

# PRIME

August 22, 2016

✓ **Corporate Relationship Department**  
**Bombay Stock Exchange Limited**  
✓ Phiroze Jeejeebhoy Towers, Dalal Street,  
Fort, Mumbai 400001

**Capital Markets-Listing**  
**National Stock Exchange of India Limited**  
Exchange Plaza, 5th Floor, Plot No. C/1,  
G Block, Bandra Kurla Complex, Bandra (East),  
Mumbai 400051

Dear Sir,

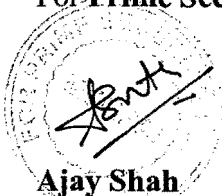
**Sub: Notice of Annual General Meeting**

Further to our letter dated August 17, 2016, please find enclosed the Notice of 33<sup>rd</sup> Annual General Meeting of the Members of the Company scheduled to be held on September 19, 2016 at 10.00 a.m. at Victoria Memorial School for the Blind, 73, Tardeo Road, Opp. Film Centre, Mumbai 400034.

This is for your information and records.

Thanking You,

Yours faithfully,  
For **Prime Securities Limited**



**Ajay Shah**  
**Company Secretary**

**Prime Securities Limited**

1109 / 1110, Maker Chambers V,  
Nariman Point, Mumbai 400 021.  
CIN: L67120MH1982PLC026724

Tel : +91-22-6184 2525  
Fax: +91-22-2497 0777

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the 33<sup>rd</sup> Annual General Meeting of the Members of Prime Securities Limited will be held on Monday, September 19, 2016 at 10.00 a.m. at Victoria Memorial School for the Blind, Tardeo Road, Opp. Film Centre, Near Hindustan Petroleum Petrol Pump, Mumbai 400034 to transact the following business:

**ORDINARY BUSINESS****1. Adoption of Audited Financial Statements**

To receive, consider and adopt:

- a) The Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2016 together with the Reports of the Board of Directors and Auditors thereon;
- b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2016 together with the Reports of the Auditors thereon;

**2. Appointment of Director**

To appoint a Director in place of Mr. N. Jayakumar (DIN: 00046048), who retires by rotation and being eligible, offers himself for re-appointment.

**3. Appointment of Statutory Auditors**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. Gandhi & Associates, Chartered Accountants (ICAI Firm Registration No. 102965W), be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors plus reimbursement of service tax and out-of-pocket expenses.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

**SPECIAL BUSINESS****4. Re-appointment of Mr. N. Jayakumar as Managing Director**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provision(s), read with Schedule V of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, the consent of the Company, be and is hereby accorded to the appointment of Mr. N. Jayakumar (DIN: 00046048) as Managing Director of the Company for a period of Five (5) Years effective from February 11, 2016, on the terms and conditions of appointment and remuneration as set out in the explanatory statement annexed to the notice with liberty and power to the Board of Directors (hereinafter referred to as the “Board” which expression shall also include the Nomination and Remuneration Committee of the Board), in the exercise of its discretion, to grant increments and to alter and vary from time to time the terms and conditions of the said appointment, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

**RESOLVED FURTHER THAT** where in any financial year during the continuance of his tenure as a Managing Director, the Company is required to obtain the Central Government’s approval under the provisions of the Companies Act, 2013 for the payment of remuneration, the maximum remuneration permissible for payment to Mr. N. Jayakumar under the provisions of sections 196 and 197 of the Companies Act, 2013 read with Schedule V to the said Act or the maximum limit as may be notified from time to time, be paid till the receipt of the approval of the Central Government.

**RESOLVED FURTHER THAT** on receipt of the approval of the Central Government, the amount of remuneration on the terms as approved by the Central Government, as reduced by such amount of the Remuneration already paid for the period for which the Central Government’s approval is sought, be paid to Mr. N. Jayakumar, Managing Director, in lump sum and that after the date of the approval, Mr. N. Jayakumar be paid the remuneration as per the terms and conditions approved by the Central Government.

**RESOLVED FURTHER THAT** pursuant to the provisions of the Articles of Association of the Company, the Managing Director of the Company shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and are is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit and also, to make such alterations and modifications, as may be required within the limits of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time.

