <sup>rd</sup> Dec 2016	-

#### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, TRIBUNALS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

#### MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There have been no material changes and commitments affecting the financial position of the Company between the end of Financial Year and date of the report.

#### DIRECTORS RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:

1. that in the preparation of the Annual Accounts for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;



2. the directors had selected 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 as at March 31, 2017 and of the profit of the Company for the year ended on that date;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the annual accounts have been prepared on a going concern basis;
5. that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
6. that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **BUSINESS RISK MANAGEMENT**

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

However, provision of Regulation 21 of Listing Regulations for constitution of Risk Management Committee is not applicable to the Company.

#### **INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY**

Your Company has an Internal Control System, which is commensurate with the size, scale, scope and complexity of its operations. To maintain its objectivity and independence, an independent firm of Chartered accountants has been appointed as the Internal Auditors, who report to the Chairman of the Audit Committee of the Board.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in your Company, its compliance with operating systems, accounting procedures and policies of your Company. Based on the report of the Internal Auditors placed before the Audit Committee, process owners undertake corrective action in their respective areas and thereby strengthen the controls. The internal controls have been reported by the Auditors to be adequate and effective during the year.

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company i.e. [www.primecapitalmarket.com](http://www.primecapitalmarket.com)

#### **INFORMATION TECHNOLOGY**

Innovation and Technology are synonymous with the Company. The investment in technology acts as a catalyst and enables the Company to be innovative.

**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****Statutory Auditors**

Existing Auditors M/s B. S. Kedia & Co., Chartered Accountants, Kolkata who are retiring in ensuring Annual General Meeting have expressed their un-willingness to re-appoint themselves as Auditors of the Company.

In place of existing Auditors, the Audit Committee recommended M/s Deepak Acharya & Associates (FRN 329654E), Chartered Accountants, Kolkata for appointment to audit the accounts of the Company from the conclusion of the 23rd Annual General Meeting up to the conclusion of the 28th consecutive Annual General Meeting (subject to ratification by the members at every subsequent AGM). As required under the provisions of Section 139 & 142 of the Companies Act, 2013 the Company has obtained written confirmation under Rule 4 of the Companies (Audit and Auditors) Rules, 2014 from M/s. Deepak Acharya & Associates; that they are eligible for appointment as auditors, and are not disqualified for appointment under the Companies Act, 2013, the Chartered Accountants Act, 1949, or the rules and regulations made there-under.

The proposed appointment is as per the term and within the limits laid down by or under the authority of the Companies Act, 2013 and that there are no proceedings pending against them or any of their partners with respect to professional conduct.

**Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Sinu Surolia, Company Secretaries in Practice (C. P. No. 17293) to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed in this Annual Report as Annexure II.

**EXTRACT OF ANNUAL RETURN**

Pursuant to the provisions of Section 134(3) (a) of the Companies Act, 2013, extract of the Annual Return for the financial year ended 31st March, 2017 made under the provisions of Section 92(3) of the Act is attached as Annexure III to this report.

**PARTICULARS OF EMPLOYEES**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the same is not applicable to the Company as none of employee is drawing remuneration in excess of the limits set out in the said rules and thus no disclosure has been provided in this Annual Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014 by way of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2016 dated June 30, 2016 (“Amended Managerial Remuneration Rules, 2016”), the report is not applicable to the Company.

**DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES**

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules thereunder, the Company has not received any complaint of sexual harassment during the year under review.

**PARTICULARS UNDER SECTION 134(3) (m) OF THE COMPANIES ACT, 2013**

Since the Company is one of the RBI registered non deposit taking NBFC and is into the business of financing and investment activities in shares and securities; the information regarding Conservation of Energy, Technology Absorption, Adoption and Innovation, as defined under section 134(3)(m) of the Companies Act, 2013 read with Rule, 8(3) of the Companies (Accounts) Rules, 2014, 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 73 of the Companies Act 2013 and the rules there under.

**REPORT ON CORPORATE GOVERNANCE**

As per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company’s Auditors confirming compliance forms an integral part of 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, 2017

By order of the Board  
For Prime Capital Market Limited

**Registered Office :**

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

**Sushil Kumar Purohit**  
(DIN : 00073684)  
Chairman & Managing Director

## MANAGEMENT DISCUSSIONS & ANALYSIS

### MACRO ECONOMIC ENVIRONMENT

India's economy could expand by between 6.75% and 7.5% in 2017-18, a government survey said, signalling that growth could recover sooner than expected after a shock scrapping of high-value banknotes to fight "black money".

The survey said "demonetisation" would bring long-term benefits to the economy. It also said structural reforms and a proposed Goods and Service Tax could boost growth rate to 8-10%.

The survey, which is authored by government's chief economic advisor, suggested quick replenishment of cash in the economy and free convertibility of cash to deposits to stem any GDP growth deceleration.

"The Indian economy has sustained a macro-economic environment of relatively lower inflation, fiscal discipline and moderate current account deficit coupled with broadly stable rupee-dollar exchange rate," it said.

The Economic Survey pegged growth in the agriculture sector at 4.15% in 2016-17, significantly higher than the 1.2% in 2015-16. This is primarily because of better monsoon rains during the current financial year.

### REVIEW OF OPERATIONS

Gross revenue from operations during the year was stood at ₹ 109.77 lakh in comparison to last years' revenue of ₹ 906.23 lakh. In term of Net Profit (after Tax & Extra-Ordinary Items), the same has been stood at ₹ 0.68 lakh in comparison to last years' Net Profit of ₹ 6.90 lakh; showing a decline in comparison to last years' profit.

### BUSINESS SEGMENT

The Company is one of the RBI registered Non-Banking Finance Company (NBFC). The Company is into the business of finance and investments; in accordance with the Accounting Standard 17 notified by Companies (Accounting Standards) Rules 2006.

### OPPORTUNITIES

In budget 2017, the statement on doing away with the FIPB underpinned the reforms in the financial sector. Clear statements on the listing of CPSEs as part of the disinvestment policy and launching a new ETF reflect a continuation of policy decisions that are working well. Listing of security receipts by ARCs and the allocation for recapitalisation of banks, along with some related tax measures, will help deal with the growing NPAs.

The International Monetary Fund (IMF) has kept its growth outlook for the global economy unchanged at 3.4%, but it is becoming clear that the estimate may not have fully factored in the impact of several things including the extent to which the US's protectionist policies could hurt global trade in products and services.

### THREATS & CONCERNS

The latest gross domestic product (GDP) numbers indicate a slowing of growth and, more worryingly, a contraction in gross fixed capital formation; the earnings statements released by banks show that the bad loan problem plaguing the Indian banking system isn't going to go quietly; and the short-term pain associated with demonetisation (the Indian government's move, on 8 November to render invalid older high-value currency notes accounting for 86% of the cash in circulation by value) had turned sentiment, both consumer and business, negative.

Tax reforms and measures play an important role in how easy or difficult it is to do business in a country; and on that front, the budget has scrapped a controversial tax on foreign portfolio investors, or FPIs, on indirect transfers.

### **HUMAN RESOURCES**

The Company recognizes that its success is deeply embedded in the success of its human capital. During 2016-2017, the Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce. The employee engagement initiatives included placing greater emphasis on learning and development, launching leadership development programme, introducing internal communication, providing opportunities to staff to seek inspirational roles through internal job postings, streamlining the Performance Management System, making the compensation structure more competitive and streamlining the performance-link rewards and incentives.

The Company believes that learning is an ongoing process. Towards this end, the Company has built a training infrastructure which seeks to upgrade skill levels across grades and functions through a combination of in-house and external programme.

### **CORPORATE SUSTAINABILITY AND SOCIAL RESPONSIBILITY**

The provision of the Section 135 and Schedule VII of the Companies Act, 2013 as well as the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 effective from April 1, 2014 relating to CSR Initiatives are not applicable to the Company.

### **CAUTIONARY STATEMENT**

Certain statements under “Management Discussion & Analysis” describing the Company’s objectives, projections, estimates, expectations or predictions may be forward looking statement within the meaning of applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied, since the Company’s operations are influenced by many external and internal factors beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

### **COMPLIANCE**

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company’s Board of Directors and the Company’s Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

The Company has complied with all requirements of regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

Kolkata, May 30, 2017

By order of the Board  
For Prime Capital Market Limited

**Registered Office :**  
18A, B.J.B. Nagar,  
Bhubaneswar-751014, Orissa

**Sushil Kumar Purohit**  
(DIN : 00073684)  
Chairman & Managing Director

## Annexure – I

**DETAILS OF RELATED PARTY TRANSACTIONS**

- A. (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

All related party transactions entered during the year were in ordinary course of business and on arm's length basis and the same have been disclosed under Note No. xxii of Notes to Financial Statements.

No material related party transactions arising from contracts/ arrangements with related parties referred to in the Section 188(1) of the Companies Act, 2013 were entered during the year by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

- B. Disclosures pursuant to Regulation 34(3) & 53(f) and Para A of Schedule V of SEBI (LODR) Regulations, 2015

Sl. No.	In the Account of	Disclosures of amount at the year end and the maximum amount of loans/advances/ Investments outstanding during the year.	
1.	Holding Company	<ul style="list-style-type: none"> <li>o Loans and advances in the nature of loans to subsidiaries by name and amount</li> <li>o Loans and advances in the nature of loans to associates by name and amount</li> <li>o Loans and advances in the nature of loans to Firms/Companies in which directors are interested by name and amount</li> </ul>	<b>Not Applicable</b>
2.	Subsidiary	<ul style="list-style-type: none"> <li>o Loans and advances in the nature of loans to subsidiaries by name and amount</li> <li>o Loans and advances in the nature of loans to associates by name and amount</li> <li>o Loans and advances in the nature of loans to Firms/Companies in which directors are interested by name and amount</li> </ul>	
3.	Holding Company	<ul style="list-style-type: none"> <li>o Investment by the loanee in the shares of parent Company and subsidiary Company has made a loan or advance in the nature of loan.</li> </ul>	

Kolkata, May 30, 2017

By order of the Board  
For Prime Capital Market Limited

Registered Office :  
18A, B.J.B. Nagar,  
Bhubaneswar-751014, Orissa

Sushil Kumar Purohit  
(DIN : 00073684)  
Chairman & Managing Director

**SECRETARIAL AUDIT REPORT  
FORM NO. MR-3**

FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,  
Prime Capital Market Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Prime Capital Market Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided to us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Prime Capital Market Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2013;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on October 28, 2014;
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
6. Other laws applicable specifically to the company namely:
- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
  - b) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;
  - c) Reserve Bank of India Act, 1934 and the rules made there under to the extent of provisions applicable to Non-Banking Financial Companies and Regulations made thereunder;
  - d) Provident Fund Act 1952;
  - e) The Shops and Establishments Act, 1963.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



We further report that during the audit period, there were no instances of:

- a) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- b) Redemption / buy-back of securities.
- c) Merger / amalgamation / reconstruction etc.
- d) Foreign technical collaborations.

