

16<sup>th</sup> **ANNUAL REPORT 2007-2008**



**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, 4th Floor,  
29, Y. N. Road,  
INDORE (M.P) 452 003  
Tel.: 2536127, 2433348  
Fax : (0731) 4066309



## **PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

### **NOTICE**

NOTICE is hereby given that 16<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 Saturday, the 13<sup>th</sup> Day of September, 2008 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, 2008 and report of the Directors and Auditors thereon.
2. To appoint a director in place of Shri Vinay F. Kothari, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri Sumer Chand Jain, who retires by rotation and being eligible offers himself for re- appointment.
4. To appoint the auditors and to fix their remuneration.

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

**Place : Indore**

**Date : 1<sup>st</sup> August, 2008**

#### **NOTES :**

1. A MEMBER ENTITLED AND ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. 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 08-09-08 to 13-09-08 (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 Agents 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, expect Saturday between 11.00A.M.to 1.00P.M.
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



Premium

**PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

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, Alankar Chamber, 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 DIRECTORSHIPS HELD
Shri Vinay F Kothari	61	B. Com., FCA	Finance Consultant & Corporate Law	26-09-03	Nil
Shri Sumer Chand Jain Director	60	Graduate		27-03-04	NIL

**By Orders of the Board  
For Premium Capital Market & Investments Ltd.**

**Place : Indore  
Date 1st August, 2008**

**Raj Kumar Bhawsar  
Company Secretary**



## **PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

### **DIRECTORS' REPORT**

To,  
The Members,  
Premium Capital Market and Investments Limited

The Directors present their 16th Annual report on the business and operations of the Company along with the Audited Balance Sheet and Profit & Loss Accounts for the year ended 31st March, 2008.

#### **FINANCIAL RESULTS :**

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

	(Rs in Lakhs)	
	2007-08	2006-07
Total Income from operations	(-) 62.29	(-) 14.17
Profit (Loss) before tax and depreciation	(-) 70.75	(-) 18.97
Less: Depreciation	<u>1.71</u>	<u>1.72</u>
Profit (Loss) before Tax	(-) 72.46	(-) 20.68
Previous year's adjustment	00.00	0.15
Provision for Tax	<u>-</u>	<u>-</u>
	(-) 72.46	(-) 20.83
Add: Balance brought forward from previous year	<u>(-) 383.25</u>	<u>(-) 362.41</u>
Losses carried to Balance Share	<u>455.70</u>	<u>(-) 383.25</u>
Earning Per Share	<u>(1.11)</u>	<u>(0.32)</u>

#### **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 2007-08, the Company has incurred loss of Rs. 72.46 Lacs in comparison to last year of Rs. 20.83. The performance of the Company was offbeat as compared to last year with regard to the revenue.

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 reviews 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 CAPITAL MARKET & INVESTMENTS LIMITED**

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### **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 Bombay Stock Exchange Ltd., 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 Vinay F. Kothari, Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

Shri Sumer Chand Jain, 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 31,2008 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 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.



## **PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

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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) Rule, 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 : 1<sup>st</sup> August, 2008**

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



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## PREMIUM CAPITAL MARKET & 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 factes of its operations and in all its interactions with its stakeholders, employers, the government & lenders.

#### 2. BOARD OF DIRECTORS :

##### (i) Details of Directors :

The Company is having Five directors in the Board and having optimum composition of the 3 independent director in the Board of Directors of the Company .Details of the Directors of the Company as at 31st March, 2008 are as Under :

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

##### (ii) Details of Board Meetings held during the year :

During the financial year 2007-08 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 Meetings	Name of Directors Present at Meeting	Total Strength of the Board	No of Directors Present
28 <sup>th</sup> April 2007	SKB,SB,VFK,PKK,SCJ,BJ	6	6
06 <sup>th</sup> June 2007	SKB,SB,VFK,SCJ,PKK	6	5
16 <sup>th</sup> June 2007	SKB,SB,VFK,,PKK	6	4
12 <sup>th</sup> July 2007	SKB,SB,VFK,SCJ,PKK,BJ	6	6
21 <sup>st</sup> July 2007	SKB,SB,VFK,PKK	5	4
23 <sup>rd</sup> July 2007	SKB,SB,VFK,,PKK	5	4
30 <sup>th</sup> July 2007	SKB,SB,VFK,PKK,SCJ	5	5
31 <sup>st</sup> Oct 2007	SKB,SB,VFK,SCJ,PKK	5	5
30 <sup>th</sup> Jan 2008	SKB,SB,VFK,PKK	5	4

#### 3. AUDIT COMMITTEE:

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

- Oversight of the Company's financial reporting and the discloser 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



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## PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED

Board, focusing primarily on :

