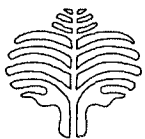


15<sup>th</sup>

**ANNUAL REPORT 2006-2007**



*Premium*

**Premium  
Capital Market And  
Investments Limited**



*Premium*

**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

---

**Board of Directors'** : Shri S.K. Bandi Chairman  
Shri Shivdatt Bohra Director  
Shri Vinay F. Kothari Director  
Shri Sumer Chand Jain Director  
Shri Puneet Kumar Khale Whole-Time-Director

**Company Secretary** : Raj Kumar Bhawsar

**Auditors** : Airen Saluja & Hablani  
Chartered Accountants  
210, Sapna Chamber,  
12/1, South Tukoganj,  
Behind Hotel Shreemaya,  
Indore (M.P)

**Registered Office** : 401, Starlit Tower, 4<sup>th</sup> Floor  
29 Y.N. Road,  
Indore (M.P) - 452003  
Tel : 2536127, 2433348  
Fax : (0731) 4066309



Premium

## **PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

### **NOTICE**

NOTICE is hereby given that 15<sup>th</sup> Annual General Meeting of the Premium Capital Market and Investments Limited will be held at 401 Starlit Tower, 4<sup>th</sup> Floor, 29 Y.N. Road, Indore (M.P.) - 452003, on Thursday, the 6<sup>th</sup> Day of September, 2007 at 10.00 A.M. to transact the following business:

#### **I. ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet and Profit & Loss Account of the Company for the year ended 31<sup>st</sup> March, 2007 and report of the Directors and Auditors thereon.
2. To appoint a director in place of Shri S.K. Bandi, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri Shivdatt Bohra, Who retires by rotation and being eligible offers himself for re- appointment.
4. To appoint the auditors and to fix their remuneration.

#### **II. SPECIAL BUSINESS:**

5. To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:  
"RESOLVED THAT Mr. Puneet Kumar Khale, who was appointed as an Additional Director by the Board of Directors and who holds office as such only upto the date of ensuing Annual General Meeting and in respect of whom a notice under Section 257 of the Act has been received from some members signifying his candidature for the office of the director of the company be and is hereby appointed as a Director of the Company liable to retire by rotation."
6. To consider and, if thought fit, to pass, the following resolution as Special Resolution:  
"RESOLVED THAT pursuant to the provision of Section 198,269,309,310 and 311 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being enforce) the consent of the Company be and is hereby accorded to the Board of Directors (the "Board" including committee thereof) for appointment and remuneration paid or payable (w.e.f. January 1, 2007) to Mr. Puneet Kumar Khale as Whole-Time-Director of the Company on a monthly remuneration of Rs. 6000/- with yearly increment subject to limit prescribed by the Act.  
"RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution"

**By Orders of the Board**  
**For Premium Capital Market and Investments Ltd.**  
**RAJ KUMAR BHAWSAR**  
**Company Secretary**

Place : Indore

Date : 23<sup>rd</sup> July, 2007

#### **NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. Register of Member and Share Transfer Book of the Company will remain closed from 03-09-07 to 06-09-07 (both day inclusive)
3. a) Members are requested to notify immediately any change of address;  
(i) to their Depository Participants (DPs) in respect of their electronic share account; and  
(ii) to the Company's Share Transfer Agent in respect of their physical share folios, if any.  
b) In case the mailing address on this Annual Report is without the PIN CODE, member are requested to kindly inform their PIN CODE immediately.
4. Non-resident Indian Shareholders are requested to inform Share Transfer Agent immediately:  
a) the change in the residential status on return to India for permanent settlement.  
b) the particulars of NRE Account with a Bank in India if not furnished earlier.
5. All documents referred to in accompanying notice are open for inspection at the Registered office of the Company on all working days, except Saturday between 11.00 A.M. to 1.00 P.M.



Premium

## PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED

6. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company the details of such folio together with the share certificate for consolidating their holding in one folio. The share certificate will be returned to the members after making requisite changes thereon.
7. Members desires of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so the information required may be available at the Meeting.
8. The Company has connectivity from the CDSL & NSDL and equity shares of the Company may also be held in the Electronic form with any Depository Participant (DP) with whom the members /investors having their depository account. The ISIN No. for the Equity Share of the Company is INE 555D01019 . In case of any query/difficulty in any matter relating there to may be addressed to the Share Transfer Agent Ankit Consultancy Pvt. Ltd, Gita Bhawan Chouraha A.B. Road, Indore (M.P)
9. As per the provisions of the Companies Act, 1956, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. The Nomination Form-2B prescribed by the Government can be obtained from the Share Transfer Agent or may be down load from the website of the Ministry of Corporate Affairs.
10. Pursuant to the recommendation of SEBI Committee on Corporate Governance for re-appointment of the retiring Directors, a statement containing details of the concerned directors is attached hereto.

### STATEMENT REGARDING THE DIRECTORS PROPOSED FOR APPOINTMENT /RE-APPOINTMENT

NAME AND DESIGNATION OF APPOINTEE	AGE/ YEARS	QUALIFICATIONS	EXPERTISATION /EXPERIENCE	DATE OF RE-APPOINTMENT / APPOINTMENT	OTHER DIRECTORSHIP HELD
Shri S.K. Bandi Director	59	B. Com., FCA	Finance and Management	01-07-92	Two
Shri Shivdatt Bohra Director	66	B. Com., LL.B	Legal Practice Advocate	15-02-00	Nil
Shri Puneet Kumar Khale Whole-Time-Director	25	B.Sc. (Computer Science)	Management System Devel.	01-01-07	Nil

Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956.

#### ITEM 5

Shri Puneet Kumar Khale was appointed as an Additional Director of the company on January 1, 2007 to holds office till the date of ensuing Annual General Meeting of the Company. Notice has been received from one of the member of Company pursuant to Section 257 of the companies Act, 1956 signifying his candidature for the office of the Director retire by rotation. The Board recommend for appointment of Shri Puneet Kumar Khale as Director liable to retire by rotation.

None of the Directors except Shri Puneet Kumar Khale is interested in the resolution.

#### ITEM 6

Shri Puneet Kumar Khale born on July 1, 1982 is B.Sc.(Computer Science) possessing wide experience in field of Computer Science, his appointment is made by the Board of Directors and approved by Remuneration Committee of the Board as Whole-Time-Director of the Company for a period of three years effective from January 1, 2007.

The appointment of and remuneration paid to Shri Puneet Kumar Khale as Whole-Time Director of the Company are subject to the limits under Section 198,269,309,310,311 read with Schedule XIII and all other applicable provisions (including statutory amendment thereof) if any, of the Companies Act, 1956. The Directors recommend the resolution as set out in item 6 of the notice for acceptance of Members.

None of the Directors other than Shri Puneet Kumar Khale is concerned or interested in the resolution.

**By Orders of the Board**  
**For Premium Capital Market and Investments Ltd.**  
**RAJ KUMAR BHAWSAR**  
**Company Secretary**

Place : Indore  
Date : 23<sup>rd</sup> July, 2007



Premium

## PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED

### DIRECTORS' REPORT

To,  
The Members,  
Premium Capital Market and Investments Limited

The Director present their 15<sup>th</sup> Annual report on the business and operations of the Company along with the Audited Balance Sheet and Profit & Loss Accounts for the year ended 31<sup>st</sup> March,2007.

#### FINANCIAL RESULT :

Financial Result of the company for the year under review along with the comparative figures for previous year are as follows :

	(Rs. in Lakhs)	
	2006-07	2005-06
Total Income from operations	(-)13.37	9.58
Profit (Loss) before tax and depreciation	(-)18.97	2.35
Less : depreciation	1.72	1.72
Profit (Loss) before Tax	(-)20.68	0.63
Previous year's adjustment	0.15	-
Provision for Tax	-	-
	(-)20.83	0.63
Add : Balance brought forward from previous year	(-)362.41	(-) 363.04
Losses carried to Balance Sheet	(-)383.25	(-) 362.41
Earning Per Share	(0.32)	0.01

#### DIVIDEND:

Looking into the heavy business losses suffered by the Company, it is not possible for the management to recommend any dividend for the year under review.