Place : Kolkata  
Date : May 30, 2017

**Sinu Surolia**  
Practicing Company Secretary  
C. P. No. 17293

**ANNEXURE A TO THE SECRETARIAL AUDIT REPORT**

The Members,  
M/s. Prime Capital Market Limited  
Bhubaneswar (Orissa)

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata  
Date : May 30, 2017

**Sinu Surolia**  
Practicing Company Secretary  
C. P. No. 17293

## EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2017  
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

### FORM NO. MGT - 9

<b>I. Registration &amp; Other Details</b>	
CIN	L67120OR1994PLC003649
Registration Date	28/06/1994
Name of the Company	Prime Capital Market Limited
Category / Sub-Category of the Company	Category : Company having Share Capital Sub-Category : Indian Non-Government Company
Address of the Registered Office and contact details	<b>Regd. Office</b> : 18A, B.J.B. Nagar, Bhubaneswar-751014, Orissa <b>Admin Office</b> : P-27, Princep Street, 3 <sup>rd</sup> Floor, Kolkata-700 072 Tel : +91 33 2234 6715
Whether listed company	Listed Company
Name, address and contact details of Registrar and Transfer Agent, if any	M/s. ABS Consultants Private Limited 99, Stephen House, 4, B.B.D. Bag (East), Kolkata-700 002 Tel : +91 33 2243 0153 / 2220 1043

<b>II. Principal Business Activities of the Company</b>		
All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:		
Name and Description of main Businesses	NIC Code of Business	% of Total Turnover of the Company
NBFC Activities (Financing) & Trading / Investment in Shares & Securities	66110	100.00%

<b>III. Details of Subsidiary / Associate / Holding Companies</b>				
Name & Address of Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
Not Any	Not Applicable	Not Applicable	Not Applicable	Not Applicable

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)									
Category wise Shareholding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF	32600	-	32600	0.33	32600	-	32600	0.33	-
b) Central Govt. (s)	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	457751	-	457751	4.58	457751	-	457751	4.58	-
e) Banks / FIs	-	-	-	-	-	-	-	-	-
f) Any Other .....	-	-	-	-	-	-	-	-	-
<b>Sub Total A(1)</b>	<b>490351</b>	<b>-</b>	<b>490351</b>	<b>4.90</b>	<b>490351</b>	<b>-</b>	<b>490351</b>	<b>4.90</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FIs	-	-	-	-	-	-	-	-	-
e) Any Other .....	-	-	-	-	-	-	-	-	-
<b>Sub Total A(2)</b>									
<b>Total Shareholding of Promoters (A1) + (A2)</b>	<b>490351</b>	<b>-</b>	<b>490351</b>	<b>4.90</b>	<b>490351</b>	<b>-</b>	<b>490351</b>	<b>4.90</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>	-	-	-	-	-	-	-	-	-
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt. (s)	-	-	-	-	-	-	-	-	-
d) State Govt. (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub Total B(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(2) Non-Institutions</b>									

<b>a) Bodies Corporate</b>									
i. Indians	3261092	690000	3951092	39.51	3497149	690000	4187149	41.87	2.36
ii. Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i. Individual Shareholders holding nominal share capital up to ₹ 2 lakh	1958619	216350	2174969	21.75	1959566	216350	2175916	21.76	0.01
ii. Individual Shareholders holding nominal share capital in excess of ₹ 2 lakh	3232703	150000	3382703	33.83	2995699	150000	3145699	31.46	2.37
<b>c) Others (Specify)</b>									
i. Clearing Members	-	-	-	-	-	-	-	-	-
ii. NRI	985	-	985	0.01	985	-	985	0.01	-
<b>Sub Total B(2)</b>	<b>8453399</b>	<b>1056350</b>	<b>9509749</b>	<b>95.10</b>	<b>8453399</b>	<b>1056350</b>	<b>9509749</b>	<b>95.10</b>	<b>-</b>
<b>Total Public Shareholding B = B(1) + B(2)</b>	<b>8453399</b>	<b>1056350</b>	<b>9509749</b>	<b>95.10</b>	<b>8453399</b>	<b>1056350</b>	<b>9509749</b>	<b>95.10</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>8943750</b>	<b>1056350</b>	<b>10000100</b>	<b>100.00</b>	<b>8943750</b>	<b>1056350</b>	<b>10000100</b>	<b>100.00</b>	<b>-</b>

ii) Shareholding of Promoters							
Shareholders Name	Shareholding at the beginning of the year			Shareholding during and at the end of the year			% change in shareholding during the year
	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
Vimal Joshi	32600	0.33	Nil	32600	0.33	Nil	-
Bhuvania Vinimay Pvt. Limited	207751	2.08	Nil	207751	2.08	Nil	-
Zensar Merchandise Pvt. Limited	250000	2.50	Nil	250000	2.50	Nil	-

<b>iii) Change in Promoters' Shareholding (Please specify, if there is no change)</b>						
Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Date of Changes	Reason for Changes
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company		
At the beginning of the year	490351	4.90	490351	4.90	No Change	
At the end of the Year	490351	4.90	490351	4.90		

<b>iv) Shareholding of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs &amp; ADRs)</b>					
For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date wise increase/decrease in Shareholding	Cumulative Shareholding during and at the end of the year	
	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
Raj Kumar Sharma	345,400	3.45%	Not Applicable	345,400	3.45%
Gulistan Vanijya Pvt. Ltd	331,541	3.32%	Not Applicable	331,541	3.32%
Celebrity Traders Private Limited	1,20,885	1.21%	Refer Note 1 below	320,885	3.21%
Quads Vinimay Private Limited	313,000	3.13%	Not Applicable	313,000	3.13%
Brijdham Dealcom Pvt. Ltd.	263,500	2.63%	Not Applicable	263,500	2.63%
Kamala Devi Acharya	260,785	2.61%	Not Applicable	260,785	2.61%
Finetrade Mercantile Co. Pvt. Ltd	246,400	2.46%	Not Applicable	246,400	2.46%
Krishna Devi Purohit	187,685	1.88%	Not Applicable	187,685	1.88%
Sushila Devi Harsh	157,925	1.58%	Not Applicable	157,925	1.58%
Sarbeswar Parida	149,000	1.49%	Not Applicable	149,000	1.49%

**Note 1**

The Company does not procure Beneficiary Positions (BENPOS) on daily basis from Depositories and due to this reason the Company is unable to provide details of date wise change in Shareholding of top 10 shareholders during the current financial year.

v) Shareholding of Directors and Key Managerial Personnel				
For Each of Directors & KMP	Shareholding at the beginning of the year		Shareholding during the year and at the end of the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year / at the end of the year	Nil	-	Nil	-
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	Not Applicable (As none of Director and Key Managerial Person was holding Shares in his name either at the beginning or at the end of year			

V. INDEBTEDNESS				
In Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans Excluding deposits ₹ in Lakh	Unsecured Loans ₹ in Lakh	Deposits ₹ in Lakh	Total Indebtedness ₹ in Lakh
Indebtedness at the beginning of the financial year				
i. Principal Amount	Nil	71.86	Nil	71.86
ii. Interest due but not Paid	Nil	Nil	Nil	Nil
iii. Interest Accrued but not due	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
• Addition	Nil	Nil	Nil	Nil
• Reduction	Nil	21.86	Nil	21.86
Indebtedness at the end of the financial year				
i. Principal Amount	Nil	50.00	Nil	50.00
ii. Interest due but not Paid	Nil	Nil	Nil	Nil
iii. Interest Accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	50.00	Nil	50.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL				
Sr. No.	Particulars of Remuneration	Sushil Kr. Purohit (MD)	Surendra Singh (CFO)	Nikita Sureka (CS)
1.	Gross Salary	Nil	₹ 1,80,000/-	₹ 59,978
2.	Value of Perquisites	Nil	Nil	Nil
3.	Stock Options	Nil	Nil	Nil
4.	Sweat Equity	Nil	Nil	Nil
5.	Commission	Nil	Nil	Nil
6.	Others (Please specify)	Nil	Nil	Nil

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty					
Punishment			No Instance		
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment			No Instance		
Compounding					
<b>C. Other Officers in Default</b>					
Penalty					
Punishment			No Instance		
Compounding					



## ANNEXURE TO THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) read with Schedule V of SEBI (**Listing Obligation Disclosure and Requirements) Regulations, 2015** (hereinafter referred as “**Listing Regulations**”) along with other requirements as specified in Schedule V of these regulations, Compliance with the requirements of Corporate Governance is set out below.

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company's Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders and the Charter–Business for Peace are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances.

The Company's governance framework is based on the following principles:

- ✓ Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- ✓ Timely disclosure of material operational and financial information to the stakeholders;
- ✓ Availability of Information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- ✓ Systems and processes in place for internal control; and
- ✓ Proper business conduct by the Board, Senior Management and Employees.

### GOVERNANCE STRUCTURE

The Corporate Governance Structure at Prime Capital Market Ltd. (PCML) is as under :-

1. **Board of Directors** : The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.
2. **Committees of the Board** : The Board has constituted the following committees viz. Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee. Each of said Committee has been managed to operate within a given framework.

### BOARD OF DIRECTORS

#### COMPOSITION OF DIRECTORS

The Board has four members with an Executive Chairman. The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in general corporate management, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as members of

the Board. The day to day management of the Company is conducted by Managing Director subject to supervisions and control of the Board.

Details of Composition of Board, category of the Directors and their attendance at Board Meetings and last Annual General Meeting, number of other directorship are given below :-

Name	Designation	DIN	Date of Joining	Committee Membership in other Listed Cos.	Committee Chairmanship in other Listed Cos.	No. of Directorship in other Listed Cos.
Sushil Kr. Purohit*	Chairman & Managing Director	00073684	8 <sup>th</sup> June 2007	Nil	Nil	1
Gwal Das Vyas	Independent Director	01319377	6 <sup>th</sup> Dec 2015	Nil	Nil	Nil
Dhruva Narayan Jha	Independent Director	01286654	20 <sup>th</sup> May 2016	1	1	1
Saroj Devi Kothari	Independent Director	01312905	4 <sup>th</sup> Jan 2017	5	3	7

\*Chairman of the Board

#### Notes:

1. Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
2. Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders' Relationships Committee in Indian Public Limited companies other than M/s. Prime Capital Market Limited.
3. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairperson of more than five such Committees.
4. No Directors are related with each other.
5. Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.