- (i) any changes in accounting policies and practices;
  - (ii) major accounting entries based on exercise of judgement by management;
  - (iii) qualification in draft audit report;
  - (iv) significant adjustments arising out of audit;
  - (v) the going concern assumption;
  - (vi) compliance with Accounting Standards, Stock Exchange and legal requirements concerning financial statement; and
  - (vii) any related party transactions.
- (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 Meetings 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

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, 2007, 12<sup>th</sup> July, 2007, 30<sup>th</sup> July, 2007, 31<sup>st</sup> October, 2007, and 30<sup>th</sup> January, 2008 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 redressing of Shareholders & investors complaints like :

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

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

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

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



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## **PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

During the year under review, the Shareholders Grievance & Transfer Committee of the Board met five times viz. 28<sup>th</sup> April 2007, 28<sup>th</sup> June 2007, 31<sup>st</sup> October 2007, 30<sup>th</sup> January 2008 & 29<sup>th</sup> March 2008.

- (i) Name & Designation of Compliance Officer : Shri Raj Kumar Bhawsar  
(ii) No. of Shareholders complaints received : 5  
(iii) No. of complaints solved during the year : 5  
(iv) No. of complaints pending at the end of the year : Nil

The Company has given powers to implement transfer, transmission & D-mat of shares to the Share Transfer Agents and to resolve the relating problems as professional agency. The Committee meets only on specific nature of complaints not resolved within a period of 15 days from the date of its receipts.

### **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 the policy of the Company provides for performance oriented incentives to managements. Composition of Committee and number of meetings 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, no meeting of the Remuneration Committee was held.

### **6. GENERAL MEETING :**

**Location and time, where last three AGMs held :**

Financial Year	2004-2005	2005-2006	2006-2007
Date	22 <sup>nd</sup> Sep., 2005	28 <sup>th</sup> Sept., 2006	6 <sup>th</sup> Sept., 2007
Time	10.00 A.M.	10.00 A.M.	10.00 A.M.
Venue	401, Starlit Tower, 4 <sup>th</sup> Floor, 29 Y.N. Road, Indore (M.P)	401, Starlit Tower, 4 <sup>th</sup> Floor, 29 Y.N. Road, Indore (M.P)	401, Starlit Tower, 4 <sup>th</sup> Floor, 29 Y.N. Road, Indore (M.P)

### **7. DISCLOSURES :**

- (i) Related Party Transactions made by the Company have been discussed in the Notes to Accounts for the year ended 31<sup>st</sup> March, 2008. The Register of Contracts containing transactions in which directors are interested is palced before the Board regularly for its approval.  
(ii) During the last three years there was no penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, 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 Director's Report.



## **PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

### **9. GENERAL INFORMATION TO SHAREHOLDERS**

- (i) Date Time and Venue of Annual General Meeting : 13th September, 2008  
at 10.00 A.M.  
at 401, Starlit Tower  
29, Y.N.Road, Indore(M.P)
- (ii) Financial Calendar :
- |                        |                                 |
|------------------------|---------------------------------|
| First Quarter Results  | On or before 31st July, 2007    |
| Second Quarter Results | On or before 31st October, 2007 |
| Third Quarter Results  | On or before 31st January, 2008 |
| 31st March, 2005       | On or before 30th April, 2008   |
- (iii) Dates of Books Closure : From 08-09-2008 to 13-09-2008  
(Both Day Inclusive)
- (iv) Lising on Stock Exchanges : Madhya Pradesh Stock Exchange Ltd. Indore\*  
Bombay Stock Exchange Ltd., Mumbai  
Ahmedabad Stock Exchange Ltd., Ahemdabad\*

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

#### **(V) Stock Code :**

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

**(VI) Demat ISIN No. for CDSL and NSDL** : INE555D01019

**(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, 07	3.28	2.60
May, 07	2.50	1.79
June, 07	2.07	1.40
July, 07	1.95	1.40
Aug., 07	2.98	2.04
Sept., 07	2.59	2.20
Oct., 07	4.53	2.55
Nov., 07	5.44	3.79
Dec., 07	9.79	5.31
Jan., 08	12.46	7.54
Feb., 08	7.86	6.69
Mar., 08	8.69	4.71

#### **(VIII) Share Transfer System :**

Shareholders/Investors' Greivance Committee also approves share transfer and meets at frequent intervals. The Company's Share Transfer Agents 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.



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## PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED

### (IX) Dematerialisation / Rematerialisation :

Based on a SEBI directive, Company's Shares are traded in electronic (demat) form. As on 31st March, 2008, the Company's 3673380 shares are held by shareowners in dematerialised form comprising of NSDL & CDSL aggregating 56.05% of the Equity Share Capital.