#### 5. Alteration of Articles of Association

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to the necessary registration approvals, consents, permissions and sanctions required, if any, of the jurisdictional Registrar of Companies and any other appropriate authority and subject to such other terms, conditions, amendments or modifications, as may be required or suggested by any such appropriate authorities, which the Board of Directors is authorized to accept as it may deem fit, a new set of Articles of Association, placed before the members, be and is hereby adopted and substituted in place of the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to perform and execute all such acts, deeds, matters and things, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto.”

#### 6. Place of Keeping Records at the place other than Registered Office

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in supersession of the special resolution passed at the 27<sup>th</sup> Annual General Meeting of the Company held on September 29, 2009 and pursuant to provisions of Section 94 and any other applicable provisions, if any, of the Companies Act, 2013 and rule 5(2) of Companies (Management and Administration) Rule, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby granted to keep and maintain the registers required to be maintained under Section 88 of the Companies Act, 2013 and the copies of the annual returns filed under Section 92 of the Companies Act, 2013 at the offices of M/s. Link Intime India Private Limited, Registrars and Share Transfer Agents, at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400078, instead of at the Registered Office of the Company.

**RESOLVED FURTHER THAT** the Registers, Indices, Returns, Books, Certificates and Documents of the Company required to be maintained and kept open for inspection by the Members and/or any persons entitled thereto under the Act, be kept open for such inspection, at the place where they are kept, to the extent, in the manner and on payment of the fees, if any, specified in the Companies Act, 2013 between the business hours on any working day (excluding Saturday) and except when the registers and books are closed under the provisions of the Companies Act, 2013 or the Articles of Association of the Company.”

#### 7. Payment of Commission to Non-Executive Directors

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 197 and any other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, for each of the five financial years of the Company commencing from April 1, 2016, be paid to and distributed by way of commission amongst the Directors (other than the managing or whole-time directors) of the Company or some or any of them, in such amounts or proportions and in such manner and in all respects as may be decided and directed by the Board of Directors.

**RESOLVED FURTHER THAT** the commission shall be in addition to the fees payable to a Director for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

#### 8. Service of documents to Member through a particular mode

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to section 20 and any other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules made thereunder (including any statutory modification(s) or re-enactment thereof), the consent of the

Company be and is hereby accorded to the board of directors of the Company to serve documents to the member of the Company through a particular mode, upon receipt of the request from the said member for the same.

**RESOLVED FURTHER THAT** the board of directors of the Company be and is hereby authorised to determine the fees to be paid by the member for delivery of the documents through a particular mode requested by the member.

**RESOLVED FURTHER THAT** the fees for the delivery of the document through a particular mode shall be paid by the member in advance to the Company, before dispatch of such document.

**RESOLVED FURTHER THAT** the board of directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution.”

**NOTES:**

1. An explanatory statement, pursuant to section 102 of the Companies Act, 2013, relating to the special business to be transacted at the annual general meeting forms part of this notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than 50 members and holding in the aggregate not more than 10% of the total share capital of the Company. Members holding more than 10% of the total share capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other member. Proxies in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not less than 48 hours before the time of commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable. A Proxy Form forms part of this annual report.
3. Corporate Members intending to send their authorised representatives to attend the meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant board resolution authorising their representative to attend and vote in their behalf at the meeting along with the specimen signatures of the authorised representatives.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. In terms of section 152 of the Companies Act, 2013, Mr. N. Jayakumar (DIN: 00046048) retire by rotation at the meeting and being eligible, offer himself for reappointment. The board of directors of the Company recommends his re-appointment. The details of directors proposed to be re-appointed as required in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meeting, issued by the Institute of Company Secretaries of India, is furnished as annexure to this notice.
6. The register of members and share transfer books of the Company will remain closed from Wednesday, September 14, 2016 to Monday, September 19, 2016 (both days inclusive).
7. Relevant documents referred to in the accompanying notice and the explanatory statement are open for inspection by the members at the registered office of the Company on all working days (except Saturdays, Sundays and public holidays) between 11.00 a.m. and 1.00 p.m. upto the date of the meeting.
8. Members / proxies should bring the enclosed attendance slip duly filled in, for attending the meeting, along with the annual report. Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting.
9. Members holding shares in physical form are requested to consider converting their holding in dematerialised form. The members are requested to contact the Registrar and Share Transfer Agent of the Company for assistance in this regard.
10. For all matters relating to the change in address, ECS mandates, bank details, nomination, power of attorney, etc., the members are requested to approach the Registrar and Shares Transfer Agent of the Company in case of shares held in physical form and to their respective Depository Participants in case of shares held in electronic form.
11. Members holding shares in physical form may obtain the Nomination Form from the Registrar and Share Transfer Agent of the Company and members holding shares in the electronic form may obtain the Nomination Form from their respective Depository Participants.
12. Pursuant to the provisions of Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies are permitted to serve annual report and other communication through electronic mode to those members who have registered their email address with either the Company or the Depository Participants. Members, who have not registered their email address so far, are requested to do so immediately, so that they can receive the annual report and other communications from the Company electronically, by registering their email address with the Registrar