#### Board Independence

The Non-Executive Independent Directors fulfill the conditions of independence as specified in Section 149 of Companies Act, 2013 and Rules made there under and to meet with requirements of Regulation 16(b) of Listing Regulations. Further, none of the Independent Director is serving more than seven listed companies. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulations has been issued and draft of the same has been disclosed on website of the Company.

#### Board Meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board is circulated to

the Directors well in advance to facilitate the Directors to plan their schedules. In case of business exigencies, the Board's calls the meeting as per requirements of prevailing Act.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company.

### Information placed before the Board

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

### Post Meeting Mechanism

The important decisions taken at the Board / Board Committee meetings are communicated to the concerned department/s and/or division.

### Familiarization Programme for Directors

At the time of appointing Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Company. The Director is also explained in detail the Compliance required from him/her under the Companies Act, 2013, requirement of Listing Regulations and other relevant regulations and affirmation taken with respect to the same. The Chairman & Managing Director also had one to one discussion with the newly appointed Director to familiarize him/her with the Company's operations. Further, the Company has put in place a system to familiarize the Independent Directors about the Company, its services, business and the on-going events relating to the Company.

Further, at the time of appointment of Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a Director. The format of the letter of appointment is available on Company website.

### Details of Board Meetings

The Board of Directors met 9 times on 13<sup>th</sup> April, 20<sup>th</sup> May, 30<sup>th</sup> May, 12<sup>th</sup> August, 11<sup>th</sup> November, 1<sup>st</sup> December and 14<sup>th</sup> December in year 2016 and on 4<sup>th</sup> January and 14<sup>th</sup> February in the year 2017 during the financial year 2016-2017.

Attendance of Board of Directors at the Board Meetings and at the last Annual General Meeting:

Name	Designation	Attendance at the AGM	Meetings Attended
Sushil Kr. Purohit*	Chairman & Managing Director	Yes	9
Susmita Kundu	Independent Director	Yes	7
Gwal Das Vyas	Independent Director	Yes	9
Dhruva Narayan Jha	Independent Director	Yes	8
Saroj Devi Kothari	Independent Director	N.A.	2

\*Chairman of the Board

**AUDIT COMMITTEE**

Audit Committee of the Board of Directors (“the Audit Committee”) is entrusted with the responsibility to supervise the Company’s internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

**TERMS OF REFERENCE**

The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal controls system, discussion on financial results, interaction with Statutory and Internal Auditors, one-on-one meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory Auditors and their remuneration, recommendation for the appointment and remuneration of Internal Auditors, Review of Business Risk Management Plan, Management Discussions and Analysis, Review of Internal Audit Reports, significant related party transactions. The Company has framed the Audit Committee Charter for the purpose of effective compliance of provisions of section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

**FUNCTIONS OF AUDIT COMMITTEE**

The Audit Committee, while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) referred to in Section 133 of the Companies Act, 2013. Compliance of the Accounting Standards as applicable to the Company has been ensured in the preparation of the Financial Statements for the year ended March 31, 2017.

The Audit Committee bridges the gap between the Internal Auditors and the Statutory Auditors. To ensure good Governance, the Company has been rotating Partners of Statutory Auditors. The Statutory Auditors are responsible for performing Independent audit of the Company’s financial statements in accordance with the generally accepted auditing practices and issuing reports based on such audits, while the Internal Auditors are responsible for the internal risk controls.

Besides the above, Chairman and Managing Director, Chief Financial Officer, the representatives of the Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as a Secretary to the Committee as required by Regulation 18(1)(e) of the Listing Regulations.

The Company follows best practices in financial reporting. The Company has been reporting on quarterly basis, the Un-audited Financial Results as required by the Regulation 33 of the Listing Regulations. The Company’s quarterly Un-audited Standalone Financial Results are made available on the web-site [www.primecapitalmarket.com](http://www.primecapitalmarket.com) and are also sent to the Stock Exchanges where the Company’s equity shares are listed for display at their respective websites.

The Audit Committee also oversees and reviews the functioning of a vigil mechanism (implemented in the Company as Whistle Blower Policy) and reviews the finding of investigation into cases of material nature and the actions taken in respect thereof.

#### **INTERNAL CONTROLS AND GOVERNANCE PROCESSES**

The Company continuously invests in strengthening its internal control and processes. The Audit Committee along with the CFO formulates a detailed plan to the Internal Auditors for the year, which is reviewed at the Audit Committee Meetings. The Internal Auditors attend the meetings of Audit Committee at regular intervals and submit their recommendations to the Audit Committee and provide a road map for the future.

#### **Constitution and Meetings of Audit Committee**

The Audit Committee was re-constituted in the meeting of Board of Directors held on 20<sup>th</sup> May 2016 wherein Mr. Dhruva Narayan Jha has been appointed as Member of the Committee in place of Mr. Chandresh N. Shah.

The members of Audit Committee met 4 times on 30<sup>th</sup> May, 12<sup>th</sup> August and 11<sup>th</sup> November in year 2016 and on 14<sup>th</sup> February in the year 2017 during the financial year 2016-2017.

<b>Name</b>	<b>Number of Meetings Held</b>	<b>Meetings Attended</b>
Sushil Kr. Purohit	4	4
Gwal Das Vyas*	4	4
Dhruva Narayan Jha	4	4

\*Chairman of the Committee

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee consists of three Independent Directors. All members of the Nomination and Remuneration Committee are financially literate and they have accounting or related financial management expertise.

#### **Terms of Reference**

The Board has framed the Remuneration and Nomination Committee Charter which ensure effective Compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, which are as follows:

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/Whole-time Director(s) and Senior Management (one level below the Board);
- to help in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/reappointment and removal of Directors;
- to frame criteria for determining qualifications, positive attributes and independence of Directors;
- to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
- to create an evaluation framework for Independent Directors and the Board;

- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to assist in developing a succession plan for the Board;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;
- Delegation of any of its powers to any Member of the Committee or the Compliance Officer.

### **POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION**

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

#### **Criteria of selection of Non-Executive Directors**

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of accounting, finance, taxation, law etc. However Women Director is exempted from said criteria.
- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director –
  - a. Qualification, expertise and experience of the Directors in their respective fields;
  - b. Personal, Professional or business standing;
  - c. Diversity of the Board.
- In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

#### **Remuneration**

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **CEO & Managing Director – Criteria for selection / appointment**

For the purpose of selection of the CEO & MD, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for

the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

#### **Remuneration for the CEO & Managing Director**

- At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the CEO & Managing Director is paid by way of salary, allowances, perquisites, amenities and retirement benefits.

#### **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

#### **Constitution and Meetings of Nomination & Remuneration Committee**

The Nomination & Remuneration Committee was constituted in the meeting of Board of Directors of the Company held on 20<sup>th</sup> May 2016 wherein Mr. Dhruva Narayan Jha has been appointed as Member of the Committee in place of Mr. Chandresh N. Shah and again re-constituted on 4<sup>th</sup> January 2017 wherein Mrs. Saroj Devi Kothari has been appointed as Member of the Committee in place of Ms. Susmita Kundu who has resigned from both Directorship and Committee membership.

The members of Nomination & Remuneration Committee met 3 times on 20<sup>th</sup> May and 1<sup>st</sup> December in year 2016 and on 4<sup>th</sup> January in the year 2017 during the financial year 2016-2017.

<b>Name</b>	<b>Number of Meetings Held</b>	<b>Meetings Attended</b>
Gwal Das Vyas*	3	3
Dhruva Narayan Jha	3	3
Susmita Kundu	2	2
Saroj Devi Kothari	1	1

\*Chairman of the Committee

**STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholder's Relationship Committee is constituted in line with the provisions of Regulation 20 of the SEBI LODR Regulations 2015, read with Section 178 of the Act and rules made thereunder.

The terms of reference of the Committee are:

- approval of transfer of shares/debentures and issue of duplicate/split/consolidation/sub-division of share/ debenture certificates;
- opening/modification of operation and closing of bank accounts;
- grant of special/general Power of Attorney in favour of employees of the Company from time to time in connection with the conduct of the business of the Company particularly with Government and Quasi- Government Institutions; to fix record date/book closure of share/debenture transfer book of the Company from time to time;
- to appoint representatives to attend the General Meeting of other companies in which the Company is holding shares;
- to change the signatories for availment of various facility from Banks/Financial Institutions;
- to carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to-time.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, ABS Consultants Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Stakeholders' Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors.

Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

**Compliance Officer**

The Company has appointed Ms. Nikita Sureka, Company Secretary; as a Compliance Officer of the Company.

**Composition of Committee and Meetings attended**

The Stakeholders' Relationship Committee was re-constituted in the meeting of Board of Directors of the Company held on 20<sup>th</sup> May 2016 wherein Mr. Dhruva Narayan Jha has been appointed as member of the Committee in place of Mr. Chandresh N. Shah.

During the year, 1 meeting of the Stakeholders' Relationship Committee were held on 1<sup>st</sup> December 2016 during the financial year 2016-2017.

Brief Details of Names, Position, Category and meeting attended by Members of Committee is as follows:



Name	Position	Category	Meetings Attended
Mr. Gwal Das Vyas*	Chairman	Independent, Non-Executive	1
Mr. Dhruva Narayan Jha	Member	Independent, Non-Executive	1
Mr. Sushil Kr. Purohit	Member	Promoter, Executive	1

### Details of Shareholders' Complaints

There was Nil Complaint pending at the beginning of the Financial Year. During the year the Company did not receive any compliant from any of the shareholders. Further, there was no pending complaint at the close of the financial year.

As required under Regulation 40(9) of Listing Regulations, a Certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

The Company has designated email id [primecapital.kolkata@gmail.com](mailto:primecapital.kolkata@gmail.com) to lodge Investor complaints. Apart from this, the SEBI has also facilitated Investors to lodge complaints directly on SCORES on SEBI website for faster addressing and resolutions of Investor Complaints.

