



# PRABHAT SECURITIES LIMITED



**Choosing the Right Partner to Grow:**  
Re-devising Finance



**33<sup>rd</sup> Annual Report**  
**2014-2015**

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## CORPORATE INFORMATION

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### BOARD OF DIRECTORS

Mr. Parshant Malani, Chairman  
Mr. Rama Kant Kushwaha, Managing Director  
Mr. Guljhari Lal Sharma, Director  
Mr. Amit Soni, Additional Director  
Mr. Krishna Kamal Prasad, Additional Director  
Mrs. Vandana Sharma, Additional Director

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### KEY MANAGERIAL PERSONNEL

Mr. Rama Kant Kushwaha, Managing Director  
Ms. Divya Gupta, Company Secretary  
Mr. Dharmendra Kumar, Chief Financial Officer

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### STATUTORY AUDITORS

Kamal Gupta Associates(Kanpur), Uttar Pradesh

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### INTERNAL AUDITORS

Mr. Dharmendra Kumar, Chief Financial Officer

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### BANKERS

HDFC Bank Limited

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### REGISTRAR & SHARE TRANSFER AGENTS

#### MAHESHWARI DATAMATICS PVT. LTD.

6, Mangoe Lane,  
2nd Floor, Kolkata - 700 001  
Phone - 033 22435029 / 22482248  
Fax - 033 22484787  
Email - [info@mdpl.in](mailto:info@mdpl.in)  
Website – [www.mdpl.in](http://www.mdpl.in)

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### REGISTERED OFFICE

#### PRABHAT SECURITIES LIMITED,

L22022UP1982PLC005759  
'Satyam', 4/276, Parwati Bagla Road, Kanpur- 208002  
Phone: 91-512-3073793  
Website: [www.prabhatsecuritiesltd.com](http://www.prabhatsecuritiesltd.com)  
Email Id: [prabhatsecurities@gmail.com](mailto:prabhatsecurities@gmail.com)

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## **CHAIRMAN'S MESSAGE**

### **Dear Shareholders,**

I am happy to get this opportunity to share with you the performance of your Company for the financial year 2014-15. Your Company has endured to make good profit of Rs. 300.93 thousands even under adverse market condition. The International Economic scenario Enigmatic growth is picking up from the recent slow down, but still it is not in tune with expectation of stakeholders. We face the most challenging business environment in these recent times during the period under review. However we stayed focus in making ourselves more robust & less prone to external volatilities. We continue to remain optimistic & look forward for better future.

While focusing strongly on business results, we brought about several process improvements and took initiatives to strengthen the foundations and core working systems of the Company. This included listing the Company's share on the Calcutta Stock Exchange on 02<sup>nd</sup> December, 2014 and the Company is in process to file Information Memorandum with Bombay Stock Exchange Ltd. for Direct Listing, which will add to the repute, governance and transparency of the Company. For better governance and smooth functioning of the company, the company adopted various policies and norms including Insider Trading Code, Independent Director Code, Whistle Blower Policy and Fair Disclosure Code. Further, for better knowledge and management on borrowers is in process for registration with CIBIL.

Your company follows strong corporate values and high qualities in service. It has shown good growth in business and in a manner which beneficial to all stakeholders.

Your company is very keen to identify, and create new opportunities for the growth of business. In this regard, I, along with all board members join each and every stakeholders of the company with great commitment and also look forward to your continued support in the fulfillment of the objective of the company.