and Share Transfer Agent of the Company in case shares are held in physical form and with their respective Depository Participants in case shares are held in electronic form. Members, who have registered their email address, are entitled to receive such communications in physical form upon request.

13. The Company has designated an exclusive e-mail id (prime@primesec.com) for redressal of investor complaints / grievances. In case you have any queries / complaints or grievances, then please write to us at email id (prime@primesec.com).
14. Members desirous of asking any questions at the annual general meeting, are requested to send in their questions so as to reach the Company at least 7 days before the annual general meeting so that the same can be suitably replied.
15. Pursuant to Section 205A of the Companies Act, 1956, all unclaimed dividends upto the year ended 1994 has been transferred to the general revenue account of the Central Government. The members who have not yet encashed their dividend warrants for the said period are requested to forward their claim in Form No. II prescribed under the Companies Unpaid Dividend (Transfer to General Reserve Account of the Central Government) Rules, 1978 to Office of the Registrar of Companies, Central Government Office Building, A Wing, Second Floor, Next to Reserve Bank of India, CBD Belapur, Navi Mumbai 400614.

Pursuant to the introduction of Section 205C of the Companies Act, 1956, the amount of dividends for the subsequent years remaining unclaimed for a period of seven years from the dates they became due for payment is required to be transferred to the Investor Education & Protection Fund ("IEPF") set up by the Central Government. The members are requested to note that no claim of the members shall lie against the Company or IEPF in respect of any unclaimed dividend transferred to IEPF as above. Accordingly, the Company has transferred to the IEPF all unclaimed dividend upto Final Dividend 2007-08 and no dividend has been declared thereafter, which has remained unclaimed for a period of seven year.

16. The annual report of the Company circulated to the members of the Company, is also available on the website of the Company (www.primesec.com) and on the website of the stock exchanges.
17. As an austerity measure, copies of the annual report will not be distributed at the annual general meeting. Members are requested to bring their copy of annual report to the meeting.
18. Route map showing directions to reach to the venue of the 33<sup>rd</sup> annual general meeting is given at the end of this annual report.

#### 19. Voting Options

- a) Pursuant to the provisions of section 108 of Companies, Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014 and regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company is pleased to provide to its members the facility to exercise their right to vote on resolutions proposed to be considered at the annual general meeting by electronic means through "remote e-voting" (i.e. the members may cast their vote using an electronic voting system from a place other than the venue of the annual general meeting). The Company has availed the services of National Securities Depository Limited ("NSDL") for providing e-voting facility to the members.
- b) The facility for voting, either through e-voting system or through ballot form / polling paper shall also be made available at the venue of the annual general meeting. The members attending the annual general meeting, who have not already cast their vote through remote e-voting, shall be able to exercise their voting rights at the venue of the annual general meeting. The members, who have already cast their vote through remote e-voting, may attend the annual general meeting but shall not be entitled to cast their vote again at the venue of the annual general meeting.
- c) The process and manner for remote e-voting is as under:
  - A) In case a member receives an e-mail from NSDL [for members whose e-mail IDs are registered with the Company / Depository Participant(s)]:
    - (i) Open e-mail and open PDF file viz; "Prime Securities Limited e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for e-voting. Please note that this password is an initial password.
    - (ii) Launch internet browser by typing URL: <https://www.evoting.nsdl.com>
    - (iii) Click on Shareholder – Login
    - (iv) If you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password / PIN for casting your vote.
    - (v) If you are logging in for the first time, please enter your user ID and password provided in the PDF file attached with the email as initial password. Click Login.