### Independent Directors' Meeting

During the year under review, the Independent Directors met on March 23, 2017, inter alia, to discuss:

- Evaluation of the Performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the Performance of Chairman of the Company; taking into account the views of the Executive and Non Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

### GENERAL BODY MEETINGS

Location & time for the last three Annual General Meetings:

Annual General Meeting	Date & Time	Venue
22 <sup>nd</sup> Annual General Meeting	22 <sup>nd</sup> September 2016, 2.30 PM	18A, B.J.B. Nagar, Bhubaneswar-751014, Orissa
20 <sup>th</sup> Annual General Meeting	29 <sup>th</sup> September 2014, 2.30 PM	18A, B.J.B. Nagar, Bhubaneswar-751014, Orissa
21 <sup>st</sup> Annual General Meeting	29 <sup>th</sup> September 2015, 2.30 PM	18A, B.J.B. Nagar, Bhubaneswar-751014, Orissa

### Special Resolution passed at last three Annual General Meetings:

Company has passed following Special Resolution in pursuance of the prevailing Laws, Rules, Regulations, Guidelines, Standards, etc. during last three Annual General Meetings -

- Adoption of new set of Articles of Association of the Company as per Section 14 of the Companies Act, 2013

Apart from the above, no special resolution has been passed in remaining two out of last three Annual General Meeting.

**Passing of Resolution by Postal Ballot:**

A Special Resolution was passed for shifting of Registered Office from Bhubaneswar, State of Orissa to Kolkata, State of West Bengal, on January 16, 2017

At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by Postal Ballot.

**Extra-Ordinary General Meeting**

No Extra-Ordinary General Meeting was held by the Company during the financial year ended 31<sup>st</sup> March 2017.

**BOARD DISCLOSURES****COMPLIANCE WITH GOVERNANCE FRAMEWORK**

The Company is in compliance with all mandatory requirements under Listing Regulation, 2015.

**STRICTURES AND PENALTIES**

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

**DISCLOSURE OF ACCOUNTING TREATMENT**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

**RISK MANAGEMENT**

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

**SEBI / STOCK EXCHANGE COMPLIANCE**

The Company has complied with all requirements of the Listing Agreement entered into with Stock Exchanges and also SEBI Listing Regulations (effective from 1st December 2015). Consequently there were no strictures or penalties imposed either by SEBI or Stock Exchange or any Statutory Authority for non-compliance of any matter related to the Capital Markets during the last three years.

**PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations); with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while

in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Managing Director is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

## DISCLOSURES

- (a) There are no transactions with related party i.e. with Promoters, Directors, Management, Subsidiaries or Relatives that may have potential conflict of interest with the Company at large.
- (b) There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.
- (c) In Compliance with the Securities & Exchange Board of India (Prohibition of Insider Trading Regulations, 2015) as amended till date, on Prohibition of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof. Further, we affirm that no personnel have been denied access to the Audit Committee.
- (d) **Reconciliation of Share Capital:-** As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the company's shares are Listed the audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

## CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted Code of Business Conduct and Ethics ("the Code") which is applicable to the Board of Directors and Senior Management Team (one level below the Board of Directors) of the Company. The Board of Directors and the members of Senior Management Team are required to affirm semi-annual compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company website.

## CONFLICT OF INTEREST

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. Members of Board while discharging their duties, avoid conflict of interest in the decision making process. The members of Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

**VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz. [www.primecapitalmarket.com](http://www.primecapitalmarket.com)

**COMMUNICATION WITH THE MEMBERS/SHAREHOLDERS**

- The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the close of the financial year as per the requirements of the Listing Regulations.
- The approved financial results are forthwith sent to the Stock Exchanges and are published in a national English newspaper and in local language (Oriya) newspaper, within forty-eight hours of approval thereof. Presently the same are not sent to the shareholders separately.
- The Company's financial results and official press releases are displayed on the Company's Website [www.primecapitalmarket.com](http://www.primecapitalmarket.com).
- Any presentation made to the institutional investors or/and analysts are also posted on the Company's website.
- Management Discussion and Analysis forms part of the Annual Report, which is sent to the shareholders of the Company.
- The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited and Calcutta Stock Exchange Association Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre. In regard to CSE, the submission is done through emails.
- The Company also informs by way of intimation to all exchanges viz. CSE and BSE, all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members.
- The Annual Report of the Company, the quarterly / half yearly and the annual results and the press releases of the Company are also placed on the Company's website: [www.primecapitalmarket.com](http://www.primecapitalmarket.com) and can be downloaded.
- A separate dedicated section under 'Corporate Governance' on the Company's website gives information on unclaimed dividends (if applicable), Notices for Board Meeting, quarterly compliance reports / communications with the Stock Exchanges and other relevant information of interest to the investors / public.

**NON-MANDATORY REQUIREMENTS**

Adoption of non-mandatory requirements of Listing Regulations is being reviewed by the Board from time-to-time.

**GENERAL SHAREHOLDER INFORMATION**

Detailed information in this regard is provided in section “Shareholders Information” which forms part of this Annual Report.

**SHAREHOLDERS’ INFORMATION****a. Next Annual General Meeting**

The information regarding 23<sup>rd</sup> Annual General Meeting for the financial year ended on 31<sup>st</sup> March 2017 is as follows :-

Date	:	25 <sup>th</sup> September 2017
Time	:	2.30 P.M.
Venue	:	18A, B.J.B. Nagar, Bhubaneswar-751014, Orissa.

**b. Financial Calendar : 1st April to 31st March.****c. Future Calendar for next financial year :-**

Subject Matter	Tentative Dates
Financial Reporting of 1 <sup>st</sup> Quarter ended on 30 <sup>th</sup> June 2017	Mid of August, 2017
Financial Reporting of 2 <sup>nd</sup> Quarter ended on 30 <sup>th</sup> September 2017	Mid of November, 2017
Financial Reporting of 3 <sup>rd</sup> Quarter ended on 31 <sup>st</sup> December 2017	Mid of February 2018
Financial Reporting of 4 <sup>th</sup> Quarter ended on 31 <sup>st</sup> March 2018	During May 2018
Date of Annual General Meeting	During September 2018

**d. Date of Book Closure : 19<sup>th</sup> Sept. 2017 to 25<sup>th</sup> Sept. 2017. (Both days inclusive)****e. Dividend Payment : No Dividend has been recommended by Board for the year.****f. Dividend History : The Company has not paid any Dividend during last 10 years.****g. Unclaimed Dividend / Share Certificates**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the company along with interest accrued, if any to the Investor Education and Protection Fund (‘the IEPF’), a fund established under sub-section (1) of section 125. The details of unclaimed/unpaid dividend, if any, are available on the website of the Company viz. [www.primecapitalmarket.com](http://www.primecapitalmarket.com)

Section 124(6) of the Companies Act, 2013 mandates transfer of all those shares, in respect of which Unpaid or Unclaimed dividend has been transferred by the Company to the IEPF.

Details of Unclaimed Dividend and Due Dates for transfer are as follows as on March 31, 2017:

Sr. No.	Year of Declaration of Dividend	Date of Declaration of Dividend	Unclaimed Amount ₹	Due Date for transfer to IEPF Account
1.	Not Any	Not Any	Nil	N.A.

Further, as required to be disclosed under Regulation 34(3) read with Schedule V of Listing Regulations, Nil Shares are lying at the beginning or at the close of financial year in the Suspense Account. Further the Company did not moved in/out any Equity Share in said Suspense Account during the current financial year.

- h. **Listing of Shares** : BSE & CSE
- i. **Listing Fees** : Annual Listing Fees for Financial year 2016-2017 has been paid to BSE whereas Listing Fees to CSE is still payable.
- j. **Stock Code & ISIN Code** : 535514 on BSE, 10026180 on CSE  
ISIN Code : INE748D01010 on CDSL & NSDL
- k. **Market Price Data** :

Month	Price on BSE (₹) & Volume			S&P BSE Sensex	
	High	Low	Volume	High	Low
April 2016	-	-	-	26,100.54	24,523.20
May 2016	5.20	5.20	5	26,837.20	25,057.93
June 2016	5.10	5.10	4	27,105.41	25,911.33
July 2016	5.10	4.86	324	28,240.20	27,034.14
August 2016	4.86	4.77	205	28,532.25	27,627.97
September 2016	4.77	4.70	1,050	29,077.28	27,716.78
October 2016	4.70	4.61	700	28,477.65	27,488.30
November 2016	4.75	4.75	1,000	28,029.80	25,717.93
December 2016	5.22	4.84	321	26,803.76	25,753.74
January 2017	5.50	5.30	1,637	27,980.39	26,447.06
February 2017	5.50	5.29	9	29,065.31	27,590.10
March 2017	5.29	5.29	1,800	29,824.62	28,716.21

**l. Registrar & Share Transfer Agent**

M/s. ABS Consultants Private Limited has been appointed as Registrar & Share Transfer Agent for all work relating to share registry in terms of both physical and electronic mode. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address:

**M/s. ABS Consultants Private Limited**

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

Phone - 033-22430153 / 033-22201043, Fax 033-22430153, E-Mail:

absconsultant@vsnl.net

**m. Share Transfer Systems**

The Share transfer is processed by the Registrar & Share Transfer Agent, ABS Consultants Private Limited and approved by Stakeholders' Relationship Committee, if the documents are complete in all respects, within 15 days from the date of lodgment.

**n. Distribution of Shareholding as on 31<sup>st</sup> March 2017**

No. of Equity Shares	No. of Share Holders	% of Share Holders	Total No. of Shares Held	% of Share Holding
1-500	108	14.15	23827	0.24
501-1000	109	14.29	87121	0.87
1001-2000	135	17.69	221434	2.21
2001-3000	71	9.31	192879	1.93
3001-4000	46	6.03	170910	1.71
4001-5000	45	5.90	209509	2.10
5001-10000	112	14.68	831798	8.32
10001 & above	137	17.96	8262622	82.63
<b>Total....</b>	<b>763</b>	<b>100.00</b>	<b>10000100</b>	<b>100.00</b>

**o. Shareholding Pattern as on 31<sup>st</sup> March 2017**

Categories	No. of Shares	% of Shareholding
Promoters, Directors & Relatives & Person acting in concert	490351	4.90
Indian Bank / Mutual Funds	0	0
NRI/OCBS	985	0.01
Private Corporate Bodies	4187149	41.87
Indian Public	5321615	53.22
<b>Total .....</b>	<b>10000100</b>	<b>100.00</b>

**p. Dematerialization of Shares & Liquidity**

The Company's Equity Shares are in Demat trading segment and the Company had established connectivity with both NSDL & CDSL by signing the necessary agreements.

**Procedures for dematerialization / rematerialization of Equity Shares:-**

Shareholders seeking demat / remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to Registrar and Share Transfer Agents of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar will request NSDL/CDSL to confirm the demat request. The demat account of the respective share holder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL or CDSL to confirm the same. Approval of the Company is being sought

and equivalent numbers of shares are issued in physical form to the shareholder. The share certificates are dispatched within 15 days from the date of issue of Shares.