### (X) Distribution of Share holding as on 31st March, 2008 :

Shareholding of Nominal Value of Rs.	No. of Owners	% of Share holders	No. of Share	% to Total
Up to 1000	13700	88.30	1366988	20.90
1001-2000	536	03.45	106298	01.62
2001-3000	319	02.06	95148	01.45
3001-4000	199	01.28	79529	01.21
4001-5000	170	01.10	84742	01.29
5001-10000	310	02.00	244219	03.73
10001 & Above	289	01.86	4576776	69.79
<b>TOTAL</b>	<b>15523</b>	<b>100.00</b>	<b>6553700</b>	<b>100.00</b>

### (XI) Categories of Shareholders as on 31st March, 2008 :

Sr. Category	No. of Shares Held	% of Shareholding
<b>A Promoters Holding</b>		
1) Promoters		
Indian Promoters	2956250	45.11%
Foreign Promoters	—	—
2) Persons acting in Concert	—	—
<b>SUB TOTAL</b>	<b>2956250</b>	<b>45.11%</b>
<b>B. Non Promoters Holding</b>		
3) Institutional Investors		
a. Mutual Funds & UTI	149100	2.28%
b. Banks, Financial Institutions, Companies (Central/State Govt./ Non-Govt. Institutions )	—	—
c. FII's	—	—
<b>SUB TOTAL</b>	<b>149100</b>	<b>2.28%</b>
4) Others		
a. Private Corporate Bodies	189493	2.89%
b. Indian Public	2510218	38.30%
c. NRI/OCBs	748639	11.42%
d. Any Other	—	—
<b>SUB TOTAL</b>	<b>3448350</b>	<b>52.61%</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 Aakit Consultancy Pvt. Ltd., Alankar Point, Gita Bhawan Chauraha, A.B. Road, Indore (M.P.) and may also contact at the Registered office of the Company.

For & on Behalf of the Board

Palce : Indore  
Date : 1st August 2008

S.K. BANDI  
CHAIRMAN



**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.

**OPPORTUNITIES AND THREATS**

Today's 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 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.



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**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 2007 and ending 31<sup>st</sup> March 2008.

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 2007-08 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: 1<sup>st</sup> August 2008**

**SANJAY KUMAR AIREN  
PARTNER**



Premium

**PREMIUM CAPITAL MARKET & 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, 2008** 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 (Auditor's Report) Order, 2003 issued by the Central Government, in terms of section 227 (4A) 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 31.03.08 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, 2008 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,**

**SANJAY KUMAR AIREN  
PARTNER**

Place : Indore

Date: 1<sup>st</sup> August, 2008



## **PREMIUM CAPITAL MARKET & 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 taken unsecured loans from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act. Amount outstanding as on 31.03.2008 is Rs. 23.69 Lacs. The maximum outstanding during the year was Rs. 24.22 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. 3.30 Lacs to Directors and their relatives concerns. There are total four parties and amount outstanding as on 31<sup>st</sup> March 2008 is Rs. 58.98 Lacs. The Maximum outstanding during the year was of Rs. 65.22 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, transactions 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 of purchase of goods and materials made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the companies Act, 1956, aggregating during the year to Rs.5 Lacs or more in respect of each party are made at the prevailing market price.
- 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) (d) of the Companies Act, 1956.
- ix. (a) According to information and as per explanation given to us there is no undisputed amount



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**PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

outstanding as on 31.3.08 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 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, Custom Duty, Wealth Tax, Excise Duty, Service Tax or Cess except income tax liability of Rs. 1,71,85,222/- for the Assessment Year 1996-97, against which an appeal is pending before CIT (Appeals)-I, Indore.
- 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. 7075001/- and in the preceding financial year the company has incurred cash losses of Rs. 1909248/-.
- 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: 1<sup>st</sup> August 2008**

**SANJAY KUMAR AIREN  
PARTNER**



**PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

**BALANCE SHEET AS ON 31st MARCH, 2008**

SCHEDULES	AS AT	AS AT	
	31-Mar-08 (RS.)	31-Mar-07 (RS.)	
<b>I. SOURCES OF FUND</b>			
<b>SHAREHOLDER'S FUND :</b>			
SHARE CAPITAL	A	65537000	65537000
RESERVES & SURPLUS	B	241534	241534
<b>LOAN FUNDS :</b>		<b>65778534</b>	<b>65778534</b>
SECURED LOANS	C	0	0
UNSECURED LOANS		0	0
		0	0
		<b>65778534</b>	<b>65778534</b>
<b>II. APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS :</b>			
GROSS BLOCK		4335326	4335326
LESS: DEPRECIATION		3738322	3567686
NET BLOCK	D	597004	767640
INVESTMENTS	E	5399175	5399055
<b>CURRENT ASSETS, LOANS &amp; ADVANCES :</b>			
SUNDRY DEBTORS	F	11194081	10187999
CASH & BANK BALANCE	G	582089	646159
OTHER CURRENT ASSETS	H	2302047	2312047
LOANS & ADVANCES	I	13757996	15005110
		27836213	28151315
LESS:CURRENT LIABILITIES & PROVISION	J	13624042	6864024
NET CURRENT ASSETS		14212171	21287291
PROFIT & LOSS A/C		45570184	38324547
MISCELLANEOUS EXPENDITURE	K	0	0
(to the extent not written off or adjusted)			
		<b>65778534</b>	<b>65778534</b>
NOTES ON ACCOUNTS	M		
FORMING INTEGRAL PART OF BALANCE SHEET			