- (vi) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vii) Home page of remote e-voting opens. Click on remote e-voting > Active voting Cycles.
  - (viii) Select "EVEN (104686)" of "Prime Securities Limited". Now you are ready for remote e-voting as cast vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant board resolution / authority letter, etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer through e-mail to saurabhshah361@gmail.com with a copy marked to evoting@nsdl.co.in.
- B) In case a member receives physical copy of the notice of annual general meeting and attendance slip [for members whose e-mail IDs are not registered with the Company / Depository Participants(s) or requesting physical copy]:
- (i) Initial password is provided as the bottom of the attendance slip for the annual general meeting:  

"EVEN (104686)"	USER ID	PASSWORD / PIN
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  - (ii) Please follow all steps from Sr. No. (ii) to Sr. No. (xii) above, to cast your vote.
- d) Other Instructions:
- 1) In case of any queries, you may refer the frequently asked questions (FAQs) for members and e-voting user manual for members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
  - 2) You can also update your mobile number and email id in the user profile details of the folio, which may be used for sending future communications.
  - 3) The remote e-voting period will commence at 9.00 a.m. on Friday, September 16, 2016 and will end at 5.00 p.m. on Sunday, September 18, 2016. During this period, members of the Company, holding shares either in physical form or in electronic form, as on the cut-off date, i.e. Monday, September 12, 2016, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
  - 4) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date, i.e. Monday, September 12, 2016.
  - 5) A person whose names appear in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. Monday, September 12, 2016, shall only be entitled to vote on the resolutions set forth in this notice either by way of remote e-voting or through e-voting system / ballot form / polling paper at the venue of the annual general meeting.
  - 6) Any person who acquires shares of the Company and becomes members of the Company after dispatch of this notice and holding shares as on the cut-off date, i.e. Monday, September 12, 2016, may obtain the login ID and password by sending an email to [prime@primesec.com](mailto:prime@primesec.com) or [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) by mentioning their folio no. / DP ID & Client ID. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you don't remember your password, you can reset your password by using "forget user details / password" option available on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
  - 7) Mr. Pramod S. Shah of M/s. Pramod S. Shah & Associates, Practising Company Secretaries (Membership No. FCS 3804), has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
  - 8) At the annual general meeting, at the end of the discussion of the resolutions on which voting is to be held, the Chairman shall with the assistance of the scrutiniser order voting for all those members who are present but have not cast their vote electronically using the remote e-voting facility.
  - 9) The Scrutinizer shall, immediately after the conclusion of voting at the annual general meeting, first count the votes cast at the annual general meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. Scrutiniser shall not late than 48 hours of conclusion of the annual general meeting, submit a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
  - 10) The Chairman or a person authorised by him in writing shall declare the result of voting forthwith.

- 11) The results declared along with the report of the scrutiniser shall be placed on the website of the Company (www.primesec.com) and on the website of NSDL (www.evoting.nsdl.com) immediately after the result declared by Chairman or a person authorized by him in writing and the same shall be communicated to the stock exchanges where shares of the Company are listed.

**By Order of the Board of Directors**

**Registered Office:**

1109/1110, Maker Chamber V,  
Nariman Point, Mumbai 400021  
CIN: L67120MH1982PLC026724  
May 17, 2016

**Ajay Shah**  
**Vice President - Legal**  
**& Company Secretary**  
(ACS-14359)

**EXPLANATORY STATEMENT PURSUANT SECTION 102 OF THE COMPANIES ACT, 2013**

The following explanatory statement sets out all the material facts relating to the special business mentioned at item nos. 2 and 4 to 8 of the accompanying notice.

**Item No. 2**

This explanatory statement for item no. 2 is provided though strictly not required as per Section 102 of the Companies Act, 2013. The board of directors of the Company, at its meeting held on January 14, 2016, had re-appointed Mr. N. Jayakumar as Managing Director of the Company for a further period of five year w.e.f. February 11, 2016. The resolution at item no. 4 seeks approval of the member to the same.

The resolution for re-appointment as mentioned in item no. 2 of this notice is being commended for shareholders' approval for complying with the provisions of Section 152 of the Companies Act, 2013 and shall not be construed as a break in his current tenure, which is upto February 11, 2021.