#### REVIEW ON OPERATIONS:

During the Financial Year 2006-07, the Company has incurred heavy loss of Rs. 20.83 Lacs Out of which Future & Option Trading Loss of Rs. 16.24 Lacs.

The company's funds blocked with sundry debtors and advances made by the company, for which necessary legal proceedings were already initiated by the Company which are under various stages. Though, in absence of the liquidity of funds the Company could generate better comparatively results during the year under review.

#### INTERNAL CONTROL SYSTEM & THEIR ADEQUACY:

The Company has reasonable system of internal control comprising authority levels and the powers, supervision, checks, policies, and the procedures. The Audit Committee consists of Shri Shivdatt Bohra (Chairman of the Audit Committee), Shri Sumer Chand Jain (Director) & Shri Vinay F. Kothari (Director).

The said Committee review the adequacy of internal control system and the Compliance thereof.

Further the annual financial statement of the company are reviewed and approved by the committee and placed before the Board for the consideration. The committee also reviewed the internal control system during the year.



Premium

## **PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

### **SHARE CAPITAL & LISTING:**

The Equity Share of the Company can also be kept in Electronic form. Your Company has obtained connectivity from the Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Ltd (NSDL) to provide facilities to all members and investors to hold the Company's shares in Dematerialized form.

Company's Equity Shares are listed with the Stock Exchange, Mumbai, M.P & Ahmedabad .In view of the SEBI (Delisting of Securities) Guidelines, 2003 application has been made with the M.P and Ahmedabad Stock Exchange for delisting which is under consideration. Therefore, Company Shares will be listed only with the BSE, where the Equity shares of the Company being traded generally.

Your Company is regular in payment of Annual Listing Fee to the Stock Exchange.

### **DIRECTORS:**

The Board consists of executive & non-executive directors including independent director who have wide & varied experience in different disciplines of corporate functioning.

Shri Puneet Kumar Khale was appointed as the Additional Director of the company w.e.f. 1<sup>st</sup> January 2007 in category of the executive director of the company. The company has received notice u/s 257 of the Companies Act, 1956 for proposing his candidature for the appointment as the Director of the Company. Your Directors recommend to pass the resolution for his appoint as the Director of the Company.

Shri S.K. Bandi, Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

Shri Shivdatt Bohra, Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

### **PUBLIC DEPOSITS:**

In view of the Directions of the RBI issued on 2<sup>nd</sup> January, 1998 your Company has neither accepted nor invited any deposit from the General Public. There is no outstanding amount of matured deposits remain unpaid at the end of the financial year.

### **DIRECTORS RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section of 217(2AA) of the Companies Act, 1956 your directors State that :

- In the preparation of accounts, the applicable accounting standards have been followed.
- Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the company as at the end of March 31,2007 and the Profit / Loss of the company for the year ended on that date.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities.
- The annual accounts of the company have been prepared on a going concern basis.

### **AUDITORS REPORT:**

The Auditors in their report have referred to the Notes forming part of the Accounts, considering the principle of the materiality; the notes are self-explanatory and need no comments.

### **AUDITORS:**

Comments of the Auditors in their Annual Report and the forming part of the Accounts are self-explanatory



Premium

## **PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

and needs no comment. **M/s Airen Saluja & Hablani, Chartered Accountants**, Auditors of your Company retires from the office of the Auditors at the ensuing Annual General Meeting. The Company has obtained a certificate from them in accordance with the provision of Section 224(1B) of the Companies Act, 1956 confirming their eligibility for re-appointment as the auditors of the Company.

Your directors recommend to appoint **M/s Airen Saluja & Hablani, Chartered Accountants** as the Auditors of the Company to hold office till the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors of the Company.

### **CORPORATE GOVERNANCE:**

Your Company is committed to good Corporate Governance Practice and follows the principles of fair representation and full disclosure in all its dealings and communications, thereby protecting the rights and interests of all its shareholders. The Company's goal is to find creative & productive ways of delighting its stakeholders, i.e. investors, customers and associates, while fulfilling the role of a responsible Corporate representative committed to the best practices.

Your Company has complied with the mandatory requirements of clause 49 of the listing agreement within the stipulated time. A report on the Corporate Governance has been attached to the Directors' Report.

### **PERSONNEL:**

The Company continued to have cordial relationship with its employees during the year under review.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:**

Particulars pursuant to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable to the Company as it has no manufacturing activities during the year under review. The Company has no earning or outing of any foreign exchange.

### **PARTICULARS OF EMPLOYEES:**

Particulars of the employees as required under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of the Employees) Rules, 1975 are not applicable since, none of the employee of the Company is drawing more than Rs.24,00,000/- P.A. or Rs.2,00,000/- P.M. for the part of the year under review.

### **ACKNOWLEDGEMENT:**

Your Director wish to place on record their sincere appreciation and acknowledge with the gratitude forth assistance, co-operation and encouragement by valued customers, suppliers, bankers, shareholders and employees of the Company and look forward for their continued support.

**For & on Behalf of the Board**

**Place : Indore**  
**Dated : 12<sup>th</sup> July, 2007**

**S.K. BANDI**  
**CHAIRMAN**



**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

**CORPORATE GOVERNANCE REPORT  
REPORT OF COMPLIANCE WITH CLAUSE 49  
OF THE LISTING AGREEMENT OF THE STOCK EXCHANGES**

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The Company's Philosophy on the code of Governance envisages the attainment of the highest level of transparency, accountability and equity in all faces of its operation and in all interaction with its stakeholders, employers, the government & lenders.

**2. BOARD OF DIRECTORS:**

**(i) Details of Directors:**

The Company is having six directors in the Board and having optimum composition of the 4 independent directors in the Board of Director of the Company. Details of the Directors of the Company as at 31<sup>st</sup> March, 2007 are as under:

Directors	Executive / Non Executive / Independent	No. of Outside Directorship Held		No. of outside Positions Held		Committee
		Public	Private	Member	Chairman	
Shri S.K. Bandi	Chairman	-	2	-	-	
Shri Puneet Kumar Khale	ED/ Professional	-	-	-	-	
Shri Bhavesh Jain	NED / Professional	-	-	-	-	
Shri Shivdatt Bohra	NED / Independent	-	-	-	-	
Shri Vinay F. Kothari	NED / Independent	-	-	-	-	
Shri Sumer Chand Jain	NED / Independent	-	-	-	-	

**(ii) Details of Board Meeting held during the year:**

During the financial year 2006-07 there was total nine meetings of the Board of Directors of the Company. Detail regarding the date, venue & Strength of the Board of Directors present at the respective meeting are as under :

Date of Board Meeting	Name of Director Present at Meeting	Total Strength of the Board	No. of Directors Present
28 <sup>th</sup> April 2006	SKB,BJ,SB,VFK	5	4
28 <sup>th</sup> June 2006	SKB,BJ,SB,VFK,SCJ	5	5
29 <sup>th</sup> July 2006	SKB,BJ,SB,VFK	5	4
18 <sup>th</sup> Aug 2006	SKB,BJ,SB,VFK,SCJ	5	5
28 <sup>th</sup> Oct. 2006	SKB,SB,VFK,BJ	5	4
1 <sup>st</sup> Jan. 2007	SKB,SB,VFK,BJ,SCJ	6	5
17 <sup>th</sup> Jan. 2007	SKB,SB,VFK,SCJ,BJ,PKK	6	6
19 <sup>th</sup> Jan. 2007	SKB,SB,VFK,SCJ,PKK	6	5
23 <sup>rd</sup> Feb. 2007	SKB,SB,VFK,SCJ,PKK	6	5

**3. AUDIT COMMITTEE:**

**(A) BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

- Oversight of the Company's financial reporting and the disclosure of its financial information.
- Recommending the appointment and removal of external auditors, fixation of audit fees and also approval for payment for any other services.
- Review with the management the annual /half yearly financial statement before submission to the Board, focusing primarily on:



Premium

## **PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

- (i) any changes in accounting policies and practices;
  - (ii) major accounting entries based on exercise based on exercise of judgment by management;
  - (iii) qualification in draft audit report;
  - (iv) significant adjustment arising out of audit;
  - (v) the going concern assumption;
  - (vi) compliance with Accounting Standards, Stock Exchange and legal requirement concerning financial statement; and
  - (vii) any related party transitions.
- (d) Hold discussion with external auditors before the audit commences nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- (e) Review the Company's financial and risk management policies and the adequacy of Internal control system.
- (f) Review the adequacy of accounting records maintained in accordance with the provisions of the Companies Act 1956.
- (g) Review the performance of Statutory Auditors and recommend their appointment & remuneration to the Board, considering their independence & effectiveness.
- (h) Perform other activities consistent with the Company's Memorandum & Articles, the Companies Act, 1956 and other Governing Laws.