As per our report of even date annexed

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

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

(Sanjay Kumar Airen)  
(Partner)

S. K. Bandi  
(Chairman)

Puneet Kumar Khale  
(Whole-Time-Director)

Place : Indore  
Date : 1st August 2008

Raj Kumar Bhawsar  
(Company Secretary)



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**PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH 2008**

	YEAR ENDED 31-Mar-08 (Rs.)	YEAR ENDED 31-Mar-07 (Rs.)
<b>INCOME</b>		
INCOME FROM OPERATIONS	-	-
DIVIDEND (GROSS)	11417	13451
INTEREST	1068448	-
PROFIT ON SALE OF SHARES	330481	212174
PROFIT ON SPECULATION BUSINESS (SHARES)	40893	(18701)
FUTURE & OPTION TRADING PROFIT / (LOSS)	(7796849)	(1623550)
OTHER INCOME	116127	-
	<u>(6229485)</u>	<u>(1416626)</u>
<b>EXPENSES</b>		
ADMINISTRATIVE & GENERAL EX L	724220	465517
FINANCIAL CHARGES	121296	12105
DEPRECIATION	170656	171717
LOSS ON SALE OF FIXED ASSETS	-	2450
	<u>1016152</u>	<u>651789</u>
Net Profit / (Loss) Before Tax	(72,45637)	(2068415)
PROVISION FOR TAX	0	0
PRIOR YEAR EXPENSES	0	15000
Net Profit / (Loss) After Tax	(7245637)	(2083415)
Balance B/F from Previous Year	(38324547)	(36241132)
Amount Available for Appropriation	(45570184)	(38324547)
<b>APPROPRIATIONS</b>		
TRANSFERRED TO RESERVE U/S 45IC OF RBI ACT	0	0
BALANCE CARRIED TO BALANCE SHEET	<u>(45570184)</u>	<u>(38324547)</u>

Earning Per Share (Note No.13)  
(Face Value of Rs.10/- per Share) Rupees  
Basic and Diluted Earning Per Share

(1.11) (0.32)

Significant Accounting Policies and  
Notes on Account Forming Part Intergral Par  
of Balance Sheet

M

As per our report of even date annexed

For Airen Saluja & Hablani  
Chartered Accountants,

For and on behalf of the Board of Directors

(Sanjay Kumar Airen)  
(Partner)

S. K. Bandi  
(Chairman)

Puneet Kumar Khale  
(Whole-Time-Director)

Place : Indore  
Date : 1st August 2008

Raj Kumar Bhawsar  
(Company Secretary)



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**PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

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

	AS AT 31-Mar-08 AMT. (Rs.)	AS AT 31-Mar-07 AMT. (Rs.)
<b>SCHEDULE : A</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED CAPITAL</b>		
1,00,00,000(1,00,00,000) EQUITY SHARES OF RS. 10/- EACH	<u>100000000</u>	<u>100000000</u>
<b>ISSUED,SUBSCRIBED &amp; PAIDUP CAPITAL</b>		
65,53,800 (65,53,800) EQUITY SHARES OF RS. 10/- EACH	65538000	65538000
LESS: CALLS IN AREEAR	<u>1000</u>	<u>1000</u>
	<u>65537000</u>	<u>65537000</u>
<b>SCHEDULE :B</b>		
<b>RESERVE &amp; SURPLUS</b>		
Reserve U/s 45IC of RBI Act	241534	241534
	<u>241534</u>	<u>241534</u>
<b>SCHEDULE : C</b>		
<b>SECURED LOANS</b>	NIL	NIL
Total	<u>0</u>	<u>0</u>
<b>SCHEDULE : F</b>		
<b>SUNDRY DEBTORS</b>		
Sundry Debtors (Unsecured & Considered good) Exceeding Six Months	12121409	11115327
Others	-	-
	<u>12121409</u>	<u>11115327</u>
Less : Provision for N.P.A.	927328	927328
	<u>11194081</u>	<u>10187999</u>