The Shares of Company are eligible for trading on BSE and CSE and 89.44% of the Company's Equity Share Capital held under Public category has been dematerialized up to 31st March 2017.

**q. Nomination**

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination form SH-13 ([Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014] can be obtained from the Company's Registrar and Share Transfer Agent. It is also available on Public domain.

**r. Requirement of PAN Card in case of Transfer of Shares in Physical Form**

Pursuant to SEBI Circular, the shareholders holding shares in physical form are requested to submit self certified copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.

**s. For the Attention of Shareholders holding shares in electronic form**

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

**t. Electronic Clearing Service**

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

**u. Service of Documents through Electronic Mode**

As a part of Green Initiatives, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer Agent, ABS Consultants Pvt. Ltd. to their dedicated e-mail id i.e., "absconsultant@vsnl.net."

**v. Details on use of Public Funds Obtained in the last three years :**

No Fund has been raised during last three financial years.

**w. Investors Correspondence**

Shareholders can contact the following Officials for secretarial matters of the Company Ms. Nikita Sureka - Tel : +91 33 2234 6715, Email : primecapital.kolkata@gmail.com



- x. **Outstanding GDRs./ADRs/Warrants or any convertible instruments, conversion data likely impact on Equity :**  
Not Any.
- y. **Code of Conduct**  
The Board of Directors of the Company has laid down Code of Conduct for Directors and for Senior Management & Employees. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director & Chief Executive Officer is annexed to this report.
- z. **Registered Office**  
PRIME CAPITAL MARKET LIMITED  
18A, B.J.B. Nagar  
Bhubaneswar-751014, Orissa
- aa. **Address for Correspondence**  
PRIME CAPITAL MARKET LIMITED  
P-27, Princep Street, 3<sup>rd</sup> Floor, Kolkata-700 072  
Tel : 033-2234 6715 / 033-2234 6937  
Fax : 033-22349915, Email : primecapital.kolkata@gmail.com  
Website : www.primecapitalmarket.com

## CEO / CFO CERTIFICATION

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of M/s. Prime Capital Market Limited (“the Company”) to the best of our knowledge and belief certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) 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.
- (b) We further state that to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company’s code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
  - (i) significant changes, if any, in internal control over financial reporting during the year;
  - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) 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.

For **Prime Capital Market Ltd.**  
S/d-

**Surendra Singh**  
Chief Financial Officer  
Kolkata, 30<sup>th</sup> May 2017

For **Prime Capital Market Ltd.**  
S/d-

**Sushil Kumar Purohit**  
(DIN : 00073684)  
Chairman & Managing Director  
Kolkata, 30<sup>th</sup> May 2017

### ANNUAL CERTIFICATE UNDER REGULATION 26(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with M/s. Prime Capital Market Limited Code of Business Conduct and Ethics for the year ended March 31, 2017.

For **Prime Capital Market Limited**  
S/d-

**Sushil Kumar Purohit**  
(DIN : 00073684)  
Chairman & Managing Director

Kolkata, May 30, 2017

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of  
M/s. Prime Capital Market Limited

We have examined the compliance of conditions of Corporate Governance by **M/s. Prime Capital Market Ltd.** (The Company), for the year ended March 31, 2017 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 SEBI Listing Regulations, 2015.

We 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 **B. S. Kedia & Co.**  
Chartered Accountants  
ICAI Registration No. 317159E

Place : Kolkata  
Date : May 30, 2017

**Vikash Kedia**  
Partner  
Membership No. 066852

## INDEPENDENT AUDITORS' REPORT

### To the Members of Prime Capital Market Limited

#### Report on the Financial Statements

1. We have audited the accompanying financial statements of M/s. Prime Capital Market Limited (the Company) which comprises the Balance Sheet as at 31st March 2017, the Statements of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

2. The company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation and presentations of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

#### Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design

audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017 and its profit and its cash flows for the year ended on that date.

### **Basis for Qualified Opinion**

- a. Inventories include shares of some quoted companies worth Rs. 2991.86 Lacs which are not held in the name of the company. This is in contravention to section 187 of the Companies Act, 2013.
- b. Income from Interest on Loan could not be measured and completeness of Interest income accrued as per revenue recognition Accounting Standard - 9 could not be assessed as management was unable to provide the interest income calculation at the time of audit according to loans/advances made during the current financial on the prorata basis.

### **Emphasis of Matter**

- a. Confirmation of balances of Loans and Advances are not available for verification.

### **Report on other Legal and Regulatory Requirements**

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in the agreement with the books of accounts;
  - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2017 taken on records by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2017 from being appointed as a director in terms of Section 164(2) of the Companies Act 2013;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and according the explanations given to us, we report that –
- i The Company does not have any pending litigations as at March 31, 2017 which would impact its financial position in its financial statements.
  - ii The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses during the year ended March 31, 2017.
  - iii There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund during the year ended March 31, 2017.
  - iv The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 2.18 to the financial statements.

For **B. S. Kedia & Co.**  
Chartered Accountants  
ICAI Registration No. 317159E

Place : Kolkata  
Date : May 30, 2017

**Vikash Kedia**  
Partner  
Membership No. 066852

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of M/s. Prime Capital Market Limited on the standalone financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of M/s Prime Capital Market Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that –
- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
  - b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the company; and
  - c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B. S. Kedia & Co.**  
Chartered Accountants  
ICAI Registration No. 317159E

Place : Kolkata  
Date : May 30, 2017

**Vikash Kedia**  
Partner  
Membership No. 066852



## ANNEXURE TO THE AUDITORS' REPORT

### ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of M/s. Prime Capital Market Limited on the standalone financial statements for the year ended March 31, 2017 -

- 1) **In respect of its Fixed Assets:**
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - b) These fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification, the same have been properly dealt with in the books of account;
- 2) **In respect of Inventory (Stock-in-trade):**
  - a) The management has conducted physical verification of inventory at reasonable intervals during the year.
  - b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- 3) The Company has not granted any loan to any parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence clauses (b) & (c) are not applicable.
- 4) The Company has not granted loans or made investment or given any guarantee or security as covered in the provisions of section 185 and 186 of the Companies Act, 2013 therefore, Clause (IV) of the order is not applicable to the company.
- 5) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- 6) The requirement of maintaining Cost Records as specified by the Central Government under section 148(1) of the Companies Act, 2013 is not applicable to the company.
- 7)
  - a) The Company is regular in depositing with appropriate authorities disputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
  - b) According to the information and explanations given to us, no disputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, customs duty, excise duty cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
  - c) According to the information and explanations given to us, the dues outstanding of income tax, sales-tax, service tax, duty of customs, duty of excise or value added tax, which have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Disputed Amount (₹)	Financial Year for which it relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2,98,458/-	2012-13	Income Tax Appellate CIT

- d) The Company is not required to transfer any funds to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act.
- 8) The Company has not taken loan from any financial institution or bank therefore, Clause (VIII) of the order is not applicable to the company.
- 9) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer, hence not commented upon.
- 10) Based on the Audit procedures performed for the purpose of reporting the true and fair view of financial statements and according to the information and explanations provided to us, we report that no material fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.
- 11) According to the information and explanations given to us, the managerial remuneration has been paid and provided in accordance with the requisite approvals mandated by the provisions of Section 197, read with Schedule V of the Act.
- 12) In our opinion, the Company is not a nidhi company. Therefore the provisions of Clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- 13) According to the information and explanations given to us, transactions with related parties are in compliances with section 177 and 188 of the Act where applicable and details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- 14) According to the information and explanations given to us, and on overall examination of Balance Sheet, the Company has not made any Preferential Allotment or private placement of Shares or fully or partly convertible debentures during the year and hence, reporting requirements under clause 3(xiv) are not applicable to the Company, and not commented upon.
- 15) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with Directors or persons connected with him.
- 16) The Company is already registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B. S. Kedia & Co.**  
Chartered Accountants  
ICAI Registration No. 317159E

Place : Kolkata  
Date : May 30, 2017

**Vikash Kedia**  
Partner  
Membership No. 066852

## Balance Sheet as at 31st March, 2017

PARTICULARS	Note No.	As At 31.03.2017 ₹	As At 31.03.2016 ₹
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Equity Share Capital	2.1	1000,01,000	1000,01,000
Reserves and Surplus	2.2	336,09,609	335,41,211
		<b>1336,10,609</b>	<b>1335,42,211</b>
<b>NON-CURRENT LIABILITIES</b>			
Long Term Borrowings	2.3	49,99,880	71,86,284
<b>CURRENT LIABILITIES</b>			
Trade Payables	2.4	480,20,939	355,78,425
Other Current Liabilities	2.5	2,70,140	50,000
Short-Term Provisions	2.6	24,824	2,50,446
		<b>483,15,903</b>	<b>358,78,871</b>
<b>TOTAL</b>		<b>1869,26,392</b>	<b>1766,07,366</b>
<b>ASSETS</b>			
<b>FIXED ASSETS</b>			
Office Premises		457,72,500	457,72,500
<b>NON- CURRENT ASSETS</b>			
Other Non-Current Assets	2.7	8,48,114	9,86,325
		<b>8,48,114</b>	<b>9,86,325</b>
<b>CURRENT ASSETS</b>			
Stock-in-Trade	2.8	997,58,304	955,07,751
Trade Receivable	2.9	20,25,250	6,64,540
Cash and Bank Balances	2.10	11,01,821	34,73,327
Short-term Loans & Advances	2.11	362,39,000	289,75,000
Other Current Assets	2.12	11,81,403	12,27,924
		<b>1403,05,778</b>	<b>1298,48,541</b>
<b>TOTAL</b>		<b>1869,26,392</b>	<b>1766,07,366</b>

Significant Accounting Policies and Notes to Accounts 1

### AS PER OUR REPORT OF EVEN DATE

**FOR B. S. KEDIA & CO.**

Chartered Accountants

ICAI Registration No. 317159E

**Vikash Kedia**

Partner

M. No : 066852

Place : Kolkata

Date : 30th May 2017

**For & on behalf of the Board of Directors**

**Sushil Kr. Purohit**

(DIN : 00073684)

Director

**Surendra Singh**

CFO

**Dhruva Narayan Jha**

(DIN : 01286654)