With Warm Regards,

**Mr. Parshant Malani**  
*Chairman*

## KEY HIGHLIGHTS DURING THE YEAR

### 1. Revenue from Operation (Gross)

Current Year: Rs. 626,608

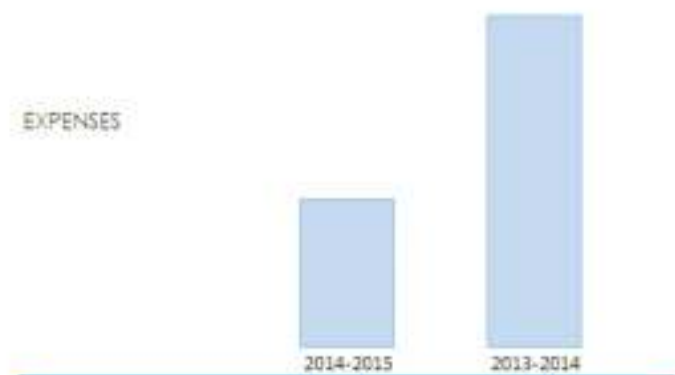
Previous Year: Rs. 5,247,382.02



### 2. Expenses

Current Year: Rs1,464,069.05

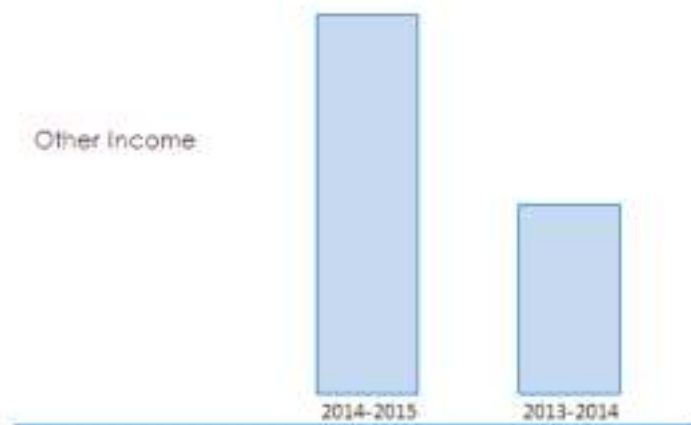
Previous Year: Rs. 5,762,494.99



### 3. Other Income

Current Year: Rs. 1,322,568.00

Previous Year: Rs. 684,265.00



### 4. DIRECT LISTING

Due to close down of Uttar Pradesh Stock Exchange Association Ltd., The Equity Shares of the Company are listed on 02<sup>nd</sup> December 2014 on the Calcutta Stock Exchange Ltd. and for strengthening the foundations and core working systems of the Company, the Company is in process to file Information Memorandum with Bombay Stock Exchange Ltd. for Direct Listing.

## ANNUAL GENERAL MEETING DETAILS

Day: Saturday  
Date: 26<sup>th</sup> September 2015  
Time: 11.00 A.M.  
Venue: **PRABHAT SECURITIES LIMITED**  
'SATYAM', 4/276,  
Parwati Bagla Road,  
Kanpur, Uttar Pradesh – 208002



## NOTICE

**Notice** is Hereby Given That the Thirty Third Annual General Meeting of **PRABHAT SECURITIES LIMITED** will be held at 'SATYAM', 4/276, Parwati Bagla Road, Kanpur 208002 on Saturday, 26<sup>th</sup> September 2015 at 11:00 A.M. to transact the following business:

### ▪ **ORDINARY BUSINESS**

1. To receive, consider and adopt the financial statements of the Company for the year ended on 31st March, 2015 including the audited Balance Sheet as on 31st March, 2015 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.

2. Re-appoint Mr. Guljhari Lal Sharma (DIN 00451143), Director of the Company who retires by rotation at this meeting and being eligible, offers himself for re-appointment.

3. To consider and, if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 (the “Act”) read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of **M/s. Kamal Gupta Associates**, Chartered Accountants (Firm Registration No.000752C), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2016-17 on such remuneration as may be determined by the Board of Directors.”

### ▪ **SPECIAL BUSINESS**

#### **4. Ratification of the appointment of Mr. Rama Kant Kushwaha (DIN 02237714), Managing Director of the Company.**

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 196,197,203 and other applicable provisions, if any, of the companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) and subject to the limits specified in schedule V of the said Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Consent and approval of the Company be and is hereby accorded to ratify Mr. Rama Kant Kushwaha as the Managing Director of the company who was appointed by board of director by passing resolution on 20<sup>th</sup> March 2015 for 5 Years on such terms and conditions including Rs. 13,000.00 (Rupees Thirteen Thousand only due to inadequacy of profit as per Section 197(3) of the Companies Act,2013) remuneration as approved by the nomination and remuneration committee constituted under section 178 of the said Act in its meeting held on 25<sup>th</sup> May 2015 ,with liberty to the Board to alter and vary the terms and conditions including the remuneration so as not to exceed the limits as specified in Schedule V to the Companies Act, 2013, including any statutory





**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment & Qualification of Director )Rules, 2014 read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Amit Soni (DIN 06780882), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on March 20, 2015 and whose term of office expires at this Annual General Meeting (‘AGM’) and in respect of whom the Company has received a Notice in writing proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, along with the deposit of the requisite amount under Section 160 of the Companies Act, 2013 be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from September 26, 2015.”

### **7. Regularisation of Mrs. Vandana Sharma (DIN 00954155) as Director**

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 Sections 152, 160 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment & Qualification of Director )Rules, 2014, (including any statutory modification(s) or re-enactments thereof for the time being in force), Mrs. Vandana Sharma (DIN 00954155) who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on March 20, 2015 and whose term of office expires at this Annual General Meeting (‘AGM’) and in respect of whom the Company has received a notice in writing from her along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation”.