**SCHEDULE 'D'**

**FIXED ASSETS**

PARTICULARS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	RATE OF DEPRN %	AS ON 01.04.07	ADDITION DURING THE YEAR	SALE/ TR. DURING THE YEAR	TOTAL ASON 31.03.08	DEPRN UPTO 01.4.07	FOR THE YEAR	DEPRN ON SALE OF ASSETS	DEPRN UPTO 31.3.08	NETBLOCK AS ON 31.3.08	NETBLOCK AS ON 31.03.07
Computers	16.21	1861799	0	0	1861799	1772535	26179	0	1798714	63085	89264
Computer Software	4.75	139100	0	0	139100	71441	6607	0	78048	61052	67659
Furniture & Fixtures	6.33	1687532	0	0	1687532	1363409	106821	0	1470230	217302	324123
Vehicles	9.50	29100	0	0	29100	27416	1684	0	29100	0	1684
Misc. Fixed Assets	4.75	617795	0	0	617795	332885	29345	0	362230	255565	284910
		<b>4335326</b>	<b>0</b>	<b>0</b>	<b>4335326</b>	<b>3567686</b>	<b>170636</b>	<b>0</b>	<b>3738322</b>	<b>597004</b>	<b>767640</b>
<b>Total Previous Year</b>		<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>



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**PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

**SCHEDULE - 'E'  
INVESTMENTS:**

(1) LONG TERM INVESTMENTS	AS AT 31.03.08		AS AT 31.03.07	
	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	200	4562	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
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.	0	0	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	0	0	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>2751900</b>		<b>2777104</b>



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**PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

**B. UNQUOTED SHARES (Fully Paid up)**

Premium Global Securities Pvt. Ltd.	1200000	1200000
Premium Global Comm. & Der. Pvt. Ltd.	600000	600000
(Companies in which Director / Relative of Director is interested)		
Girnar H & D Pvt Ltd.	10000	10000
Alaska Cap. Market P Ltd	855000	5000
<b>SUB TOTAL (B)</b>	<b>2665000</b>	<b>1815000</b>
	<b>5416900</b>	<b>4592104</b>
LESS: Provision for Diminution in Market Value	577804	577804
<b>TOTAL</b>	<b>4839096</b>	<b>4014300</b>

**CURRENT INVESTMENTS**

QUOTED SHARES (Fully paid up)	AS AT 31.03.08		AS AT 31.03.07	
	NO. OF SHARES	AMOUNT Rs.	NO. OF SHARES	AMOUNT Rs.
3I Infotech Ltd.	0	0	300	87474
Ankur Drugs	200	83111	0	0
Apollo Tyre	100	7800	100	7800
ARL	2000	10269	0	0
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
Centurion Bank of Punjab	500	35401	0	0
Century Textiles	0	0	200	122762
Chokhani International	100	525	100	525
Chambal Fertilizers	500	30859	0	0
DCL Polyster Ltd.	100	300	100	300
Deepak Fertilizer	100	1400	100	1400
Galant Metal Ltd.	0	0	1500	25728
Gateway Distritarks Ltd.	0	0	200	33693
GTL Ltd.	0	0	500	80806
G.G. Automotive	100	600	100	600
G.R. Magnets	50	170	50	170
Gujarat Siddhi Cement	0	0	800	14010
HDFC Bank	300	16385	300	16385
Himachal Futuristics	0	0	200	5758
Hindalco Industries	0	0	150	32326
Hindustan Lever Ltd.	0	0	600	149929
HOPFL	0	0	100	44373
India Cement Ltd.	0	0	700	157320
Indusind Bank Ltd.	0	0	1700	100108
ICICI	50	2360	50	2360
IFCI Ltd.	3400	291214	3600	112014
International Comptech	200	800	200	800



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**PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

ION Exchange	250	12946	250	12946
Ispat Industries	500	21727	0	0
Jaiprakash Associates	0	0	300	221717
J.K. Udaipur Udyog	100	700	100	700
JBF Industries	0	0	1400	136502
J.P. Industries Ltd.	100	4188	100	4188
KJMC Financial Services	500	9752	500	9752
Llyod Steel Industries	3000	117358	5000	52604
MID Industries	600	800	600	800
Motoral (I) Ltd.	2000	9288	2000	9288
M.P. Glychem	1000	4966	1000	4966
MRPL	200	16017	0	0
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	0	0	4	5082
Reliance Natural	0	0	2000	58068
Reliance Petroleum Ltd.	500	85938	0	0
Simbh Sugar	1	57	0	0
Shree Precoated Cement	0	0	10	160
Sunflag Iron & Steel	135	2395	0	0
Surya Agro Oil Ltd.	1000	2000	1000	2000
Tata Consultancy Services	0	0	50	45589
Tata Steel Ltd	11	3300	0	0
Tata Steel Ltd - CCPS	53	5300	0	0
Tata Tele (Maharashtra) Services Ltd	500	31140	0	0
Taurus 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.	0	0	500	72738
		<b>896538</b>		<b>1721214</b>
LESS : Provision for Diminution in Market Value		<b>336459</b>		<b>336459</b>
		<b>560079</b>		<b>1384755</b>
Long Term Investments		<b>5416900</b>		<b>4592104</b>
		<b>896538</b>		<b>1721214</b>
Current Investment		<b>6313438</b>		<b>6313318</b>
<b>TOTAL INVESTMENTS</b>				
LESS : Provision for Diminution in Market Value		<b>914263</b>		<b>914263</b>
<b>TOTAL</b>		<b>5399175</b>	<b>TOTAL</b>	<b>5399055</b>