### **(B) Composition of Committee and Number of Meeting held :**

S.No.	Name	Designation	Position of Committee
1	Shri Shivdatt Bohra	Director	Chairman
2	Shri Vinay F. Kothari	Director	Member
3	Shri Sumer Chand Jain	Director	Member

The Statutory Auditors and Whole Time Director of the Company were also invited by the Committee to express their views in the meeting.

During the year under review, the Audit Committee of the Board met 5 time viz. 28<sup>th</sup> April, 2006, 28<sup>th</sup> June, 2006, 29<sup>th</sup> July, 2006, 28<sup>th</sup> October, 2006, and 19<sup>th</sup> January, 2007 to deliberate on various matters.

### **4. SHAREHOLDERS /INVESTORS GRIEVANCE COMMITTEE:**

#### **A) Brief description of terms of reference:**

The Company has a "Shareholders Grievance & Transfer Committee " at the Board level to look into the readdressing of Shareholders & investors complaints like :

- a) Transfer of shares, transmission and delay in confirmation in D-mat of shares.
- b) Non-receipt of Annual Report etc.

The Committee oversees the performance of the Registrar and Share Transfer Agent and recommend measure for overall improvement in the quality of investors services .

#### **B) Composition of Committee and number of meeting held:**

S.No.	Name	Designation	Position in Committee
1	Shri Shivdatt Bohra	Director	Chairman
2	Shri Vinay F. Kothari	Director	Member
3	Shri Bhavesh Jain	Director	Member

During the year under review, the Shareholders Grievance & Transfer Committee of the Board met five times viz. 28<sup>th</sup> April, 2006, 28<sup>th</sup> June 2006, 28<sup>th</sup> October 2006, 19<sup>th</sup> January 2007 & 28<sup>th</sup> March 2007.



Premium

## PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED

- (i) Name & Designation of Compliance Officer : Shri Raj Kumar Bhawsar  
Company Secretary  
w.e.f. 1<sup>st</sup> Jan., 2007
- (ii) No. of Shareholders complaints/query received : 3
- (iii) No. of complaints/query solved during the year : 3
- (iv) No. of complaints/query pending at the end of the year : Nil

The company has given powers to implement transfer, transmission and D-mat of shares to the share transfer agent and to resolve the relating problem as Professional Agency. The Committee need only specific nature of complaints not resolved within a period of 15 days from the date of its received.

### 5. REMUNERATION COMMITTEE:

#### (A) Brief Description of terms of reference:

The terms of reference of the committee are to review and recommend compensation payable to the executive directors. The Committee also ensures that policy of the Company provides for performance-oriented incentives to managements. Composition of Committee and number of meeting held:

S.No.	Name	Designation	Position in Committee
1	Shri Shivdatt Bohra	Director	Chairman
2	Shri Vinay F. Kothari	Director	Member
3	Shri Sumer Chand Jain	Director	Member

During the year under review, there was only one meeting of the Remuneration Committee held on 1<sup>st</sup> January, 2007.

### 6. GENERAL MEETING:

#### Location and time, where last three AGMs HELD:

Financial Year	2003-2004	2004-2005	2005-2006
Date	9 <sup>th</sup> Sep., 2004	22 <sup>nd</sup> Sep., 2005	28 <sup>th</sup> Sep. 2006
Time	10.00 A.M.	10.00 A.M.	10.00 A. M.
Venue	205 City Centre, 570 M.G. Road, Indore (M.P.)	205, City Centre 570, M.G. Raod, Indore (M.P.)	401, Starlit Tower 29, Y. N. Road, Indore (M.P.)

### 7. DISCLOSURES:

- (i) Related Party Transactions made by the Company have been disclosure in the Notes to Accounts for the year ended 31<sup>st</sup> March 2007. The Register of Contracts containing transaction in which directors are interested is placed before the Board regularly for its approval.
- (ii) During the last three years there was no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any Statutory, on any matter related to capital markets.

### 8. MEANS OF COMMUNICATION:

Quarterly results of the Company are published in leading newspapers such as Dainik Avantika. The results were promptly submitted to the Stock Exchanges where the shares of the Company are listed. The Management Discussion and Analysis have been given in the Directors' Report.

### 9. GENERAL INFORMATION TO SHAREHOLDERS

- (i) Date Time and venue of Annual General Meeting : 6<sup>th</sup> September, 2007  
at 10.00A.M.



Premium

## PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED

at 401, Starlit Tower, 4<sup>th</sup> Floor,  
29 Y.N. Road,  
Indore – 452003 (M.P)

(ii) Financial Calendar:

First Quarter Results	on or before 31 <sup>st</sup> July, 2006
Second Quarter Results	on or before 31 <sup>st</sup> October, 2006
Third Quarter Results	on or before 31 <sup>st</sup> January, 2007
31 <sup>st</sup> March, 2007	on or before 30 <sup>th</sup> April, 2007

(iii) Dates of Books Closure	: From 03-09-2007 to 06-09-2007
(iv) Listing on Stock Exchange	: Madhya Pradesh Stock Exchange Ltd., Indore* Bombay Stock Exchange Ltd, Mumbai Ahmedabad Stock Exchange Ltd., Ahmedabad*

\* The application with the M.P. and Ahmedabad Stock Exchange for delisting is under consideration.

(V) Stock Code :

Madhya Pradesh Stock Exchange Ltd., Indore	: N.A.
Ahmedabad Stock Exchange Ltd., Ahmedabad	: N.A.
Bombay Stock Exchange Ltd., Mumbai	: 511660

(VI) Demat ISIN No. for CDSL and NSDL : INE55D01019

(VII) Stock Market Data : Bombay Stock Exchange Ltd., Mumbai

High & low during each month in the last Financial Year:

Month	Highest (Rs.)	Lowest (Rs.)
April, 06	1.60	1.48
May, 06	1.70	1.27
June, 06	1.21	1.10
July, 06	1.00	0.74
Aug., 06	1.14	0.71
Sept., 06	1.65	0.70
Oct., 06	2.10	1.23
Nov., 06	2.25	1.85
Dec., 06	2.03	1.90
Jan., 07	2.07	1.77
Feb., 07	2.84	1.97
Mar., 07	3.13	2.47

(VIII) Share Transfer System:

Shareholders /Investors' Grievance Committee also approves shares transfer and meets frequents intervals. The Company's Share Transfer Agent Ankit Consultancy Pvt. Ltd. process these transfers. Share transfers are registered and returned within a period of 15 days from the date of Receipt, if the documents are cleared in all respects. In case where share are transferred after sending notice to the transferors, in compliance of applicable provisions, the period of transfer is reckoned from the date of expiry of the notice.

(IX) Dematerialization:

Based on SEBI directives, Company's Shares are traded in electronic (demat) form. As on 31<sup>st</sup> March, 2007 the Company's 3574480 shares are held by share owners in dematerialized form comprising of NSDL & CDSL aggregating 54.54% of the Equity Share Capital.