By Order of the Board of Directors  
For **PRABHAT SECURITIES LIMITED**

#### **Registered Office:**

‘SATYAM’, 4/276, Parwati Bagla  
Road, Kanpur, Uttar Pradesh - 208002

**Date:** 30/05/2015

**Divya Gupta**  
(Company Secretary)



## NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy, or, where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member.
2. Proxies, to be effective, must be received by the Company not less than 48 hours before the meeting.
3. Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy, who shall not act as a proxy for any other member.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
6. Members are requested that In order to enable us to register your attendance at the venue of the Annual General Meeting, members are requested to please bring their folio number/ demat account number/DP ID-Client ID to enable us to provide a duly filled attendance slip for your signature and participation at the meeting.
7. 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.
8. The Register of Members of the Company will remain closed on September 21<sup>st</sup>, 2015 to 26<sup>th</sup> September, 2015 (Book Closure Date) for determining the names of members eligible for final dividend on Equity Shares, if declared, at the meeting.
9. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH 13 prescribed by the Government can be obtained from the Registrar and Transfer Agent or the Secretarial Department of the Company at its Registered Office.
10. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies will serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s Maheshwari Datamatics Private Limited. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.
11. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
12. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the registered office of the Company during business hours except on holidays, up to and including the date of the Annual General Meeting of the Company.



13. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Clause 35 B of the listing agreement, the Company is pleased to provide the facility of remote e-voting to all members as per the applicable Regulations relating to e-voting. A separate e-voting instructions slip has been sent explaining the process of e-voting with necessary user id and password along with procedure for such e-voting. Such remote e-voting facility is in addition to voting that may take place at the meeting venue on September 26, 2015.

The Company has appointed Mr. Anurag Fatehpuria, Practising Company Secretary, to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.

14. Details of Directors seeking appointment/re-appointment at the Annual General Meeting of the Company to be held on September 26, 2015 and are provided in Annexure A of this Notice.

### 15. Voting through electronic means

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 23.09.2015 from 09.00 A.M and ends on 25.09.2015 till 5.00P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21.09.2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

**(vii)** If you are a first time user follow the steps given below:

Particulars	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>▪ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>▪ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>▪ Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (vii).</li> </ul>

**(viii)** After entering these details appropriately, click on "SUBMIT" tab.

**(ix)** Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

**(x)** For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

**(xi)** Click on the EVSN for the PRABHAT SECURITIES LIMITED on which you choose to vote.

**(xii)** On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.



- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholder
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
8. The shareholders shall have one vote per equity share held by them as on the cut-off date (record date) of 21<sup>th</sup> September, 2015. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
9. Mr. Anurag Fatehpuria, Practising Company Secretary, Kolkata, C.P. No. 3447 have been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblocks the votes in the presence of at least two (2) witness not in the employment and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
10. The results shall be declared on or after the AGM, but not later than three days from the conclusion of the date of the AGM The results declared alongwith the Scrutinizer's Report shall be placed on the website of CDSL within and will be communicated to the Stock Exchange where the Company's Shares are listed, i.e. Calcutta Stock Exchange Limited.



## **EXPLANATORY STATEMENT**

### **PURSUANT TO**

### **SECTION 102 (1) OF THE COMPANIES ACT, 2013**

#### **ITEM NO. 4**

Board of Directors of the Company, at their meeting held on 20<sup>th</sup> March 2015 has appointed subject to the approval of members in general meeting, Mr. Rama Kant Kushwaha (holding DIN 02237714) as Managing Director of the Company (Designated as Managing Director) of the Company (not retiring) for a period of Five years with effect from the date of appointment i.e., from 20<sup>th</sup> march 2015 on such terms and conditions decided by Board of Director in their meeting. Due to inadequacy of profit, the Nomination and Remuneration committee constituted under section 178 of the said Act in its meeting held on 25<sup>th</sup> May 2015 decided to revise the remuneration of Rs. 13,000.00 (Rupees Thirteen Thousand only), with liberty to the Board to alter and vary the terms and conditions including the remuneration so as not to exceed the limits as specified in Schedule V to the Companies Act, 2013, including any statutory modifications(s) or re-enactment(s) thereof for the time being in force or any amendments or modifications that may thereafter be made by the central Government."

Except Mr. Rama Kant Kushwaha, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.4.

#### **ITEM NO. 5**

Mr. Krishna Kumar Prasad (DIN 07025841), who was appointed as an Additional (Independent) Director of the Company with effect from March 20, 2015 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Mr. Krishna Kumar Prasad holds office upto the date of this Annual General Meeting but is eligible for the appointment as a Independent Director. The Company has received a Notice from him in writing proposing his candidature for the office of Director.