**Item No. 4**

The Board of Directors of the Company ("the Board"), at its meeting held on January 14, 2016, had re-appointed Mr. N. Jayakumar as Managing Director of the Company for a further period of five year w.e.f. February 11, 2016 in accordance with Article 119 of the Articles of Association of the Company. Mr. N. Jayakumar is associated with the Company since 1992 and he was designated as a President of the Company since 2002. He a qualified professional with expertise in Corporate Finance and Investment Management and has vast experience in advising in areas of financial restructuring, evaluation of business plans / joint venture proposals / acquisitions, fund raising and strategic alliances. He is with the Company for more than 24 years handling corporate relationships. Before joining the Company, he had 7 years experience in Citibank, N.A. as Vice President, Head - Merchant Banking Group & Corporate Finance, India. The Company has received a Notice in writing from a Member of the Company under Section 161 of the Companies Act, 2013 ("the Act") along with the requisite deposit amount, notifying its intention to propose Mr. N. Jayakumar as a candidate for the office of Director of the Company.

The main terms of appointment, remuneration, perquisites, etc. as set out in the Memorandum of Understanding entered into between the Company and Mr. N. Jayakumar, which are subject to the approval of the Members of the Company, are as follows:

**Term**

Period of Appointment – Five years effective February 11, 2016

**Salary**

- a) Basic Salary upto a maximum of Rs. Nil per month, with authority to the Board or a Committee thereof to fix the salary within the said maximum amount.

**Perquisites**

- b) Furnished Company's owned / hired / leased accommodation.  
c) Use of the Company's car with a driver or alternatively the Company will maintain at its expense a car belonging to the Managing Director and will also reimburse the salary of the driver as per the rules of the Company.  
d) Reimbursement of medical expenses actually incurred by Mr. N. Jayakumar and his family;  
e) Reimbursement of Company car running and maintenance expenses reasonably incurred by Mr. N. Jayakumar exclusively in the business of the Company;  
f) Benefit of a personal accident insurance policy effected by the Company;  
g) Company's Contribution to Provident Fund as per the rules;  
h) Benefit of a Company Group Mediclaim Policy;  
i) Gratuity as per the Gratuity Scheme of the Company;  
j) Reimbursement of travelling and entertainment expenses reasonably incurred by him exclusively in the business of the Company;  
k) Leave on full remuneration as per the rules of the Company for the time being in force but not exceeding one month's privilege leave for every 12 months service;

Perquisite shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such rules, perquisites shall be evaluated at actual cost.

**Performance Bonus**

Performance Bonus as may be decided by the Board of Directors based on the net profits of the Company in a particular year subject to the overall ceiling limit laid down under Section 196, 197, 203 of the Companies Act, 2013.

The perquisites namely contribution to Provident Fund, Superannuation Fund or Annuity Fund, Gratuity and encashment of leave shall not be included in the computation of the ceiling on remuneration.

Notwithstanding anything hereinabove, where in any financial year during the currency of his tenure as Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisite as above subject to the ceiling specified under Schedule V to the Companies Act, 2013.

The Memorandum of Understanding entered into between the Company and Mr. N. Jayakumar is available for inspection to the members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days except Saturdays.

Except Mr. N. Jayakumar, none of the directors or any key managerial personnel of the Company or relatives of any of them are, in any way, concerned or interested in this resolution.

The board of directors recommends this resolution for approval by the members of the Company by a special resolution.

**Item No. 5**

The Articles of Association of the Company currently in force were originally adopted when the Company was incorporated under the Companies Act, 1956.

The Articles of Association were amended from time to time in accordance with the provisions of the amendment made in the Companies Act, 1956 from time to time. With the introduction of the Companies Act, 2013, it is proposed to amend the existing Articles of Association to make it consistent with the provisions of Companies Act, 2013 including the Rules framed thereunder.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection at the registered office of the Company on all working days, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 1.00 p.m. upto the date of the annual general meeting and during the annual general meeting. The proposed draft Articles of Association is available on the Company's website at [www.primesec.com](http://www.primesec.com) for perusal by the shareholders.

The board of directors recommends this resolution for approval by the members of the Company by a special resolution.

None of the directors or any key managerial personnel of the Company or relatives of any of them are, in any way, concerned or interested in this resolution.

**Item No. 6**

Pursuant to a Special Resolution passed at the 27<sup>th</sup> Annual General Meeting of the Company held on September 29, 2009, the members had approved keeping of the registers of members, indices of members, copies of all annual returns prepared by the Company under Section 159 and 160 of the Companies Act, 1956 ("the Act") together with copies of certificates and documents required to be annexed thereto with M/s. Sharepro Services (India) Private Limited, the Registrars and Share Transfer Agents, at 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka Andheri (East), Mumbai 400072. During the year, in view of directions issued by the Securities and Exchange Board of India vide its order dated March 22, 2016, the Company has appointed M/s. Link Intime India Private Limited, as new Registrar and Share Transfer Agent in place of Sharepro Services (India) Private Limited. It is therefore proposed, in terms of the provisions of Section 94 of the Companies Act, 2013, to keep the registers, required to be maintained under Section 88 of the Companies Act, 2013 and the copies of the annual returns filed under Section 92 of the Companies Act, 2013, at the office of Link Intime India Private Limited at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400078, instead of at the Registered Office of the Company.