Premium

**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

**(X) Distribution of Share holding as on 31<sup>st</sup> March, 2007**

Shareholding of Nominal Value of Rs	No. of Owners	% of Share holders	No. of Share	% to Total
Up to 1000	14076	88.65	1406142	21.46
1001-2000	528	03.33	105079	01.60
2001-3000	318	02.00	95036	01.45
3001-4000	200	01.26	79950	01.22
4001-5000	157	00.99	78425	01.20
5001-10000	304	01.91	237591	03.63
10001 & Above	244	01.86	4551477	69.44
	<b>15877</b>	<b>100.00</b>	<b>6553700</b>	<b>100.00</b>

**(XI) Categories of Shareholders as on 31<sup>st</sup> March, 2007 :**

Sr.	Category	No. of Shares Held	% of Shareholding
<b>A Promoters Holding</b>			
1)	Promoters		
	Indian Promoters	2954900	45.09
	Foreign Promoters	.....	.....
2)	Persons acting in Concert	.....	.....
	<b>SUB TOTAL</b>	<b>2954900</b>	<b>45.09</b>
<b>B. Non Promoters Holding</b>			
3)	Institutional Investors	.....	.....
a.	Mutual Funds & UTI	149200	2.28
b.	Banks, Financial Institutions, Companies (Central /State Govt./ Non-Govt. Institutions)	.....	.....
c.	FIIIs	.....	.....
	<b>SUB TOTAL</b>	<b>149200</b>	<b>2.28</b>
4)	Others		
a.	Private Corporate Bodies	99699	1.52
b.	Indian Public	2597263	39.63
c.	NRI/OCBs	752638	11.48
d.	Any Other	.....	.....
	<b>SUB TOTAL</b>	<b>3449600</b>	<b>52.63</b>
	<b>GRAND TOTAL</b>	<b>6553700</b>	<b>100.00</b>

**(XII) Address for Communication:**

Shareholders should address their correspondence to the Company's Share Transfer Agent Ankit Consultancy Pvt. Ltd., Alankar Point, Gita Bhawan, Chouraha, A.B. Road, Indore (M.P.) and may also contact at the Registered office of the Company.

**For & on Behalf of the Board**

Place : Indore  
Dated : 12<sup>th</sup> July, 2007

**S.K. BANDI  
CHAIRMAN**



## **PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

---

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

#### **INDUSTRY STRUCTURE**

Your Company at present looking to the good prospect in future is engage in investment in shares and trading of future and option. There is no operation except recovery of old dues.

#### **OPPORTUNITIES AND THREATS**

Todays India's focus is on Service Sector and overall growth of economy. Though initial forecast for the current year are to be good. The economy growth will decide prospects for the year.

#### **FINANCIAL PERFORMANCE v/s OPERATIONAL PERFORMANCE**

Over the last few years the company has incurred significant losses. The Company is implementing its business strategies to achieve its long-term objects.

Cutting cost on all fronts improving its efficiencies across its operations. This however, needs further improvement.

Redefining business is necessary for growth and remains profitable. PCMIL always tried to harness available opportunities.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The company has adequate internal control Systems which specifically focus towards:-

- Efficiency of operations
- Conservation of resources
- Accuracy and promptness of financial reporting
- Regular compliance with statutes and regulations

Your Company is working towards further strengthening of organization structure, authority levels, documented policy guideline/procedures and management review systems.

#### **DEVELOPMENT IN HUMAN RESOURCES**

The Company's all relations continue continued to be harmonious and cordial with focus on improving inter personnel relationship, team building, productivity, quality and safety. The focus is on providing and maintaining a high level of motivation, on leadership development and upgrading of human skills.

#### **CAUTIONARY STATEMENT**

Estimates and expectations stated in this Management Discussion and Analysis report may be "forward-looking statement" with in the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to your Company's operations include economic conditions, changes in Government regulations, tax laws, and other statutes and other incidental factors.



**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

---

**CERTIFICATE OF STATUTORY AUDITORS  
ON CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES**

**To  
The Board of Directors'  
Premium Capital Market and Investments Ltd.**

We have examined the compliance of conditions of Corporate Governance procedures as stipulated in Clause 49 of Listing Agreement entered into the Company with the Stock Exchange, for the financial year beginning 1<sup>st</sup> April 2006 and ending 31<sup>st</sup> March, 2007.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation there of, adopted by the Company for ensuring the compliance of the conditions of Governance .It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the company and furnished to us for review and the information and explanations given to us by the company. Based on such review, in our opinion, the Corporate Governance Report of the company, referred to above, reflects on a fair basis the status of compliance by the company with Clause 49 of the Listing Agreement of the Stock Exchange relating to Corporate Governance for the FY 2006-07 and that no investors grievances is pending for a period exceeding one month against the Company as per the records mentioned by the Share Department / Share Transfer Agent of the Company.

We further state that such compliance is neither an assurance or as to the future viability of the Company nor the efficiency or effectiveness with the management has conducted the affairs of the Company.

**FOR AIREN SALUJA & HABLANI,  
CHARTERED ACCOUNTANTS,**

**Place : Indore  
Date: 12<sup>th</sup> July, 2007**

**SANJAY KUMAR AIREN  
PARTNER**



Premium

**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

**AUDITORS REPORTS**

**The Share Holders,**

**M/S PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED, INDORE (M.P)**

Ladies & Gentleman,

- 1) We have Audited the attached Balance Sheet of **M/S PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED: INDORE** as at **31<sup>st</sup> March, 2007** and also the Profit & Loss Account and the cash flow statement for the year ended on that date annexed thereto. These Financial Statement are the responsibility of the Company's management. Our Responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform our audit to obtain reasonable assurance about whether the evidence supporting the amount and disclosures in financial statements are free from material misstatements. An audit includes, examining on the test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. We believed that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies Auditors Reports Order, 2003 issued by the Central Government, in terms of section 227(4) (a) of the Companies Act, 1956 we give in a statement on the matters specified in paragraph 4 & 5 of the said order to the extent applicable to the company.
- 4) Further to our comments in the annexure referred above, we report that :
  - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion proper books of accounts as required by the law, have been kept by the company so far as appears from our examination of the books.
  - c. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with books of accounts.
  - d. In our opinion the Balance Sheet and Profit & Loss Account dealt with by this report complies with Accounting Standards referred to, in sub-section (3C) of section 211 of the Companies Act, 1956.
  - e. On the basis of written representation received from the Directors as on 31.03.07 and taken on record by the Board of Directors, we report that none of the Directors of the company is disqualified from being appointed as Director in terms of the provisions of Section 274(1)(g) of the Companies Act, 1956 on the said date.
  - f. In our opinion and to the best of our information and according to the explanations given to us, the accounts subject to notes given there on, give the information's required by the Companies Act, 1956 in the manner so required and give a true and fair view :
    - (i) In the case of Balance Sheet, of the state of affairs of company as at 31<sup>st</sup> March, 2007 and
    - (ii) In the case of Profit and Loss Account, of the Loss of the company for the year ended on that date.
    - (iii) In so far it relates to the Cash flow Statement, of the cash flow of the Company for the year ended on that date.