Mr. Krishna Kumar Prasad has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act along with requisite deposit under Section 160 of the Act.

Accordingly, the Board recommends the passing of the Ordinary Resolution as set out in the Item no. 5 of the Notice for appointment of Mr. Krishna Kumar Prasad as an Independent Director, not liable to retire by rotation.

A statement containing his profile is given as per Annexure 1.

Except Mr. Krishna Kumar Prasad, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.5.

#### **ITEM NO. 6**

Mr. Amit Soni (DIN 06780882) was appointed as an Additional (Independent) Director of the





Company with effect from March 20, 2015 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Mr. Amit Soni holds office upto the date of this Annual General Meeting but is eligible for the appointment as a Independent Director. The Company has received a Notice from a Member in writing proposing his candidature for the office of Director.

Mr. Amit Soni has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act along with requisite deposit under Section 160 of the Act.

Accordingly, the Board recommends the passing of the Ordinary Resolution as set out in the Item no. 6 of the Notice for appointment of Mr. Amit Soni as an Independent Director, not liable to retire by rotation.

A statement containing his profile is given as per Annexure 1.

Except Mr. Amit Soni, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.6.

#### **ITEM NO.7**

Mrs. Vandana Sharma (DIN 00954155) was appointed as an Additional Director of the Company with effect from March 20, 2015 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Mrs. Vandana Sharma holds office upto the date of this Annual General Meeting but is eligible for the appointment as a Director. The Company has received a Notice from her in writing along with requisite deposit under Section 160 of the Act, proposing his candidature for the office of Director.

The Board recommends the passing of the Ordinary Resolution as set out in the Item no. 7 of the Notice for the appointment of Mrs. Vandana Sharma as a Director, liable to retire by rotation.

A statement containing his profile is given as per Annexure 1.

Except Mrs. Vandana Sharma, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.7.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution except to the extent of their shareholding in the Company, if any.

By Order of the Board of Directors  
For **PRABHAT SECURITIES LIMITED**

#### **Registered Office:**

'SATYAM', 4/276, Parwati Bagla  
Road, Kanpur 208002

**Date:** 30/05/2015

**Divya Gupta**  
(Company Secretary)

## ANNEXURE 1

### Details of Directors Seeking Appointment/ Re-Appointment at the Annual General Meeting

Particulars	Re-appointment	Regularisation			
Name of Director	Mr. Guljhari Lal Sharma	Mr. Rama Kant Kushwaha	Mr. Krishna Kamal Prasad	Mr. Amit Soni	Mrs. Vandana Sharma
DIN	451143	2237714	7025841	6780882	954155
Date of Birth	19th February 1944	10th June 1970	26th August 1956	1st July 1976	9th July 1968
Date of Appointment/Re-appointment	12th January 1994	06th December 2008	20th March 2015	20th March 2015	20th March 2015
Qualification	M.A., M.COM., LLB	Graduation	Graduation	FCA	Matriculation
Expertise in specific functional Area	Mr. Guljhari Lal Sharma is our Promoter and Senior Director. He has been associated with our Company since January, 1994 and is responsible for the overall working of our Company, its strategy and expansion. He holds M.A., M.Com, LLB degrees. He has about < 45 years of experience in the Financial sector. He is also the Chairman and director of M/s Prabhat Financial Services Limited, Member of Bombay Stock Exchange (BSE) & National Stock Exchange (NSE).	Mr. Ramakant Kushwaha is a Managing Director in our Company. He has been associated with our Company since December, 2008 and oversees operational and functional areas of our Company. He holds a bachelor's degree from Kanpur University. He has about 16 years of experience.	Mr. Krishna Kamal Prasad is an independent Director of our Company. He has been associated with our Company since March, 2015. He is a graduate. He has about 30 years of experience. Presently He is engaged in Mining and stone Crushing business in Bihar.	Mr. Amit Soni is an independent Director of our Company. He has been associated with our Company since March, 2015. He is a member of institute of Chartered Accountants of India (ICAI) and is a Practicing Chartered Accountant. He has about 10 years of experience.	Mrs. Vandana Sharma is a Non-Executive Director of our Company. She has been associated with our Company since March, 2015. She is a housewife.