Director

**Nikita Sureka**

Co. Secretary

**Statement of Profit & Loss for the Year Ended 31st March, 2017**

<b>PARTICULARS</b>	<b>Note No.</b>	<b>31.03.2017 ₹</b>	<b>31.03.2016 ₹</b>
<b>INCOME</b>			
Revenue from Operations	2.13	109,77,348	906,22,734
<b>TOTAL INCOME</b>		<b>109,77,348</b>	<b>906,22,734</b>
<b>EXPENSES</b>			
Increase/(Decrease) in Stock-in Trade	2.14	90,46,608	879,53,591
Payments & Perquisites to Employees	2.15	7,20,192	6,45,000
Other Expenses	2.16	11,30,211	12,13,641
<b>TOTAL EXPENSES</b>		<b>108,97,011</b>	<b>898,12,232</b>
<b>PROFIT BEFORE TAXATION</b>		<b>80,337</b>	<b>8,10,502</b>
<b>Tax Expenses</b>	2.17		
Current Tax		24,824	2,50,446
Less / (Add) : Prior Period Adjustments		-	(1,30,159)
<b>NET PROFIT FOR THE YEAR</b>		<b>55,513</b>	<b>6,90,215</b>
<b>Earnings per Equity Share:</b>	2.16		
Basic and Diluted (Face Value of ₹ 10/- each, Previous Year ₹ 10/- each)		0.01	0.07

**AS PER OUR REPORT OF EVEN DATE**

**FOR B. S. KEDIA & CO.**  
Chartered Accountants  
ICAI Registration No. 317159E

**For & on behalf of the Board of Directors**

**Vikash Kedia**  
Partner  
M. No : 066852

**Sushil Kr. Purohit**  
(DIN : 00073684)  
Director

**Dhruva Narayan Jha**  
(DIN : 01286654)  
Director

Place : Kolkata  
Date : 30th May 2017

**Surendra Singh**  
CFO

**Nikita Sureka**  
Co. Secretary

## Statement of Cash Flow for the year ended 31st March, 2017

PARTICULARS	31.03.2017 ₹	31.03.2016 ₹
<b>A. Cash Flow from Operating Activities</b>		
<i>Net Profit before Tax and Extra-ordinary Items</i>	80,337	8,10,502
<i>Adjustments for</i>		
Dividend	3,29,657	1,13,041
Depreciation	-	-
<b><i>Operating profit before working capital changes</i></b>	<b>4,09,994</b>	<b>9,23,543</b>
<i>Adjustments for Capital Changes</i>		
Increase / (Decrease) in Trade and other Receivables	(13,60,710)	-
Decrease / (Increase) in Loan & Advances	(72,64,000)	402,10,394
Decrease / (Increase) in Trade Payable & Provisions	124,37,032	(339,06,078)
<b><i>Cash Generated from Operations</i></b>	<b>38,12,322</b>	<b>63,04,316</b>
Income Tax Liability For The Year	(24,824)	(2,50,446)
Extra-Ordinary Items	-	1,30,159
	(24,824)	(1,20,287)
<b><i>Net Cash From Operating Activates (A)</i></b>	<b>41,97,492</b>	<b>71,07,572</b>
<b>B. Cash Flow From Investing Activities</b>		
Decrease / (Increase) in Fixed Assets	-	-
Decrease / (Increase) in Investments	-	886,26,075
Decrease / (Increase) in Inventories	(42,50,553)	(955,07,751)
Miscellaneous Expenditure	1,38,211	1,38,211
Adjustments for Depreciation	-	-
<b><i>Net Cash from Investing Activities (B)</i></b>	<b>(41,12,342)</b>	<b>(67,43,466)</b>
<b>C. Cash Flow From Financing Activities</b>		
Proceeds from Issue of Shares	-	-
Dividend Received	(3,29,657)	(1,13,041)
<b><i>Net Cash used in Financing Activities (C)</i></b>	<b>(3,29,657)</b>	<b>(1,13,041)</b>
<b><i>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</i></b>	<b>(2,44,505)</b>	<b>2,51,065</b>
	23,71,506	(2,51,068)
Opening Balance of Cash & Cash Equivalents	34,73,328	32,22,260
Closing Balance of Cash & Cash Equivalents	11,01,822	34,73,328

### AS PER OUR REPORT OF EVEN DATE

**FOR B. S. KEDIA & CO.**  
Chartered Accountants  
ICAI Registration No. 317159E

**Vikash Kedia**  
Partner  
M. No : 066852

Place : Kolkata  
Date : 30th May 2017

**For & on behalf of the Board of Directors**

**Sushil Kr. Purohit**  
(DIN : 00073684)  
Director

**Surendra Singh**  
CFO

**Dhruva Narayan Jha**  
(DIN : 01286654)  
Director

**Nikita Sureka**  
Co. Secretary

## NOTE “1”

## 1. ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS

## A. Company Information

Prime Capital Market Limited (referred to as “Company”) has been incorporated on June 28, 1994 vide CIN L67120OR1994PLC003649 having registered office at Plot No. 18A, BJB Nagar, Bhubaneswar – 751 014.

The Company is one of the RBI registered NBFC. The Company is into the business of Trading and Investments Activities in Shares & Securities as well as Commodities trading and engaged in financing activities by way of providing funding solutions to clients.

## B. Significant Accounting Policies adopted by the Company is as follows:

## i. Basis of Accounting and preparation of financial statements :

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) in compliance with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. Further in view of the revised schedule VI of the Companies Act, 2013 and the guidelines issued by the Securities and Exchange Board of India (SEBI) to the extent applicable. The financial statements are presented in Indian rupees rounded off to the nearest rupee.

## ii. Use of Estimates :

The preparation of financial statements requires estimates and assumptions to be made that affect the required amount of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual amounts and the estimates are recognised in the period in which the results are known / materialized.

## iii. Cash Flow :

As required by Accounting Standard-3 “Cash Flow Statement” issued by “The Institute of Chartered Accountants of India” the Cash Flow for the period is reported using indirect method. The Cash and Cash Equivalent of the Company comprises of Cash in hand and Current account with Scheduled Banks.

## iv. Fixed Assets :

All assets held with the intention of being used for the purpose of providing services and not for sale in the normal course of business are recognized as Fixed Assets and are stated at cost less accumulated depreciation after considering lease adjustment account. All costs including finance cost attributable to fixed assets till assets are ready for intended use are capitalized.

## v. Depreciation and Amortisation of Tangible Assets :

Depreciation on tangible assets is calculated on a pro-rata basis on the Written Down Value Method at the rates prescribed under Schedule II to the Companies

Act, 2013 with the exception of the following:- assets costing ₹ 5,000/- or less are fully depreciated in the year of purchase.

**vi. Revenue Recognition :**

Revenue is recognized and expenditure is accounted for on their accrual.

**vii. Other Income Recognition**

Interest on investments and Loans and Advances is booked on a time proportion basis taking into account the amounts invested or loan given and the rate of interest.

Dividend income is recognized when the right to receive payment is established.

**viii. Foreign Currency Transactions :**

Foreign currency transactions are recorded in the books at exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the period are recognized as income or expense in the profit and loss account of the same period.

Foreign currency assets and liabilities are translated at the period end rates and the resultant exchange differences, are recognized in the profit and loss account.

**ix. Borrowing Cost :**

Borrowing Costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as the cost of the respective assets until the time all subs activities necessary to prepare the qualifying assets intended use are complete. Other Borrowing Costs are charged to the Profit and Loss Account in the period in which they are incurred.

**x. Retirement and other Employees benefits :**

All employee benefit obligations payable wholly within twelve months of the rendering the services are classified as Short Term Employee Benefits. Such Benefits are estimated and provided for in the period in which the employee renders the related service.

**Post Employment Benefits**

1. P.F. and E.S.I.C Scheme is not applicable to the company.
2. Gratuity is accounted when an employee works for more the 6 months.

**xi. Inventories (Stock-in-trade)**

The inventories have been valued at the method prescribed in the Accounting Standards.

**xii. Investments**

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Long-term Investments are carried individually at cost less provision for diminution, other than temporary, in the value of such Investments.

Current investments are carried individually at the lower of cost and fair value. Costs of investments include acquisition charges such as brokerage, fees and duties.

**xiii. Accounting for taxes on Income :**

- a) Income tax comprises the current tax and net change in deferred tax assets, which are made in accordance with the provisions as per the Income Tax Act, 1961.
- b) Deferred Tax resulting from timing differences between accounting income and taxable income for the period is accounted for using the tax rates and laws that have been enacted or substantially enacted as at the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

Particulars	As at 1st April 2016	Credit/ (Charge) for the year	As at 31st March 2017
Deferred Tax on Account of Depreciation	2,59,522	-	2,59,522
Deferred Tax on Account of Others	-	-	-
<b>Net Deferred Tax (Assets)/ Liabilities</b>	<b>2,59,522</b>	<b>-</b>	<b>2,59,522</b>

**xiv. Leased Assets :**

Assets acquired on leases where a significant portion of the risks and rewards of the ownership are retained by the lessor, are classified as Operating Leases. The rental and all other expenses of leased assets are treated as revenue expenditure.

**xv. Provisions :**

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

**xvi. Contingent Liabilities :**

A contingent liability is disclosed there is a possible obligation that arises from past events whose existences will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

**xvii. Impairment of Assets :**

The Company assesses at each balance sheet date whether there is any indication that an assets may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the assets belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and is recognized



in the profit and loss account. If at the balance date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets is reflected at the recoverable amount.

**xviii. Cash and Cash Equivalents :**

The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents.

**xix. Segment Information :**

- a) The Company's business segments are identified around products in which company deals.
- b) The accounting policies used in the preparation of the financial statements of the Company are also applied for segment reporting.
- c) Segment revenues, expenses, assets and liabilities are those, which are directly attributable to the segment or are allocated on an appropriate basis. Corporate and other revenues, expenses, assets and liabilities to the extent not allocable to segments are disclosed in the reconciliation of reportable segments with the financial statements.
- d) Figures in brackets are in respect of the previous year.
- e) Segment Revenues, Results and Other Information: The Company is operating in single segment vide finance and investments, thus segment reporting is not applicable to the Company for the year under review.

**xx. Segment Reporting**

The company operates in Trading activity of Commodity and Shares and is carrying financing activities, which is only identifiable reporting segment under AS-17 Segment Reporting issued by the Institute of Chartered Accountants of India.