**FOR AIREN SALUJA & HABLANI,  
CHARTERED ACCOUNTANTS,**

**Place : Indore  
Date: 12<sup>th</sup> July, 2007**

**SANJAY KUMAR AIREN  
PARTNER**



## **PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

### **ANNEXURE TO THE AUDITORS REPORT**

(As referred to in paragraph 3 of our report of even date )

- i. (a) The company has maintained proper record showing full particulars, including quantitative details and situations of its fixed assets.  
(b) As explained to us all assets have been physically verified by the management at reasonable intervals during the year, no material discrepancies have been noticed on such verification as compared to the books records.  
(c) No substantial part of fixed assets has been disposed –off by the company during this year hence there is no effect on going concern.
- ii. (a) The clause regarding finished goods and raw material is not applicable to the company being not a manufacturing or trading company .  
(b) The clause regarding physical verification of stocks is not applicable to the company being not a manufacturing or trading company.  
(c) The clause regarding material discrepancies in stock is not applicable to the company being not a manufacturing or trading company.
- iii. (a) The Company has not taken secured loans from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act. There is only one party from whom have taken and amount outstanding as on 31.03.2007 is of Rs. Nil. The maximum outstanding during the year was Rs. 2.43 Lacs.  
(b) The rate of interest and other terms and conditions of the loan taken by the company from the parties covered in the register maintained u/s 301 of the Companies Act, 1956 are not prima-facie prejudicial to the interest of the company.  
(c) The repayment of principle amount and interest is generally regular.  
(d) The Company has given amount of Rs. 0.66 Lacs to Directors and their relatives concerns. There are total four parties and amount outstanding as on 31<sup>st</sup> March 2007 is Rs. 61.92 Lacs. The Maximum outstanding during the year was of Rs. 67.07 Lacs. The terms and conditions and rate of interest of such loans has not been stipulated, hence we are unable to comment upon above transactions.
- iv. According to the information's and explanations given to us, there are, in our opinion, adequate internal control procedure commensurate with size of company and nature of its business for the purchase of inventories, fixed assets and for the sale of goods/services. As observed by us, there is no Continuing failure to correct major weakness in the internal control.
- v. (a) As informed and explained to us, contracts or arrangements that need to be entered into a register in pursuance of section 301 of the Companies Act, have been entered.  
(b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of such contracts or or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. As informed and explained to us, the company has not taken any deposit covered u/s - 58-A of the Companies Act, 1956.
- vii. As informed and explained to us the Company has an internal audit system commensurate with its size and nature of business.
- viii. As informed and Explained to us, the Central Government has not prescribed maintenance of cost records u/s 209 (i) of the Companies Act, 1956.
- ix. (a) According to information and as per explanation given to us there is no undisputed amount outstanding as on 31.3.07 in respect of income-tax, sales tax, excise duty, customs duty, Provident Fund ,ESIC ,Investor Education and Protection Fund, Sales Tax, Service Tax, Cess and any other



Premium

**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

statutory dues which were due for more than six months from the date they become payable.

- b) As informed and explained to us, there is no disputed amount in respect of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty, Service Tax or Cess.
- x. The Accumulated losses of the company are not less than fifty percent of the net worth of the company. In this financial year the company has incurred cash losses of Rs. 1909248/- but in the immediate preceding financial year the company has not incurred cash losses.
- xi. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, Banks or debentures holders.
- xii. As informed and explained to us the Company has not granted loans and advances on the basis of securities by way of pledge of shares, debentures and other similar securities during the year under audit.
- xiii. As informed and explained to us the Provision of any Special Statute applicable to chit fund nidhi, mutual benefit/ society are not applicable to company.
- xiv. As informed and explained to us the Company has maintained proper records of transactions and contracts in respect of trading in shares, debentures and other securities and that timely entries have been made therein. All shares / debentures and other securities have been held by the company in its own name and / or pending for transfer as they are market deliveries except to the extent of exemption if any, granted under Section 49 of the Companies Act, 1956. There are some shares which could not be transferred in the name of the company due to some reasons beyond the control of the company and as informed to us the company is in the process of getting it transferred from the respective persons.
- xv. As informed and explained to us the company has not given any type of guarantee for loans taken by others from Bank or any financial institution.
- xvi. The company has not taken any term loan during year.
- xvii. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that, no funds raised for short term basis have been utilized for Long Term Investments.
- xviii. The Company has not made any preferential allotment of shares during the year.
- xix. No debenture have been issued by the company during this year.
- xx. The Company has not raised any money by way of Public Issue during the year.
- xxi. As informed and explained to us no frauds on or by company has been noticed or reported during the year.

**FOR AIREN SALUJA & HABLANI,  
CHARTERED ACCOUNTANTS,**

Place: Indore  
Date: 12<sup>th</sup> July 2007

**SANJAY KUMAR AIREN  
PARTNER**



Premium

**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

**BALANCE SHEET AS AT 31st MARCH 2007**

	SCHEDULE	AS AT 31-Mar-07 AMT. (RS.)	AS AT 31-Mar-06 AMT. (RS.)
<b>I. SOURCES OF FUND</b>			
<b>Shareholders Funds:</b>			
Share Capital	A	65537000	65537000
Reserve & Surplus	B	241534	241534
		<u>65778534</u>	<u>65778534</u>
<b>Loan Funds:</b>			
Secured Loans	C	0	242551
Unsecured Loans		0	0
		<u>0</u>	<u>242551</u>
	<b>TOTAL</b>	<u>65778534</u>	<u>66021085</u>
<b>II. APPLICATION OF FUNDS:</b>			
<b>Fixed Assets:</b>			
Gross Block	D	4335326	4341426
Less: Depreciation		3567686	3399119
<b>Net Block</b>		<u>767640</u>	<u>942307</u>
<b>Investments</b>	E	5399055	4342240
<b>Current Assets, Loans &amp; Advances</b>			
Sundry Debtors	F	10187999	10223095
Cash & Bank Balances	G	646160	1187684
Other Current Assets	H	2312047	2312047
Loans & Advances	I	15005110	15773861
		<u>28151316</u>	<u>29496687</u>
Less: Current Liabilities & Provisions	J	6864024	5001274
<b>Net Current Assets</b>		<u>21287292</u>	<u>24495413</u>
Profit & Loss A/c (Dr. Balance)		38324547	36241125
Miscellaneous Expenditure	K	0	0
(To the extent not written off or adjusted)			
	<b>TOTAL</b>	<u>65778534</u>	<u>66021085</u>
Significant Accounting Policies and Notes on Account Forming Integral Part of Balance Sheet	M		

As Per Our Report even Date Annexed

For and Behalf of the Board

For **Airen Saluja & Hablani**  
Chartered Accountants,

**S.K. Bandi**  
(Chairman)

**Puneet Kumar Khale**  
(Whole-Time-Director)

**Sanjay Kumar Airen**  
(Partner)

**Raj Kumar Bhawsar**  
(Company Secretary)

Place : Indore

Date : 12th July, 2007



Premium

**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

**PROFIT & LOSS A/C FOR THE YEAR ENDED 31-03-2007**

SCHEDULE	Period Ended 31-Mar-07 (Rs.)	Year Ended 31-Mar-06 (Rs.)
<b>INCOME:</b>		
Income from Operations	-	986840
Dividend (Gross)	13451	9881
Brokerage & Incentive	-	-
Interest	-	8947
Sundry A/c Written Off	-	23152
Profit on Sale of Shares	232509	16146
Profit on Speculation Business (Shares)	40337	10717
Future & Option Trading Profit / (Loss)	(1623550)	(98129)
	<u>(1337253)</u>	<u>957554</u>
<b>EXPENDITURE :</b>		
Administrative Expenses L	544890	712797
Financial Charges	12105	1754
Depreciation	171717	172007
Misc. Exp. Written Off	-	-
Loss on Sale of Fixed Assets	2450	7650
Bad Debts Written Off	-	-
SEBI Turnover Fees	-	-
	<u>731162</u>	<u>894208</u>
<b>Net Profit / (Loss) Before Tax</b>	<b>(2068415)</b>	<b>63346</b>
Provision for Tax	0	0
Prior Year Expenses	15000	0
<b>Net Profit / (Loss) After Tax</b>	<b>(2083415)</b>	<b>63346</b>
Balance B/F from Previous Year	(36241132)	(36304471)
Amount Available for Appropriation	(38324547)	(36241125)
<b>APPROPRIATION</b>		
Transferred to Reserve u/s 45IC of RBI Act	0	0
Balance Carried to Balance Sheet	<u>(38324547)</u>	<u>(36241125)</u>
Earning Per Share (Note No. 16) (Face Value of Rs. 10/- per Share) Rupees Basic and Diluted Earning Per Share	(0.32)	0.01
Significant Accounting Policies and Notes on Account Forming Integral Part of Balance Sheet M		

As Per Our Report even Date Annexed

For and Behalf of the Board

For Airen Saluja & Hablani  
Chartered Accountants,

S.K. Bandi  
(Chairman)

Puneet Kumar Khale  
(Whole-Time-Director)

Sanjay Kumar Airen  
(Partner)

Raj Kumar Bhawsar  
(Company Secretary)