List of other public limited companies in which Directorship held	TWO	NIL	NIL	NIL	NIL
Membership/C hairmanships of Committees of other Public Companies (includes only Committee Stakeholders Relationship Committee)	NIL	NIL	NIL	NIL	NIL
Shareholding/% in the Company	15000	NIL	NIL	NIL	NIL

#### **IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate Affairs has taken "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Reports can be sent by e-mail to its members. This will also ensure prompt receipt of communication and avoid loss in postal transit. These documents can also be downloaded by the shareholders from the Company's website i.e. [www.prabhatsecuritiesltd.com](http://www.prabhatsecuritiesltd.com) To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses by sending e-mail to [prabhatsecurities@gmail.com](mailto:prabhatsecurities@gmail.com) with subject as 'E-mail for Green Initiative' mentioning their Folio No. / Client ID. Members holding shares in electronic form may register/update their e-mail addresses with the Depository through their concerned Depository Participant(s).



## BOARD'S REPORT

To  
The Members,

Your Directors have the pleasure in presenting the 33<sup>rd</sup> Annual Report on the business and operations of the Company and Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2015:

### ▪ FINANCIAL RESULTS

#### FINANCIAL HIGHLIGHTS:

Rs. In '000'

Particulars	2014-2015	2013-2014
	12 months	12 months
Total Revenue	626.60	5247.38
Profit/(Loss) before Depreciation & Interest	485.10	169.14
<b>Less</b> : depreciation and amortization	37.52	49.37
<b>Less</b> : Interest	0.11	0.28
Profit Before Tax	447.47	119.49
<b>Less</b> : Current Tax	149.00	22.80
<b>Less</b> : Deferred Tax	2.46	5.36
Profit/(Loss) After Tax	300.93	102.05

### ▪ OPERATIONAL RESULTS AND FINANCIAL PERFORMANCE

During the year under review, the Company has achieved Turnover of Rs. 626.60 (in '000) as compared to the previous year Turnover of Rs. 5247.38 (in '000). Due to cut throat competition and adverse market condition, the Company could not achieved the desired goal and hence resulting into increase in negative EBIDTA (-322.00).The Board of Directors is hopeful for the better results of the company in the next financial year.

### ▪ SHARE CAPITAL

The Paid-up Equity Share Capital as at 31<sup>st</sup> March, 2015 stood at Rs. 29,000,007.00. During the Year under review, the Company has issued 1,900,000 shares on preferential basis on 21<sup>st</sup> January 2015.

### ▪ DIVIDEND

With a view to conserve the financial resources of the Company for meeting financial requirements for future business projects it was decided by the Board not to declare any dividend this year.

### ▪ SUBSIDIARY COMPANY/ASSOCIATE COMPANY

In terms of 3<sup>rd</sup> Proviso to Rule 6 of the Companies (Accounts) Rules, 2014, The Company has neither Subsidiary nor Associate Company.

#### ▪ BOARD OF DIRECTORS

Pursuant to Section 149 and 152 of the Companies Act, 2013 and in terms of clause 49 of the Listing Agreement, the Board of Directors has at its meeting held on 30<sup>th</sup> September, 2014 appointed Mr. Prashant Malani as Director (Independent) and on its meeting held on 20<sup>th</sup> March, 2015, Mr. Amit Soni & Mr. Krishna Kamal Prasad as Additional Directors (Independent) and Mrs. Vandana Sharma, Additional Director (Women) with effect from the date of ensuing Annual General Meeting, subject to the approval of Shareholders in their meeting. The requisite resolution for approval of their appointment as Independent Director & women Director is being proposed in the notice of the meeting for the approval of the members.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under clause 49 of the Listing Agreement with the Stock Exchange.

Pursuant to the provisions of section 196, 197, 203 and subject to the limits specified in schedule V of the said Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Ramakant Kushwaha has been appointed as the Managing Director of the Company on its meeting held on 20<sup>th</sup> March, 2013 subject to the approval of Members in their forthcoming meeting. The requisite resolution for ratification of his appointment as Managing Director is being proposed in the notice of the meeting for the approval of the members.

Mr. Santosh Kumar Gupta resigned from the board due to their other pressing engagements effective from 20<sup>th</sup> March, 2015.

In terms of the provisions of the Companies Act, 2013 and Article of Association of the Company, Mr. Guljhari Lal Sharma, Director and Mr. Ramakant Kushwaha, Managing Director of the Company retires by rotation at the ensuing Annual General Meeting and, being eligible, offers them for re-appointment.

#### ▪ FIXED DEPOSIT

Your Company has not accepted any deposit prescribed u/s 73 of the Companies Act, 2013 during the financial year.