**xxi. Earnings per Share:**

Earnings per share is calculated by dividing the profit/(loss) attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The number used in calculating the basic and diluted earnings per share are stated below:

Particulars	31.03.2017	31.03.2016
Net profit/(loss) for the year as per statement of profit and loss (₹)	55,513	690,215
Weighted Average number of equity shares for calculating Basic EPS	10,000,100	10,000,100
Weighted Average number of equity shares for calculating Diluted EPS	10,000,100	10,000,100
Face value per share (₹)	10.00	10.00
Basic & Diluted EPS on face value of ₹ 10/-	0.01	0.07

**xxii. Related party transactions:****A. Particulars of Related Parties**

- i. Subsidiary Companies – None**
- ii. Enterprises / individuals having direct or indirect control over the Company**
  - Blue Circle Services Ltd.
  - Unisys Softwares & Holding Industries Ltd.
  - Warner Multimedia Ltd.
  - JMD Ventures Ltd.
  - Scan Infrastructure Limited
  - JMD Sounds Limited
- iii. Key Managerial Personnel & their relatives (as on 31<sup>st</sup> March 2017)**
  - Mr. Sushil Kr. Purohit - Managing Director
  - Mr. Surendra Singh - CFO
  - Ms. Nikita Sureka - Company Secretary & Compliance Officer

**B. Details of Remuneration paid to Directors and their relatives**

- a. Payment to Directors - Nil
- b. Payment to Directors' Relatives - Nil

**C. Transactions with related parties during the year ended 31st March, 2017**

The Company is having investment of Rs. 179.67 lakh in Companies which are related to the Directors of the Company.

**D. Disclosure of material transactions with related parties during the year ended 31st March, 2017: Nil****2. Other Notes and Additional Information forming part of Financial Statements**

- i.** In the opinion of the management, current assets, loans and advances and other receivables are approximately of the value stated, if realized in the ordinary course of business. The provisions of all known liability are ascertained.
- ii.** Previous year figures have been restated to confirm to the classification of the current year.
- iii.** Balances of Sundry Debtors, Unsecured Loans, and Sundry Creditors are Loans & Advances are subject to reconciliation, since confirmations have not been received from them. Necessary entries will be passed on receipt of the same if required.
- iv.** The company has not provided for Gratuity and Leave Encashment to Employees on accrual basis, which is not in conformity with AS-15 issued by ICAI. However, in the opinion of management the amount involved is negligible and has no impact on Statement of Profit & Loss.

As per our report of even date

**For B. S. Kedia & Co.**  
Chartered Accountant  
ICAI Registration No. 317159E

**Vikash Kedia**  
Partner  
Membership No. 066852

Kolkata, May 30, 2017

**Sushil Kr. Purohit**  
(DIN : 00073684)  
Director

**Dhruva Narayan Jha**  
(DIN : 01286654)  
Director

**Surendra Singh**  
CFO

**Nikita Sureka**  
Company Secretary

## Notes to Financial Statements as at & for the year ended March 31, 2017

### Note 2.1 SHARE CAPITAL

Particulars	As At 31.03.2017		As At 31.03.2016	
	Number	₹	Number	₹
<b>Authorised</b>				
Equity Shares of ₹ 10/- each (Previous Year ₹ 10/-)	110,00,000	1100,00,000	110,00,000	1100,00,000
<b>Issued, Subscribed &amp; Paid Up:</b>				
Equity Shares of ₹ 10/- each (Previous Year ₹ 10/-)	100,00,100	1000,01,000	100,00,100	1000,01,000
<b>Total</b>	<b>100,00,100</b>	<b>1000,01,000</b>	<b>100,00,100</b>	<b>1000,01,000</b>

### Reconciliation of number of Shares

Issued, Subscribed & Paid-up Capital	As At 31.03.2017		As At 31.03.2016	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	100,00,100	1000,01,000	100,00,100	1000,01,000
Add : Shares issued during the Year	-	-	-	-
Shares Outstanding at the end of the year	100,00,100	1000,01,000	100,00,100	1000,01,000

### Rights, Preference and Restrictions attached to Equity Shares

The company has one class of Equity shares having at par value of ₹ 10/- each. Each shareholder is eligible to one vote per share held.

### Details of Share held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As At 31.03.2017		As At 31.03.2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Not Any	-	-	-	-

### 2.2 RESERVES AND SURPLUS

Particulars	As At	As At
	31.03.2017	31.03.2016
	₹	₹
<b>General Reserves</b>		
Opening Balance	54,61,828	53,23,785
Add : Transfer from Statement of Profit & Loss	11,103	1,38,043
<b>Balance at the end of year</b>	<b>54,72,931</b>	<b>54,61,828</b>

<b>Surplus in Statement of Profit &amp; Loss</b>		
Opening Balance	280,79,383	275,27,212
Add: Excess Provision of Tax during previous year	12,885	-
Add: Net Profit for the year	55,513	6,90,215
<b>Balance at the end of year</b>	<b>281,47,781</b>	<b>282,17,426</b>
<b>Less : Appropriation for the Year</b>		
Transfer to General Reserves	11,103	1,38,043
Net Profit Carried over to Balance Sheet	<b>281,36,678</b>	<b>280,79,383</b>
<b>Total</b>	<b>336,09,609</b>	<b>335,41,211</b>

### 2.3 LONG TERM BORROWINGS

<b>Unsecured Loan</b>		
from Body Corporate	49,99,880	71,86,284
<b>Total</b>	<b>49,99,880</b>	<b>71,86,284</b>

### 2.4 TRADE PAYABLES

Creditors for Goods & Services*	480,20,939	355,78,425
<b>Total</b>	<b>480,20,939</b>	<b>355,78,425</b>

\*Based on the information available with the company in response to the enquiries from all existing suppliers with whom the company deals, there are no suppliers who are registered as micro and small enterprises under 'The Micro, Small and Medium Enterprises Development Act, 2006, as at 31.03.2017

### 2.5 OTHER CURRENT LIABILITIES

<b>Other Payables</b>		
Provision for Expenses	2,70,140	50,000
<b>Total</b>	<b>2,70,140</b>	<b>50,000</b>

### 2.6 SHORT TERM PROVISIONS

Provision for Taxation	24,824	2,50,446
<b>Total</b>	<b>24,824</b>	<b>2,50,446</b>

### 2.7 OTHER NON- CURRENT ASSETS

<b>(Unsecured, Considered Good)</b>		
Deferred Revenue Expenditure	44,800	89,600
Share Issue Expenses	5,40,457	6,30,533
Preliminary Expenses	3,335	6,670
Deferred Tax Assets	2,59,522	2,59,522
<b>Total</b>	<b>8,48,114</b>	<b>9,86,325</b>

## 2.8 INVENTORIES

Particulars	Numbers	Face Value	As At	As At
			31.03.2017	31.03.2016
		₹	₹	₹
<b>(1) IN FULLY PAID-UP EQUITY SHARES (QUOTED)</b>				
Adani Enterprises Ltd	500	10.00	-	35,603
Ashima Ltd	25,000	10.00	-	2,88,626
Bellary Steel Ltd	15,000	10.00	45,000	45,000
Cals Refineries Ltd.	1,00,000	10.00	70,000	70,000
Century Enka Ltd	300	10.00	-	51,447
Gabriel India Ltd	500	10.00	-	42,063
Golden Tobacco Limited	63	10.00	1,715	1,715
Himachal Futuristic Communication Ltd	25,000	10.00	-	5,27,442
IKF Technologies Limited	3,000	10.00	7,500	7,500
Jain Irrigation Systems Ltd	1,000	10.00	-	59,775
Jaiprakash Power Ventures Limited	2,000	10.00	27,541	27,541
Jayaswal Neco Industries Ltd.	10,000	10.00	79,990	79,990
Kothari Petro Limited	10,000	10.00	67,564	67,564
Mirza International Limited	1,000	10.00	-	2,53,582
Nouveau Global Ventures Ltd.	35,394	10.00	30,15,830	30,15,830
NTPC Limited	2,000	10.00	2,92,662	3,00,352
Pine Animation Ltd	3,76,000	10.00	135,36,182	135,36,182
Reliance Communication Limited	13,800	10.00	-	10,09,572
Reliance Industries Limited	139	10.00	-	1,22,296
S Mobility Limited	10,218	10.00	13,21,201	13,21,201
Tata Coffee Ltd	500	10.00	-	46,520
TTML Limited	60	10.00	847	847
Denim Developers Ltd	12,00,000	10.00	60,00,000	-
K. M. Sugar Ltd	1,000	10.00	29,760	-
Virtual Global Education Ltd	60,000	10.00	3,90,000	-
Tulsi Technologies Limited	3,000	10.00	30,000	30,000
V. B. Industries Ltd.	500	10.00	1,000	1,000
			<b>249,16,792</b>	<b>209,41,648</b>
<b>(2) IN EQUITY SHARES OF GROUP COS. (QUOTED)</b>				
Blue Circle Services Ltd	61,50,000	10.00	78,05,431	78,05,431
JMD Telefilms Industries Limited	10,00,000	10.00	76,52,124	76,52,124
Warner Multimedia Limited	25,03,000	10.00	25,09,900	25,09,900
			<b>179,67,455</b>	<b>179,67,455</b>

<b>(3) OTHER INVESTMENT</b>				
Gold Eternity	-	-	85,14,598	85,14,598
			<b>85,14,598</b>	<b>85,14,598</b>
<b>(4) INVESTMENT IN MUTUAL FUNDS</b>				
Aditya Birla Real Estate Mutual Fund	10,000	100.00	18,13,809	20,38,400
Axis Bank Mutual Fund	600	100.00	6,00,000	6,00,000
Birla Sunlife Front Life Mutual Fund	6,472	15.45	1,00,000	1,00,000
Kotak Mahindra Mutual Fund	4,140	24.15	1,00,000	1,00,000
Kotak Mahindra Mutual Fund	43,985	22.35	10,00,000	10,00,000
Reliance Equity Opportunity Fund	14,046	35.60	3,00,000	3,00,000
			<b>39,13,809</b>	<b>41,38,400</b>
<b>(5) IN FULLY PAID-UP EQUITY SHARES (UN-QUOTED)</b>				
Pay Point India Network Pvt Ltd	38,11,232	10.00	444,45,650	439,45,650
<b>Total</b>			<b>997,58,304</b>	<b>955,07,751</b>

**Note 2.9 TRADE RECEIVABLE**

<b>(Unsecured, Considered Good)</b>		
Outstanding for a period of Exceeding 6 Months	-	6,64,540
Other Debts	20,25,250	-
<b>Total</b>	<b>20,25,250</b>	<b>6,64,540</b>

**Note 2.10 CASH AND BANK BALANCES**

<b>Cash and Cash Equivalents</b>		
Balances with Banks		
In Current Accounts	7,70,520	10,09,564
Cash in hand	3,31,302	24,63,763
<b>Total</b>	<b>11,01,821</b>	<b>34,73,327</b>