The board of directors recommends this resolution for approval by the members of the Company by a special resolution.

None of the directors or any key managerial personnel of the Company or relatives of any of them are, in any way, concerned or interested in this resolution.

**Item No. 7**

The members of the Company at their 28<sup>th</sup> Annual General Meeting held on September 30, 2010 had approved by way of a Special Resolution the payment of remuneration by way of commission to the non-executive directors of the Company, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of the Companies Act 1956, for a period of five financial years commencing April 1, 2010. It is proposed to extend the remuneration for further period of five financial years of the Company commencing from April 1, 2016, provided that the remuneration in the form of commission shall not exceeding 1% per annum of the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013.

This commission will be distributed amongst all or some of the Directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Companies Act, 2013. This remuneration shall be in addition to fee payable to the Directors for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, and reimbursement of expenses for participation in the Board and other meetings.



Accordingly, a fresh approval of the Members is sought by way of a special resolution under the applicable provisions of the Companies Act, 2013 for payment of remuneration by way of commission to the Directors of the Company, other than managing or whole-time directors, for a period of five financial years commencing from April 1, 2016, as set out in this resolution.

Directors other than the managing director of the Company are deemed to be concerned or interested in this resolution to the extent of the remuneration that may be received by them.

#### Item No. 8

Provisions of section 20 of the Companies Act, 2013 and the rules made thereunder states that a document may be served on a member of the Company by sending it to the member by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be prescribed. The provision to section 20 of the Companies Act, 2013 states that a member may request for delivery of any document through a particular mode, for which the member shall pay such fees as may be determined by the Company in the annual general meeting.

The Company has received request from a member for sending documents through a particular mode in terms of the provision to section 20 of the Companies Act, 2013. Accordingly, the Company is seeking at this annual general meeting, the approval of members to the fees to be charged to the member for delivery of document through a particular mode.

The board of directors recommends this resolution for approval by the members of the Company as a special resolution.

None of the directors or any key managerial personnel of the Company or relatives of any of them are, in any way, concerned or interested in this resolution.

**By Order of the Board of Directors**

#### Registered Office:

1109/1110, Maker Chamber V,  
Nariman Point, Mumbai 400021  
CIN: L67120MH1982PLC026724  
May 17, 2016

**Ajay Shah**  
**Vice President - Legal**  
**& Company Secretary**  
(ACS-14359)

#### Annexure to the Notice

#### Details of Director seeking re-appointment at the annual general meeting

(Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

<b>Name of Director</b>	Mr. N. Jayakumar
<b>DIN</b>	00046048
<b>Date of Birth</b>	December 31, 1960
<b>Date of First Appointment on the Board</b>	February 12, 2011
<b>Expertise in Specific Functional Area</b>	Mr. N. Jayakumar is associated with the Company since 1992 and he was designated as a President of the Company since 2002. He is a qualified professional with expertise in Corporate Finance and Investment Management and has vast experience in advising in areas of financial restructuring, evaluation of business plans / joint venture proposals / acquisitions, fund raising and strategic alliances. He is with the Company for more than 24 years handling corporate relationships. Before joining the Company, he had 7 years experience in Citibank, N. A. as Vice President, Head - Merchant Banking Group & Corporate Finance, India
<b>Qualifications</b>	B. Tech. (Mechanical Engineering), I.I.T. Delhi (1978-1983), PGDM (MBA), IIM Ahmedabad (1983-1985)
<b>Directorship held in other Companies</b>	Prime Broking Company (India) Limited Primesec Investments Limited Prime Research & Advisory Limited Prime Commodities Broking (India) Limited Primary Cuisine Private Limited Judith Investments Private Limited Gateway Entertainment Limited
<b>Membership / Chairmanship of Committees of the Board of other Companies in which he is a Director</b>	Chairman of Audit Committee of Prime Broking Company (India) Limited