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**PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

	AS AT 31-Mar-08 AMT. (Rs.)	AS AT 31-Mar-07 AMT. (Rs.)
<b>SCHEDULE : G</b>		
<b>CASH &amp; BANK BALANCES</b>		
(Cash Balance taken and certified by Management)		
Cash in hand, Indore	475958	556207
	<u>475958</u>	<u>556207</u>
Balance with Scheduled Banks		
In Current Accounts	106132	89954
In Deposit Accounts	0	0
	<u>582089</u>	<u>646159</u>
<b>SCHEDULE : H</b>		
<b>OTHER CURRENT ASSETS:</b>		
Receivable against Capital goods	2302047	2312047
Lease Rent Receivable	4210600	4210600
Interest Receivable	5332765	5332765
	<u>11845412</u>	<u>11855412</u>
<b>LESS :</b>		
Prov. for unrealised Lease Rent	4210600	4210600
Prov. for Interest receivable	5332765	5332765
	<u>2302047</u>	<u>2312047</u>
<b>SCHEDULE : I</b>		
<b>LOANS &amp; ADVANCES (Given)</b>		
Secured Loans	3427556	3427556
Less: Provision for N.P.A.	1031561	1031561
	<u>2395995</u>	<u>2395995</u>
Advance (Recoverable in cash or kind or for value to be received)	10348850	11571033
	<u>10348850</u>	<u>11571033</u>
Sundry Deposits	1013151	1038082
	<u>1013151</u>	<u>1038082</u>
	<u>13757996</u>	<u>15005110</u>
(a+b+c)		



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**PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

	AS AT 31-Mar-08 AMT. (Rs.)	AS AT 31-Mar-07 AMT. (Rs.)
<b>SCHEDULE : J</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
Sundry Creditors(Other than SSI)	12442200	5682182
Interest Suspense A/c	1181842	1181842
	<u>13624042</u>	<u>6864024</u>
<b>SCHEDULE : K</b>		
<b>MISCELLANEOUS EXPENDITURE</b>		
(To the extent not written off)	NIL	NIL
	<u>-</u>	<u>-</u>
<b>SCHEDULE : L</b>		
<b>ADMINISTRATIVE &amp; GENERAL EXPENSES</b>		
Account Opening Charges	0	100
Printing & Stationery	63325	30786
Salary & Allowances	230692	111825
Share Transfer Fees	81714	65171
Postage & Courier	66994	70178
Legal & Professional charges	131398	66256
Professional Tax	2500	2500
Office Rent	24000	24000
Penalty Charges	25000	0
Director Remuneration & Allowance	70500	64200
Audit Fees	8100	8100
Tax Audit Fees	2400	2400
D-Mat Charges	661	552
Listing Fees	15000	15000
Bank Charges	1936	4449
	<u>724220</u>	<u>465517</u>



## **PREMIUM CAPITAL MARKET & 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 accounted for on accrual basis except for not performing assets.
3. SEBI Turnover fees is being accounted for on payment basis.

##### **B. EXPENSES :**

It is the policy of the company to provide all the known expenses on accrual basis except 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 to the Companies Act 1956.

##### **E. VALUATION OF INVESTMENTS :**

(a) Long term Investments are valued at cost. However the management is of the view that the shortfall of Rs. 19.91, Lacs between the aggregate book value of long term investment in quoted share and aggregate market value as at 31st March. 2008 is temporary & in view of management provision of Rs. 5.78 Lacs is sufficient.

Current investment are valued at cost and no further provision was necessary to be made for diminution in the market value as at the 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 capitalised for the period until the asset is ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred. No borrowing costs were eligible for capitalisation during the financial year.

##### **H. RETIREMENT BENEFITS:**

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

##### **I. NOTES TO THE ACCOUNTS & ADDITIONAL INFORMATION PURSUANT TO PART 2nd & 3rd OF SCHEDULE SIXTH OF THE COMPANIES ACT, 1956.**

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

	<b>2007-08</b>	<b>2006-07</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
a. Remuneration	<b>70500</b>	<b>64200</b>
b. Allowances	<b>---</b>	<b>---</b>
<b>Total</b>	<b>70500</b>	<b>64200</b>

c. As no commission is payable to directors, the computation of net profit as per section 340 of the Company Act, 1956 is not furnished.