Place : Indore

Date : 12th July, 2007



Premium

**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

**SCHEDULE A TO M FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT**

**SCHEDULE : A** **AS AT** **AS AT**  
**SHARE CAPITAL** **31-3-2007** **31-3-2006**

**AUTHORISED CAPITAL**

1,00,00,000 (1,00,00,000) EQUITY **100000000** **100000000**  
SHARES OF RS. 10/- EACH

**ISSUED, SUBSCRIBED & PAID UP CAPITAL**

65,53,800 (65,53,800) EQUITY **65538000** **65538000**  
SHARES OF RS. 10/- EACH  
LESS: CALLS IN AREEAR **1000** **1000**  
**65537000** **65537000**

**SCHEDULE : B**

**RESERVE & SURPLUS**  
Reserve U/s 45IC of RBI Act **241534** **241534**  
**241534** **241534**

**SCHEDULE : C**

**SECURED LOANS**

From Directors & Shareholders **0** **242551**  
(Against shares)  
**Total** **0** **242551**

**SCHEDULE : F**

**SUNDRY DEBTORS**

Sundry Debtors (Unsecured & Considered good)  
Exceeding Six Months **11150427** **11150423**  
Others **-** **-**  
**11150427** **11150423**  
Less : Provision for N.P.A. **927328** **927328**  
**10187999** **10223095**

**SCHEDULE 'D'**

**FIXED ASSETS**

PARTICULARS	RATE OF DEP. %	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		AS ON 01.04.06	ADDITION DURING THE YEAR	SALE/TR. DURING THE YEAR	TOTAL ASON 31.03.07	AS ON 01.4.06	FOR THE YEAR	DEP. ON SALE OF ASSETS	UPTO 31.3.07	AS ON 31.3.07	AS ON 31.03.06
Computers	16.21	1861799	0	0	1861799	1746356	26179	0	1772535	89264	115443
Computer Software	4.75	139100	0	0	139100	64833	6607	0	71441	67660	74267
Furniture & Fixtures	6.33	1687532	0	0	1687532	1256588	106821	0	1363409	324123	430944
Vehicles	9.50	29100	0	0	29100	24652	2765	0	27416	1684	4449
Misc. Fixed Assets	4.75	623895	0	6100	617795	306690	29345	3150	332885	284910	317205
		<b>4341426</b>	<b>0</b>	<b>6100</b>	<b>4335326</b>	<b>3399119</b>	<b>171717</b>	<b>3150</b>	<b>3567686</b>	<b>767640</b>	<b>942307</b>
<b>Total Previous Year</b>		<b>4859526</b>	<b>5000</b>	<b>523100</b>	<b>4341426</b>	<b>3482562</b>	<b>172007</b>	<b>255450</b>	<b>3399119</b>	<b>942307</b>	<b>1376964</b>



Premium

**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

**SCHEDULE - 'E'  
INVESTMENTS**

(1) LONG TERM INVESTMENTS	AS AT 31-03-07		AS AT 31-03-06	
	NO. OF SHARES	AMOUNT Rs.	NO. OF SHARES	AMOUNT Rs.
<b>(A) QUOTED SHARES (Fully Paid Up)</b>				
Ambuja Agro Industries	1000	19180	1000	19180
ANJ Solvent (Ind) Ltd.	43110	431100	43110	431100
ATV Project Ltd.	500	14950	500	14950
A.P. Power Tools Ltd.	97800	978000	97800	978000
Chambal Fertilizers	700	15966	700	15966
Cochin Minerals	2000	39143	2000	39143
DCL Polysters	200	4710	200	4710
Decan Hospital	400	4000	400	4000
D.S. Sancheti	1500	19885	1500	19885
EBRS Pharmeceuticals Ltd.	200	10250	200	10250
G.R. Magnets	900	12530	900	12530
Harshwardhan Chemicals	300	3900	300	3900
IFCI Ltd.	0	0	1400	26997
Ispat Profile	807	17210	807	17210
I.G. Petro	3800	391753	3800	391753
Jindal Vijay Nagar	1500	19662	1500	19662
Keynote Corp. Ser. Ltd.	2500	300000	2500	300000
Mahendra Cement Ltd.	1500	12750	1500	12750
Manglore Ref. Petro Ltd.	200	9750	200	9750
Maya Spinners Ltd.	200	2120	200	2120
Nirlon Ltd.	500	4000	500	4000
Olympia Capital	4000	50205	4000	50205
Olympia Industries	500	6650	500	6650
Olympia Management	1000	12250	1000	12250
PF Mix International	1000	17425	1000	17425
Pitty Cement Ltd.	300	4199	300	4199
Radhe Developers	100	5000	100	5000
Sanghi Polysters Ltd.	10000	262446	10000	262446
Satkar Electronics	2500	31963	2500	31963
Sunflag Iron & Steel	135	4050	135	4050
Sup. Oriented Film Ltd.	1000	42782	1000	42782
Tirupati Starch	500	7625	500	7625
Vasta Corporation	500	10525	500	10525
Videocon Appliance	25	5125	25	5125
Vidula Chemicals	200	6000	200	6000
<b>SUB TOTAL (A)</b>		<b>2777104</b>		<b>2804101</b>



Premium

**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

**(B) UNQUOTED SHARES (Fully Paid Up)**

Premium Global Securities Pvt. Ltd.	1200000	1200000
Premium Global Comm. & Der. Pvt.Ltd	600000	600000
Sudarshan H & R Cent. Ltd.	-	-
Girnar H & D Pvt. Ltd.	10000	10000
Alaska Capital Market Pvt. Ltd.	5000	5000
<b>SUB TOTAL (B)</b>	<b>1815000</b>	<b>1815000</b>
<b>TOTAL (A+B)</b>	<b>4592104</b>	<b>4619101</b>
Less : Provision for Diminution in Market Value	577804	577804
<b>TOTAL</b>	<b>4014300</b>	<b>4041297</b>

**CURRENT INVESTMENTS**

**QUOTED SHARES (Fully Paid Up)**

	AS AT 31-03-07		AS AT 31-03-06	
	NO. OF SHARES	AMOUNT Rs.	NO. OF SHARES	AMOUNT Rs.
3I Infotech Ltd.	300	87474	100	17861
Apollo Tyre	100	7800	100	7800
ATV Project	50	108	50	108
Autorider Finance	50	90	50	90
Bihar Alloys	200	400	200	400
Birla Century	100	800	100	800
Can Bonus	200	2100	200	2100
Central India Polyster	0	0	2000	23469
Century Textiles	200	122762	0	0
Chokhani International	100	525	100	525
DCL Polyster Ltd.	100	300	100	300
Deepak Fertilizer	100	1400	100	1400
Galant Metal Ltd.	1500	25728	0	0
Gateway Distritarks Ltd.	200	33693	0	0
GTL Ltd.	500	80806	0	0
G.G. Automotive	100	600	100	600
G.R. Magnets	50	170	50	170
Gujarat Siddhi Cement	800	14010	1000	18953
HDFC Bank	300	16385	300	16385
Himachal Futuristics	200	5758	0	0
Hindalco Industries	150	32326	0	0
Hindustan Lever Ltd.	600	149929	0	0
HOPFL	100	44373	0	0
India Cement Ltd.	700	157320	0	0
Indusind Bank Ltd.	1700	100108	0	0
ICICI	50	2360	50	2360
IFCI Ltd.	3600	112014	0	0
International Comptech	200	800	200	800
ION Exchange	250	12946	250	12946
Jai Balaji Sponge Ltd.	0	0	1000	55079
Jaiprakash Associates	300	221717	300	143890
J.K. Udaipur Udyog	100	700	100	700
JBF Industries	1400	136502	400	28651
J.P. Industries Ltd.	100	4188	100	4188