**Note 2.11 SHORT-TERM LOANS & ADVANCES**

<b>(Unsecured, Considered Good)</b>		
Loans and Advances to Others	362,39,000	289,75,000
<b>Total</b>	<b>362,39,000</b>	<b>289,75,000</b>

**Note 2.12 OTHER CURRENT ASSETS**

<b>(Unsecured, Considered Good)</b>		
Advance Tax	7,00,000	7,00,000
Tax Deducted At Source	28,373	74,894
TDS Refundable	4,53,030	4,53,030
<b>Total</b>	<b>11,81,403</b>	<b>12,27,924</b>

**Note 2.13 Revenue form Operation**

<b>PARTICULARS</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
	₹	₹
Sale of Shares	86,19,955	862,58,132
Sale of Mutual Fund	-	37,81,422
Interest on Loan	-	4,70,138
Dividend from Shares	3,29,657	1,13,041
Profit from trading in FNO Segment	20,27,736	-
<b>Total</b>	<b>109,77,348</b>	<b>906,22,734</b>

**Note 2.14 CHANGES IN STOCK-IN-TRADE**

Opening Stock (Transfer from Investments)	955,07,751	886,26,075
Add : Purchases during the Year	135,21,752	948,35,267
Less: Closing Stock	999,82,895	955,07,751
<b>Total</b>	<b>90,46,608</b>	<b>879,53,591</b>

**Note 2.15 Payments & Perquisites to Employees**

Salaries	6,58,978	5,85,000
Staff Welfare Expenses	61,214	60,000
<b>Total</b>	<b>7,20,192</b>	<b>6,45,000</b>

**Note 2.16 Other Expenses**

Payment to Auditors	25,000	25,000
RTA Fees	29,100	26,000
Conveyance & Travelling Expenses	77,290	70,815
Listing & Depository Fees	3,73,282	3,22,698
Postage & Courier Charges	17,516	14,360
Accounting Charges	28,000	28,000
Bank Charges	1,264	114
Professional Fees	75,100	2,63,378
Printing & Stationery	73,965	67,635
Advertisements	51,031	22,500
Rent Expenses	96,000	96,000
Mutual Fund Processing Charges	-	3,420
ROC Filing Fees	9,000	16,200
Office Maintenance Charges	84,379	81,280
Board Meeting & AGM Expenses	37,772	33,070
Deferred Revenue Expenditure w/off	44,800	44,800
Preliminary Expenses w/off	3,335	3,335
Share Issue Expenses w/off	90,076	90,076
Demat Charges	1,080	1,200
Valuation Fees	8,796	-
Books & Periodicals	3,425	3,760
<b>Total</b>	<b>11,30,211</b>	<b>12,13,641</b>



**Note 2.17 Tax Expenses**

Income Tax	24,824	2,50,446
Income Tax for Earlier Years	-	-
<b>Total</b>	<b>24,824</b>	<b>2,50,446</b>

**Note 2.18 DISCLOSURE ON SPECIFIED BANK NOTES**

During the year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 30, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification are as follows :

Particulars	SBNs *	Other Denomination Notes	₹ 1000/- and ₹ 500/-	Total
Closing cash in hand as on 08-11-2016	-	5,36,331	17,00,000	22,36,331
(+) Permitted receipts	-	-	-	-
(+) Amount Withdrawn from Bank	-	2,00,000	-	2,00,000
(-) Permitted payments	-	1,72,049	-	1,72,049
(-) Amount deposited in Banks	-	-	17,00,000	17,00,000
Closing cash in hand as on 30-12-2016	-	5,64,282	-	5,64,282

## Schedule to the Balance Sheet as at 31st March 2016 of non-deposit taking Non-Banking Financial

Company (as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007)

Particulars	Amount Outstanding	Amount Overdue
<b>Liabilities Side :</b>		
1) Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid :		
(a) Debentures : Secured	NIL	NIL
Unsecured	NIL	NIL
(other than falling within the meaning of Public Deposit)		
(b) Deferred credits	NIL	NIL
(c) Terms Loans	NIL	NIL
(d) Inter-Corporate Loans & Borrowings	NIL	NIL
(e) Public Deposits*	NIL	NIL
(f) Other Loans	NIL	NIL
* Please see Note 1 at the end of format.		
2) Break-up of (1) (f) above (out -standing public deposits inclusive of interest accrued there on but not paid)		
(a) In the form of Unsecured Debentures	NIL	NIL
(b) In the form of partly Secured Debentures i.e.debentures there is a shortfall in the value of security	NIL	NIL
(c) Other public Deposits	NIL	NIL
* Please see Note 1 at the end of format.		
		<b>Amount Outstanding</b>
<b>Assets Side :</b>		
3) Break-up of Loans and advances including bills receivables [ other than those included in (4) below] :		
(a) Secured		NIL
(b) Un-Secured		362,39,000
4) Break-up of Leased Assets and stock on hire and hypothecation loans counting towards FL/HP activities :		
(i) Lease assets including lease rentals under Sundry Debtors		
(a) Financial Lease		NIL
(b) Operating Lease		NIL
(ii) Stock on hire including hire charges under Sundry Debtors		

(a) Assets on hire	NIL
(b) Repossessed Assets	NIL
(iii) Hypothecation loans counting towards EL/HP activities	
(a) Loans where assets have been repossessed	NIL
(b) Loans other than (a) above	NIL
<b>5) Break-up of Investments :</b>	
Current Investment : (Taken as stock in trade)	
1. Quoted	
(i) Shares : (a) Equity	249,16,792
(b) Preference	NIL
(ii) Debentures & Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Please Specify)	
2. Unquoted	
(i) Shares : (a) Equity	-
(b) Preference	NIL
(ii) Debentures & Bonds	NIL
(iii) Units of Mutual Funds	39,13,809
(iv) Government Securities	Nil
(v) Others (Gold Eternity)	85,14,598
<b>Long Term Investment</b>	
1. Quoted	
(i) Shares : (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures & Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Gold)	NIL
2. Unquoted	
(i) Shares : (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures & Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Gold Eternity)	NIL

6. Borrow group-wise classification of all leased assets, stock-on-hire and loans and advances		
Category	Secured	Unsecured
1) Related Parties **		
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	NIL	NIL
(c) Other than related parties	NIL	NIL
2) Other than related parties	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>
7) Investor group wise classification of all investments (Current and long term) in shares and securities (both quoted and unquoted) Please see note 3 at the end of Format.		
Category	Market Value/ Breakup or Fair Value or NAV	Book Value (Net of Provision)
1) Related Parties **		
(a) Subsidiaries		
(b) Companies in the same group		
(c) Other than related parties	NIL	NIL
2) Other than related parties#	997,58,304	997,58,304
	<b>997,58,304</b>	<b>997,58,304</b>
** As per Accounting Standard of ICAI (please see note 3 at the end of format)		
# Unquoted Investments are considered at cost.		
8) Other information		
Particulars	Amount	
(i) Gross Performing Assets		
(a) Related Parties	NIL	
(b) Other than related parties	NIL	
(ii) Gross Non-Performing Assets		
(a) Related Parties	NIL	
(b) Other than related parties	NIL	
(iii) Assets acquired in satisfaction debt	NIL	
<b>Notes:</b>		
1. As defined in paragraph 2(1) (xii) of the Non-Banking Financial Companies of acceptance of Public Deposits (Reserve Bank) Directons 1998.		
2. Provisioning norms shall be applicable as prescribed in the Non-Banking (Non-Deposit Accepting or Holding) Financial Companies Prudential Norms (Reserve Bank) Directors 2007.		
3. All Accounting Standards and Guidance Notes issued by the ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However market value in respect of quoted investments and break-up / fair value/ NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term current in column (5) above.		

# PRIME CAPITAL MARKET LIMITED

CIN : L671200R1994PLC003649

Regd. Office : 8A, B. J. B. Nagar, Bhubaneswar-751014, Orissa

Tel : +91 33 2234 6715; Email : primecapital.kolkata@gmail.com ; Website : www.primecapitalmarket.com

## ATTENDANCE SLIP

<b>Regd. Folio / DP ID &amp; Client ID</b>		
	<b>Name and Address of the Shareholder</b>	

1. I hereby record my presence at the 23rd Annual General Meeting of the Company, to be held on Monday, 25th September, 2017 at 2.30 P.M. at 8A, B. J. B. Nagar, Bhubaneswar-751014, Orissa and at any adjournment thereof.

2. Signature of the Shareholder/Proxy Present

--

3. Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover the same at the entrance duly signed.

4. Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of the Annual Report for reference at the meeting.

Please hand it over at the Attendance Verification Counter at the Entrance of the Meeting Venue

**PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING VENUE**

## ELECTRONIC VOTING PARTICULARS

(1) EVSN (E-Voting Sequence No.)	(2) USER ID.	(3) PAN or Relevant No. as under	(4) Bank Account No.
			(See Note No.1)

### Notes:

- Where Bank Account Number is not registered with the Depositories or Company, please enter your User Id as mentioned in column (2) above.
- Please read the Instructions printed under the Item No. 29 to the Notice dated 30th May 2017 of the 23rd Annual General Meeting. The e-Voting period starts from 9.00 A.M. on 22.09.2017 and ends at 5.00 P.M. on 24.09.2017, the e-voting module shall be disabled by CDSL for voting thereafter.

**No gift of any nature will be distributed at the Annual General Meeting**









# PRIME CAPITAL MARKET LIMITED

CIN : L671200R1994PLC003649

Regd. Office : 8A, B. J. B. Nagar, Bhubaneswar-751014, Orissa

Email : primecapital.kolkata@gmail.com ; Website : www.primecapitalmarket.com

Dear Shareholder(s),

This is to inform you that the company is in process of updation of records of the shareholders in order to reduce the physical documentation as far as possible.

With new BSE & CSE listing agreement, it is mandatory for all the investors including transferors to complete their KYC information. Hence, we have to update your PAN No., Phone no. and E-mail id in our records. We would also like to update your current signature records in our system to have better services in future.

To achieve this we solicit your co-operation in providing the following details to us :

1. If you are holding the shares in dematerialized form you may update all your records with your Depository Participant (DP).
2. If you are holding shares in physical form, you may provide the following :

Folio No.	:		
PAN No.	:		
E-mail ID	:		
Telephone Nos. with STD Code	:	+91	
Name and Signatures	:	1.	
		2.	
		3.	

Thanking you,

For PRIME CAPITAL MARKET LIMITED

S/d-

**Nikita Sureka**

**Company Secretary & Compliance Officer**





## BOOK-POST

*If undelivered, please return to:*

**PRIME CAPITAL MARKET LIMITED**

P-27, Princep Street, 3rd Floor, Kolkata - 700 072