#### ▪ SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATOR(S) OR COURT(S)/MATTER OF EMPHASIS

"Income Tax Appeal No. 429 of 2005 CIT-II, Kanpur Vs. Prabhat Securities Limited, Kanpur relating to Assessment Year 1998-1999"

The aforesaid appeal (filled by the Department) has been decided by the Hon'ble High Court of Allahabad, Uttar Pradesh; vide judgment and order dated 01 May 2014. Hon'ble high court has rejected the ground of appeal taken by the Department.

## ▪ RELATED PARTY TRANSACTION

The Company has entered into contract/ arrangements with the related parties in the ordinary course of business and on arm's length basis. Thus Provisions of Section 188(1) of Companies Act, 2013 are not applicable.

## ▪ POLICY ON NOMINATION & REMUNERATION AND PERFORMANCE APPRIAL OF DIRECTORS, KEY MANAGERIAL PERSONNEL(KMP) & OTHER EMPLOYEES:

The Company has framed a policy on Nomination & Remuneration of Directors, KMP other employees as per the requirement of the Companies Act, 2013 which formulates the criteria for determining qualifications, positive attributes & independence of a director and their remuneration. The Policy is hosted on the website of the Company i.e., [www.prabhatsecuritiesltd.com](http://www.prabhatsecuritiesltd.com)

## ▪ LISTING OF SHARES

The Company's shares are listed with Calcutta Stock Exchange Limited

## ▪ DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of sub-section (5) of section 134 of Companies Act, 2013, your Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The accounting policies had been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year on 31<sup>st</sup> march 2015 and of the profit and loss of the Company for that period;
- Proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual accounts had been prepared on a going concern basis;
- Internal financial controls, to be followed by the Company are duly laid down and these controls are adequate and were operating effectively; and
- Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## ▪ MEETING OF THE BOARD OF DIRECTORS

During the year 2014-2015, Eleven Board Meetings were convened and held, the details of which are given in the Report of Corporate Governance. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## ▪ PARTICULARS OF REMUNERATION OF DIRECTORS AND CERTAIN SPECIFIED EMPLOYEES:





In Terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Companies (Appointment & Remuneration of managerial Personnel) Rules, 2014, the names and other particulars of employees, are set out in the **Annexure – 3** to the Director's Report

#### ▪ **STATUTORY AUDITORS AND THEIR REPORT**

As per section 139 and all other applicable provisions of the Companies Act, 2013 (the "Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), The Company ratifies the appointment of **M/s Kamal Gupta Associates**, Chartered Accountants (Firm Registration No.000752C), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2015-16 on such remuneration as may be determined by the Board of Directors.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report and the observation/qualification/reservation given by Auditor mentioned as under in their report are self explanatory and does not call for any further clarification from Directors.

- The company has not made provisions in the books of account regarding diminution in market value of investments in compliance with the accounting standard specified under Section 133 of the Act.
- As stated in Note no.4 to the Notes on account, the balances of Trade Receivables, Loans and advances and other personal accounts are subject to confirmation and reconciliation, if any.
- As stated in Note no. 5 to the Notes on account, due to omission, the company has not deducted tax at source on the payment of Rs. 36500.00 made to a professional.

#### ▪ **SECRETARIAL AUDIT**

The Secretarial Auditors, M/s AVA & Associates, Company Secretaries, has issued Secretarial Audit Report for the Financial Year 2014-2015 pursuant to Section 204 of the Companies Act, 2013, which is annexed to Directors' Report. **(Refer Annexure-1)**

The Secretarial Audit Report for the Year under review contain following qualification, reservation or adverse remark or disclaimer:-

Company has not filed Form MGT-10 towards the change in number of shares of promoters (2% increase or decrease) pursuant to section 93 of the companies Act,2013 and Rule 13 of the Companies (Management and Administration) Rules, 2014.

#### ▪ **ANNUAL RETURN**

The extract of Annual Return is annexed to Directors' Report **(Refer Annexure-2)**

#### ▪ **CHANGE IN MANAGEMENT & TAKEOVER**

There is no change in the management of the company during the Financial Year.

## ▪ CORPORATE GOVERNANCE

As the Company is required to comply with clause 49 of the Listing Agreement so the Corporate Governance Report confirming the compliance of conditions of Corporate Governance forms part of the Annual Report.

## ▪ BOARD ANNUAL EVALUATION

Pursuant to the provisions of the Companies act, 2013 and clause 49 of the Listing Agreement, The Board has carried out an annual performance evaluation of its Independent Directors and the Independent Directors also evaluated the performance of Chairman and other Non-Independent Directors. Board expressed their satisfaction with the evaluation process.