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**PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

2. Auditors Remuneration :	<b>2007-08</b>	<b>2006-07</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
Statutory Audit Fees	<b>8100</b>	<b>8100</b>
Tax Audit	<b>2400</b>	<b>2400</b>
<b>TOTAL</b>	<b>10500</b>	<b>10500</b>

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

4. Expenditure in foreign currency :

	<b>2007-08</b>	<b>2006-07</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
Travelling Expenditure	<b>NIL</b>	<b>NIL</b>

5. Earning in foreign Currency : **NIL** **NIL**

6. Unreconciled Inter Branch reconciliation Account Rs. 8165 (Dr.) and NSE Accounts Rs. 36083 (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 the year 31.03.2008 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 :

1) Income Tax Liability of Rs. 1,71,85,222/- for the Assessment Year 1996-97, against which an appeal is pending before CIT (Appeals)-I, Indore.

9. Related Party Disclosures:

SL. NO.	NAME OF THE RELATED PARTY	RELATION	NATURE OF TRANSACTION	TRANSACTION AMOUNT (Rs.)
i.	S.K.BANDI	DIRECTOR	OFFICE RENT PAID ON A/C PAYMENTS ON A/C RECEIPTS CLOSING BALANCE	24000 330000 200000 2544998 (Dr.)
ii.	SUSHMA BANDI	RELATIVE OF DIRECTOR	ON A/C PAYMENTS ON A/C RECEIPTS CLOSING BALANCE	-- 200000 1727449 (Dr.)
iii.	PUNEET KUMAR KHALE	DIRECTOR	REMUNERATION	70500
iv.	GAURAV BANDI	RELATIVE OF DIRECTOR	ON ACCOUNT PAYMENT ON ACCOUNT RECEIPTS CLOSING BALANCE	-- 200000 368929 (Dr.)
v.	PREMIUM GLOBAL SECURITIES P. LTD.	ASSOCIATE COMPANY	ON A/C PAYMENTS ON A/C RECEIPTS BROKERAGE ON NSE TRANSACTION CLOSING BALANCE	3237384 940000 362421 5136524 (Cr.)



## PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED

vi.	PREMIUM OUT SOURCING	DIRECTORS' RELATIVE CONCERN	ON A/C PAYMENT ON A/C RECEIPTS CLOSING BALANCE	-- -- 1257000 (Dr.)
vii.	PREMIUM GLOBAL COMMODITIES AND DERIVATIVE PVT. LTD.	ASSOCIATE COMPANY	INTEREST PAID ON A/C PAYMENTS ON A/C RECEIPTS CLOSING BALANCE	120988 1180000 1995000 2254612 (Cr.)

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

11. Debit and Credit Balance of Parties are subject to confirmation 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 shows Loss)

YEAR	2007-08	2006-07
Ner Profit (Loss) After Tax of the year Use as the Numerator	(7245637)	(2083415)
Weighted average number of Equity Shares-used as Denominator	6553800	6553800
Basic and Diluted Earning Per Share (Rupee)	(1.11)	(0.32)

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

As per our audit report of even date annexed.

For Airen Saluja & Hablani  
Chartered Accountants,

(Sanjay Kumar Airen)  
(Partner)

Place : Indore  
Date : 1st August 2008

For and on behalf of the Board of Directors

S. K. Bandi  
(Chairman)

Raj Kumar Bhawsar  
(Company Secretary)

Puneet Kumar Khale  
(Whole-Time-Director)



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**PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDING ON 31ST MARCH, 2008**

	2007-08	2006-07
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit Before Interest, Tax and Extra-Ordinary Items	-7124341	-2071310
ADJUSTMENTS FOR :-		
Depreciation	170636	171717
Interest Income	-1068448	0
Dividend	-11417	-13451
Loss / (Profit) on Sale of Investments	-330481	-212174
Future & Option Trading Loss / Profit	7796849	1623550
Loss on Sale of Fixed Assets	0	2450
Other Income	-116127	
Operating Profit Before Working Capital Changes	-683327	-499218
ADJUSTMENTS FOR :-		
Decrease in Trade and Other Receivable	251031	803847
Increase / (Decrease) in Trade Payables and Other Liabilities	6760018	1862750
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>6327722</b>	<b>2167379</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Fixed Assets	0	500
Net Decrease / (Increase) in Investments	-120	-1056815
Interest Income	1068448	0
Dividend Received	11417	13451
Profit (Loss) From Trading in shares	330481	212174
Future & Option Trading Loss / Profit	-7796849	-1623550
Other Income	116127	0
<b>NET CASH USED IN INVESTING ACTIVITY (B)</b>	<b>-6270497</b>	<b>-2454240</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance Charged Paid	-121296	-12105
Secured Loans Increase (Decrease)	0	-242551
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>-121296</b>	<b>-254656</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)</b>	<b>-64070</b>	<b>-541517</b>
Cash and Cash Equivalents as at the commencement of the Year	646159	1187684
Cash and Cash Equivalents as at the end of the Year	582089	646159
Net Increase as Disclosed Above	-64070	-541517
Note : All Figures in Brackets are outflows		

For and on behalf of the Board

Place : Indore  
Date : 1st August 2008

S. K. Bandi  
(Chairman)

Puneet Kumar Khale  
(Whole-Time-Director)

Raj Kumar Bhawsar  
(Company Secretary)



**PREMIUM CAPITAL MARKET & 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 audited annual financial statement for the year ended on 31st March 2008 and found the same to be drawn in accordance therewith and also with the requirements of Clause 32 of the listing agreements with stock exchanges.