Premium

**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

KJMC Financial Services	500	9752	500	9752
Llyod Steel Industries	5000	52604	0	0
Manglam Cement Ltd.	0	0	1000	139293
MID Industries	600	800	600	800
Motoral (I) Ltd.	2000	9288	2000	9288
M.P. Glychem	1000	4966	1000	4966
Mukati Transformers	400	1180	400	1180
Nav Bharat Ent.	1300	7301	1300	7301
Octogon Industries Ltd.	100	200	100	200
Panchmahal Cement	500	250	500	250
Reliance Industries	4	5082	0	0
Reliance Natural	2000	58068	1000	30714
Shree Precoated Cement	10	160	10	160
Surya Agro Oil Ltd.	1000	2000	1000	2000
Tata Consultancy Services	50	45589	10	16881
Tauras Star	600	2761	600	2761
TISCO	50	9076	50	9076
Toor Spinners	25000	62506	25000	62506
Vasta Industries	200	700	200	700
Yes Bank Ltd.	500	72738	0	0
		<u>1721214</u>		<u>637403</u>
LESS : Provision for Diminution in Market Value		<u>336459</u>		<u>336459</u>
		<u>1384755</u>		<u>300944</u>
Long Term Investments		<u>4592104</u>		<u>4619101</u>
Current Investment		<u>1721214</u>		<u>637403</u>
		<u>6313318</u>		<u>5256504</u>
<b>TOTAL INVESTMENTS</b>				
LESS : Provision for Diminution in Market Value		<u>914263</u>		<u>914263</u>
	<b>TOTAL</b>	<u>5399055</u>	<b>TOTAL</b>	<u>4342240</u>

**SCHEDULE - G**

**CASH & BANK BALANCES**

(Cash Balance taken and certified by Management)

Cash in Hand, Indore		<u>556207</u>	<u>96512</u>
		<u>556207</u>	<u>96512</u>
Balance with Scheduled Banks :			
In Current Account		89954	1091172
In Deposit Account		-	-
		<u>646160</u>	<u>1187684</u>

**SCHEDULE - H**

**OTHER CURRENT ASSETS**

Receivable against Capital Goods		2312047	2312047
Lease Rent Receivable		4210600	4210600
Interest Receivable		5332765	5332765
		<u>11855412</u>	<u>11855412</u>
Less :			
Provision for Unrealized Lease Rent		4210600	4210600
Provision for Interest Receivable		5332765	5332765
		<u>2312047</u>	<u>2312047</u>



Premium

**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

**SCHEDULE - I  
LOANS & ADVANCES (Given)**

Secured Loans	3427556	3727556
Less : Provision for N.P.A.	1031561	1031561
	<u>2395995</u>	<u>2695995</u>
Unsecured Loans (Considered Goods)	0	0
	<u>0</u>	<u>0</u>
Advance (Recoverable in Cash or kind or for value to be received)	11571033	12039784
	<u>11571033</u>	<u>12039784</u>
Sundry Deposits	1038082	1038082
	<u>1038082</u>	<u>1038082</u>
(a+b+c+d)	<u>15005110</u>	<u>15773861</u>

**SCHEDULE - J  
CURRENT LIABILITIES & PROVISIONS**

Sundry Creditors (Other Than SSI)	5682182	3819432
Interest Suspense A/c	1181842	1181842
	<u>6864024</u>	<u>5001274</u>

**SCHEDULE - K  
MISCELLANEOUS EXPENDITURE**

(To the extent not written off)		
Public Issue, Preliminary & Pre-Operative Expenses		
Opening Balance	-	-
Less : W/off During the Year	-	-
	<u>-</u>	<u>-</u>

**SCHEDULE - L  
ADMINISTRATIVE & GENERAL EXPENSES:**

Account Opening Charges	100	0
Printing & Stationery	30786	56385
Salary & Allowances	111825	24915
Share Transfer Fees	65171	62631
Office & General Expenses	0	3075
Postage & Courier	70178	67860
Computer Stationery & Maintenance	0	1500
Legal & Professional Charges	66256	342451
Professional Tax	2500	2500
Investment Written Off	0	50000
Office Rent	24000	24000
STT (Delivery)	20335	8659
STT (Square Up)	59038	4321
Director Remuneration & Allowance	64200	36000
Audit Fees	8100	8100
Tax Audit Fees	2400	0
Internet Expenses	0	1200
D-Mat Charges	552	0
Listing Fees	15000	15000
Bank Charges	4449	4200
	<u>544890</u>	<u>712797</u>



## PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED

### SCHEDULE -M

#### NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES

##### A. INCOME RECOGNITION:

1. Dividend Income accounted for on receipt basis.
2. Interest and other income are account for on accrual basis expect for not performing assets.

##### B. EXPENSES:

It is the policy of the company to provide all the known expenses on accrual basis expect as state elsewhere in the notes to the accounts.

##### C. FIXED ASSETS:

Fixed Assets are stated at Historical cost less depreciation.

##### D. DEPRECIATION:

Depreciation on Fixed assets has been provided on straight-line method on Pro-rata basis as per the rates prescribed in schedule XIV of the Companies Act, 1956.

##### E. VALUATION OF INVESTMENTS:

- (a) Long term Investments are value at cost. However the management is of the view that the shortfall of Rs. 21.03 Lacs between the aggregate book value of Long Term Investments in quoted share and aggregate market value as at 31st March 2007 is temporary & in view of management provision of Rs. 5.77 Lacs is sufficient.

Current investments are valued at cost and no further provision was necessary to be made for diminution in the market value as at end of year.

##### F. AMORTISATION POLICY:

Public Issue Expenses Preliminary & pre-operative expenses are amortise over a Period of 10 years on pro-rata Basis.

##### G. BORROWING COSTS:

Borrowing cost that are directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred. No. borrowing costs were eligible for capitalization during the financial year.

##### H. RETIREMENT BENEFITS:

The company has not provided for Retirement benefits as in the opinion of management provision of provident fund, Gratuity, Leave encashment are not applicable to the company.

#### I. NOTES TO THE ACCOUNTS & ADDITIONAL INFORMATION PURSUANT TO PART 2<sup>ND</sup> & 3<sup>RD</sup> OF SCHEDULE SIXTH OF THE COMPANIES ACT, 1956.

##### 1. Information Relating to Directors' Remuneration:

	2006-07	2005-06
	(Rs.)	(Rs.)
a. Remuneration	64200	36000
b. Allowances	—	—
Total	<u>64200</u>	<u>36000</u>

c. As no commission is payable to directors, the computation of net profit as per section 349 of the Company Act, 1956 is not furnished.

##### 2. Auditors Remuneration:

	2006-07	2005-06
	(Rs.)	(Rs.)
Statutory Audit Fees	8100	8100
Tax Audit Fees	2400	—
	<u>10500</u>	<u>8100</u>



Premium

**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

3. The Company has not made provision for Income tax for this year due to losses (Provision Year Rs. NIL) under the income Tax Act, 1961, as per expert advice taken in this respect.

4. Expenditure in foreign currency:

	2006-07 (Rs.)	2005-06 (Rs.)
Traveling Expenditure	NIL	NIL

5. Earning in foreign Currency: NIL

6. Unreconciled Inter Branch reconciliation Account Rs. 38,083 (Dr.) NSE Account Rs. 36,082 (Dr.) for earlier years grouped under the head of account Advances

7. In the opinion of Board of Directors, the Current Assets i.e. Sundry Debtors Loans and Advances and Other Current Assets as at the end of year 31.03.2007 have a value on realisation in the ordinary course of the business at least equal to the amount at which these are stated.