### **Review includes:**

- (a) Comparing the performance of the Board with the requirement of the Act;
- (b) Examination of the Board's interaction with management;
- (c) The nature of information provided to the Board by management; and
- (d) Management's performance in assisting the Board to meet its objectives.

A similar review will be conducted for evaluation of the functioning/ performance of Audit & Risk Management Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee, Committee of Directors and identifying the areas where improvements can be made. This evaluation is based on specific criteria, whether strategic objectives are being achieved and the development of management and personnel.

## ▪ DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Company has been addressing various Risks impacting the Company and the policy of the Company on risk management is provided in the annexed Management Discussion and Analysis. The Risk Management Policy has been posted on the website of the Company.

## ▪ PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES

Details of investments made and loans & advanced by the Company have been given in note no.12 & 16 to the Financial statement.

The Company has not given any guarantee pursuant to the provisions of Section 186 of Companies Act, 2013.

## ▪ RISK AND INTERNAL ADEQUACY

The Company has adequate internal control procedures commensurate with its size and nature of its business. The Board of Directors periodically reviews the audit plans, internal audit reports, adequacy of internal control and mismanagement.

## ▪ WHISTLE BLOWER POLICY



The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the best standards of professionalism, honesty, integrity and ethical conduct. The Company has a Whistle Blower Policy under which the employees are free to report violations of the applicable laws and regulations and the code of conduct.

Whistle Blower Policy is available on the website of the Company at [www.prabhatsecuritiesltd.com](http://www.prabhatsecuritiesltd.com)

▪ **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION ANF FOREIGN EXCHANGE EARNINGS AND OUTGO**

Your Company try to use power saving devices but implementing the advanced and latest technology in carrying out its operational activities. There is as system of proper check and control in order to avoid unnecessary wastage of power and energy.

Foreign Exchange earnings Outgo is **NIL**

▪ **CORPORATE SOCIAL RESPONSIBILTY**

As Company does not qualify any of the conditions mentioned in Section 135 of Companies Act, 2013 and Companies (CSR Policy) Rules, 2014, Hence, Company is not require to spend any amount for Corporate Social Responsibility. But the Company through its initiative trying its level best to contribute to society.

▪ **DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14, the internal committee constituted under the said act has confirmed that no complaint / case has been filed / pending with the Company during the year.

▪ **ACKNOWLEDGMENT**

Your Directors wish to place on record their sincere appreciation to the Governmental authorities, Company's bankers, customers, investors and all other stakeholders for their continued support during the year. Your Directors are also pleased to record their appreciation for the dedication and contribution made by employees at all levels who through their competence and hard work enabled your Company achieve good performance during these challenging times and look forward to their support in the future as well.

For and on behalf of the Board of Directors,

**Place:** Kanpur

**Dated:** 30<sup>th</sup> May 2015

**Mr. Parshant Malani**

Chairman



## 'ANNEXURE-1'

### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

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

To

The Members

**PRABHAT SECURITIES LIMITED**

'SATYAM' 4/276, Parwati Bagla Road,  
Kanpur, Uttar Pradesh - 208002

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PRABHAT SECURITIES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment; **(Not applicable to the Company during the Audit period);**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
6. Rules, Regulations and Guidelines issued by the Reserve Bank of India as are applicable to Non-Deposit taking NBFC which are specifically applicable to the Company.

We have also examined compliance with the applicable clause of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India **(not applicable as on date of Report)**.
- II. I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with CSE Ltd.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations / qualifications.

Companies Act, 2013 and rules there under:

- a) Company has not filed Form MGT-10 towards the change in number of shares of promoters (2% increase or decrease) pursuant to section 93 of the companies Act, 2013 and Rule 13 of the Companies (Management and Administration) Rules, 2014.

We further report that:

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

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

All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.



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

We further report that during the audit period the Company had the following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.:

- (a) Issue of 1,900,000 Equity Shares on Preferential Basis dated 21<sup>st</sup> January 2015.
- (b) Due to close down of Uttar Pradesh Stock Exchange Association Limited, The Company get its Equity Shares listed on Calcutta Stock Exchange Ltd.

**AVA & Associates**  
Company Secretaries

**Ashish Kumar Gupta**  
Proprietor  
FCS: 6433  
CP: 6859

**Place:** New Delhi  
**Date:** 30/05/2015

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.