**For, AIREN SALUJA & HABLANI**  
**Chartered Accountants**

**Indore**  
**1st August 2008**

**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.	<table border="1"><tr><td>1</td><td>0</td><td>-</td><td>0</td><td>7</td><td>1</td><td>7</td><td>8</td></tr></table>	1	0	-	0	7	1	7	8	State Code	<table border="1"><tr><td>1</td><td>0</td></tr></table>	1	0
1	0	-	0	7	1	7	8						
1	0												
Balance sheet Date	<table border="1"><tr><td>3</td><td>1</td><td>0</td><td>3</td><td>2</td><td>0</td><td>0</td><td>8</td></tr></table>	3	1	0	3	2	0	0	8				
3	1	0	3	2	0	0	8						

**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	<table border="1"><tr><td>6</td><td>5</td><td>7</td><td>7</td><td>9</td></tr></table>	6	5	7	7	9	Total Assets	<table border="1"><tr><td>6</td><td>5</td><td>7</td><td>7</td><td>9</td></tr></table>	6	5	7	7	9
6	5	7	7	9									
6	5	7	7	9									
Paid-up capital	<table border="1"><tr><td>6</td><td>5</td><td>5</td><td>3</td><td>7</td></tr></table>	6	5	5	3	7	Source of funds						
6	5	5	3	7									
Secured Loan	<table border="1"><tr><td></td><td></td><td>-</td><td>-</td><td>-</td></tr></table>			-	-	-	Reserve & Surplus	<table border="1"><tr><td>0</td><td>0</td><td>2</td><td>4</td><td>2</td></tr></table>	0	0	2	4	2
		-	-	-									
0	0	2	4	2									
<b>APPLICATION OF FUNDS</b>		Unsecured Loan	<table border="1"><tr><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td></tr></table>	-	-	-	-	-					
-	-	-	-	-									
Net Fixed Assets	<table border="1"><tr><td>0</td><td>0</td><td>5</td><td>9</td><td>7</td></tr></table>	0	0	5	9	7	Investments	<table border="1"><tr><td>0</td><td>5</td><td>3</td><td>9</td><td>9</td></tr></table>	0	5	3	9	9
0	0	5	9	7									
0	5	3	9	9									
Net Current Assets	<table border="1"><tr><td>1</td><td>4</td><td>2</td><td>1</td><td>2</td></tr></table>	1	4	2	1	2	Misc. Expenditure	<table border="1"><tr><td></td><td></td><td>-</td><td>-</td><td>-</td></tr></table>			-	-	-
1	4	2	1	2									
		-	-	-									
Accumulated Losses	<table border="1"><tr><td>4</td><td>5</td><td>5</td><td>7</td><td>0</td></tr></table>	4	5	5	7	0							
4	5	5	7	0									

**IV. Performance of Company**

**(Amount in Rs. 000)**

Total Income	<table border="1"><tr><td>(</td><td>6</td><td>2</td><td>2</td><td>9</td><td>)</td></tr></table>	(	6	2	2	9	)	Total Expenditure	<table border="1"><tr><td>0</td><td>1</td><td>0</td><td>1</td><td>6</td></tr></table>	0	1	0	1	6	
(	6	2	2	9	)										
0	1	0	1	6											
Loss before Tax	<table border="1"><tr><td>(</td><td>7</td><td>2</td><td>4</td><td>6</td><td>)</td></tr></table>	(	7	2	4	6	)	Loss after tax	<table border="1"><tr><td>(</td><td>7</td><td>2</td><td>4</td><td>6</td><td>)</td></tr></table>	(	7	2	4	6	)
(	7	2	4	6	)										
(	7	2	4	6	)										
Earing per share	(1.11)	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.



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**PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

**PREMIUM CAPITAL MARKET & INVESTMENTS LIMITED**

401, Starlit Tower, 4th Floor, 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 16th ANNUAL GENERAL MEETING of the Company to be held on September 13<sup>th</sup> 2008 and at any adjournment there of.

Signed this \_\_\_\_\_ Day of \_\_\_\_\_ 2008  
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, 4th Floor, 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 16th ANNUAL GENERAL MEETING held at 401, Starlit Tower, 4th Floor, 29, Y. N. Road, Indore - 452 003 on 13th September 2008.

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 and 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 & INVESTMENTS LIMITED  
Registered Office : 401, STARLIT TOWER, 29, Y.N. ROAD, INDORE 452 003