8. Contingent Liabilities not provided for: NIL (NIL)

9. Related Party Disclosure:

Sr. No.	NAME OF THE RELATED PARTY	RELATION	NATURE OF TRANSACTION	TRANSACTION AMOUNT (Rs.)
i.	S.K. BANDI	DIRECTOR	OFFICE RENT PAID CONSULTANCY FEES ON A/C PAYMENTS ON A/C RECEIPTS	24000 -- 66000 200000 2438998
ii.	SUSHMA BANDI	RELATIVE OF DIRECTOR	ON A/C PAYMENTS ON A/C RECEIPTS CLOSING BALANCE	-- 242551 1927449
iii.	DIRECTORS'	DIRECTOR	REMUNERATION	64200
iv.	GAURAV BANDI	RELATIVE OF DIRECTOR	ON A/C PAYMENT ON A/C RECEIPTS CLOSING BALANCE	-- 68200 568929
v.	PREMIUM GLOBAL SECURITIES PVT. LTD.	ASSOCIATE COMPANY	ON A/C PAYMENTS ON A/C RECEIPTS BROKERAGE ON NSE TRANSACTION CLOSING BALANCE	1240500 490500 86486 --
vi.	PREMIUM OUTSOURCING	DIRECTORS' RELATIVE CONCERN	ON A/C PAYMENTS ON A/C RECEIPTS CLOSING BALANCE	-- -- 1257000
vii.	PREMIUM GLOBAL COMM. & DERIVATIVES PVT. LTD.	ASSOCIATE COMPANY	INTEREST PAID ON A/C PAYMENT ON A/C RECEIPT CLOSING BALANCE	11150 157500 1040000 1311263

10. Previous year figures are regrouped /rearrange wherever necessary to confirm with current year classification. Amount rounded off to nearest of Rupee.



Premium

**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

11. Debit and Credit Balance of Parties are subject to conformation from concerned parties.
12. Provision for Deferred Tax Assets not made as company is running in Losses and there is no virtual certainty that in near future sufficient taxable income will be available.
13. Earning Per Share:  
(Figures in Bracket show Loss)

YEAR	2006-07	2005-06
Net Profit (Loss) After Tax for the year Used as the Numerator	(2083415)	63346
Weighted average number of Equity Shares used as Denominator	6553800	6553800
Basic Diluted Earning Per Share (Rupee)	(0.32)	0.01

14. Additional information pursuant to Part IV of Schedule VI of The Companies Act, 1956 are as per annexure.

As per our audit report of even date annexed.

**For Airen Saluja & Hablani**  
Chartered Accountants,

**S.K. Bandi**  
(Chairman)

**Puneet Kumar Khale**  
(Whole-Time-Director)

**Sanjay Kumar Airen**  
(Partner)

**Raj Kumar Bhawsar**  
(Company Secretary)

Place : Indore  
Date : 12th July, 2007



Premium

**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDING ON 31ST MARCH 2007**

	2006-07	2005-06
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit Before Interest, Tax and Extra-Ordinary Items	-2071310	65100
<b>ADJUSTMENTS FOR :-</b>		
Depreciation	171717	172007
Misc. Expenses amortised	0	0
Bad Debts Written Off	0	0
Interest Income	0	-8947
Dividend	-13451	-9881
Loss / (Profit) on Sale of Investments	-232509	-26863
Future & Option Trading Loss / (Profit)	1623550	98129
Provision for Dim in Current Investments	0	0
Loss on Sale of Fixed Assets	2450	7650
Operating Profit Before Working Capital Changes	-519553	297195
<b>ADJUSTMENTS FOR :-</b>		
Decrease in Trade and Other Receivable	803847	2731400
Increase /(Decrease) in Trade Payables and Other Liabilities	1862750	-1527524
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>2147044</b>	<b>1501071</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	0	-5000
Sale of Fixed Assets	500	260000
Net Decrease / (Increase) in Investments	-1056815	-588795
Interest Income	0	8947
Dividend Received	13451	9881
Profit (Loss) from Trading in Share	232509	26863
Future & Option Trading Loss / (Profit)	-1623550	-98139
<b>NET CASH USED IN INVESTING ACTIVITY (B)</b>	<b>-2433905</b>	<b>-386243</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance Charged Paid	-12105	-1754
Secured Loans Increase (Decrease)	-242551	-331728
Proceeds from Bank Borrowings	0	0
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>-254656</b>	<b>-333482</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)</b>	<b>-541517</b>	<b>781355</b>
Cash and Cash Equivalents as at the commencement of the Year	1187684	406329
Cash and Cash Equivalents as at the end of the Year	646160	1187684
Net Increase as Disclosed Above	-541517	781355

Note : All Figures in Brackets are outflows

As Per Our Report even Date Annexed

For Airen Saluja & Hablani  
Chartered Accountants,

S.K. Bandi  
(Chairman)

Puneet Kumar Khale  
(Whole-Time-Director)

Sanjay Kumar Airen  
(Partner)

Raj Kumar Bhawsar  
(Company Secretary)

Place : Indore

Date : 12th July, 2007



Premium

**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

To

The Board of Directors  
Premium Capital Market and Investments Ltd.  
INDORE

We have verified the attached Cash Flow Statement of PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED complied from the audit annual financial statement for the year ended on 31st March, 2007 and found the same to be drawn in accordance therewith and also with the requirements of Clause 32 of the agreement with stock exchanges.

For, AIREN SALUJA & HABLANI,  
Chartered Accountants

Place : Indore  
Date : 12th July 2007

SANJAY KUMAR AIREN  
PARTNER

**INFORMATION STATEMENT PURSUANT TO PART IV OF  
SCHEDULE VI OF THE COMPANIED ACT, 1956  
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

I. Registration details :-

Registration No. 10-07178 State Code 10  
Balance sheet Date 31032007

II. Capital raised during the year  
(Amount is Rs. 000)

Public Issue NIL Right Issue NIL  
Bonus Issue NIL Private Placement NIL

III. Position of Mobilisation and deployment of funds :-

(amount in Rs. 000)  
Total Laibilities 67779 Total Assets 67779

Paid-up capital 65537  
Secured Loan - - -  
SOURCE OF FUNDS  
Reserve & Surplus 241  
Unsecured Loan - - -

APPLICATION OF FUNDS  
Net Fixed Assets 768  
Net Current Assets 21287  
Accumulated Losses 38325  
Investments 5399  
Misc. Expenditure - - -

IV. Performance of Company  
(Amount in Rs. 000)

Total Income (1337) Total Expenditure 746  
Loss before Tax (2083) Loss after tax (2083)  
Earing per share (Rs.) Dividend rate (%) NIL

V. Generic Names of three Principal:- N.A.  
Service of the Company  
(as per monetary terms)

Note : The amounts in the Balance-sheet, Profit & loss Account and Cash Flow Statement are rounded off to the nearest of rupee.



Premium

**PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED**

**PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

**401, STARLIT TOWER, 29, Y. N. ROAD, INDORE 452 003**

**PROXY FORM**

I/We ..... of ..... In the district of ..... being a member/members of the above named company, here by appoint ..... of ..... in the district of ..... or failing him/her ..... of ..... in the district of .....

as my/our proxy to attend and vote for me/us on my/our behalf at the 15th ANNUAL GENERAL MEETING of the Company to be held on 6th September, 2007 and at any adjournment there of.

Signed this \_\_\_\_\_ Day of \_\_\_\_\_ 2007  
Signature \_\_\_\_\_

(Affix  
Rupee1  
Revenue  
Stamp)

Reference Folio No.

No. of Shares

Note : -

- (a) The form should be signed accrossed the stamp as per specimen signature registered with the comany.
- (d) This Form duly completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the aforsaid meeting.

(Tear Here)

**PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

**401, STARLIT TOWER, 29, Y. N. ROAD, INDORE 452 003**

**ATTENDANCE SLIP**

(To be handed over the entrance of the meeting hall)

I/We hereby record my/ presence at the 15th ANNUAL GENERAL MEETING held at 401, STARLIT TOWER, 29, Y. N. ROAD, INDORE 452 003 on 6th September, 2007.

Full name of Member (in block letters) .....

Reg. Folio No. .... No. of Shares held .....

Full name of Proxy (in block letters) .....

Signature of the Member's / Proxy's/Proxies, Present .....

Please complete and sign. this attendance slip and handed over at the entrance of the meeting hall, only Member (s) or their proxies with this attendance slip will be allowed entry to the meeting.

**BOOK POST  
PRINTED MATTER**

To, \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**If Undelivered please return to :  
PREMIUM CAPITAL MARKET AND INVESTMENTS LIMITED  
Registered Office : 401, STARLIT TOWER, 29, Y. N. ROAD, INDORE 452 003**