ANNEXURE-A

To  
The Members

**PRABHAT SECURITIES LIMITED**

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

Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**AVA & Associates**  
Company Secretaries

Ashish Kumar Gupta  
Proprietor  
FCS: 6433  
CP: 6859

**Place:** New Delhi  
**Date:** 30/05/2015

## ‘ANNEXURE -2’

### FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration ) Rules, 2014.

#### I REGISTRATION & OTHER DETAILS:

i	CIN	L22022UP1982PLC005759
ii	Registration Date	03rd September 1982
iii	Name of the Company	Prabhat Securities Limited
iv	Category/Sub-category of the Company	Public Company Limited by Shares
v	Address of the Registered office & contact details	"Satyam", 4/276, ParwatiBagla Road, Kanpur- 208002, Uttar Pradesh
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	<b>MAHESHWARI DATAMATICS PVT. LTD.</b> 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001 Phone - 033 22435029 / 22482248 Fax - 033 22484787 Email - info@mdpl.in Website – www.mdpl.in

#### II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Business of finance, Investment and fund based and non fund based activities.	64990	

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

Sr. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	N.A	N.A	N.A	N.A	N.A

**IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
	Particular	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	0	413000	413000	41.30	263000	20000	283000	9.76	
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0	
c) Bodies Corporates	0	212000	212000	21.20	212000		212000	7.31	
d) Bank/Fl	0	0	0	0	0	0	0	0	
e) Any other	0	0	0	0	0	0	0	0	
<b>SUB TOTAL:(A)</b>									
<b>(1)</b>	0	625000	625000	62.50	475000	20000	495000	17.07	
<b>(2) Foreign</b>									
a) NRI-Individuals	0	0	0	0	0	0	0	0	
b) Other Individuals	0	0	0	0	0	0	0	0	
c) Bodies Corp.	0	0	0	0	0	0	0	0	
d) Banks/Fl	0	0	0	0	0	0	0	0	
e) Any other...	0	0	0	0	0	0	0	0	



<b>SUB TOTAL (A) (2)</b>	0	0	0	0	0	0	0	0
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	0	625000	625000	62.50	475000	20000	495000	17.07
<b>B. PUBLIC SHAREHOLDING</b>								
<b>(1) Institutions</b>								
a) Mutual Funds	0	0	0	0	0	0	0	0
b) Banks/Fl	0	0	0	0	0	0	0	0
C) Central govt.	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(1):</b>	0	0	0	0	0	0	0	0
<b>(2) Non Institutions</b>								
a) Bodies corporate								
i) Indian	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0
b) Individuals								
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	44107	44107	4.41	0	65407	65407	2.26
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	330900	330900	33.09	1900000	439600	2339600	80.68
c) Others (specify)	0	0	0	0	0	0	0	0



<b>SUB TOTAL (B)(2):</b>	0	375007	375007	37.50	1900000	505007	2405007	82.93
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	0	375007	375007	37.50	1900000	505007	2405007	82.93
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	0	1000007	1000007	100.00	2375000	525007	2900007	100.00

**(ii) SHARE HOLDING OF COMPANIES**

SI No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	RITIKA SHARMA	39000	3.90	0	39000.00	1.34	0	0.00%
2	RAJESH SHARMA	39000	3.90	0	39000.00	1.34	0	0.00%
3	ANIL KUMAR SHARMA	20000	2.00	0	20000.00	0.69	0	0.00%
4	ASHOK KUMAR SHARMA	49500	4.95	0	49500.00	1.71	0	0.00%
5	VIMAL KUMAR SHARMA	100000	10.00	0	0.00	0.00	0	-3.44%
6	VIMAL KUMAR SHARMA HUF	20000	2.00	0	0.00	0.00	0	-0.68%
7	G.L. SHARMA HUF	20000	2.00	0	20000.00	0.69	0	0.00%
8	G.L. SHARMA	15000	1.50	0	15000.00	0.52	0	0.00%
9	SANTOSH DEVI SHARMA	15000	1.50	0	15000.00	0.52	0	0.00%
10	NIDHI SHARMA	20000	2.00	0	20000.00	0.69	0	0.00%
11	RADHIKA SHARMA	15000	1.50	0	15000.00	0.52	0	0.00%

12	KALI CHARAN SHARMA	50500	5.05	0	50500.00	1.74	0	0.00%
13	SANTOSH HOLDINGS PRIVATE LIMITED	100000	10.00	0	100000.00	3.45	0	0.00%
14	PRABHAT FUNDS AND HOLDINGS PRIVATE LIMITED	100000	10.00	0	100000.00	3.45	0	0.00%
15	PRABHAT FINANCIAL SERVICES LIMITED	12000	1.20	0	12000.00	0.41	0	0.00%
<b>Total</b>		<b>615000</b>	<b>61.50</b>	<b>0</b>	<b>495000.00</b>	<b>17.07</b>	<b>0</b>	<b>-4.12%</b>

(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

Sl. No.	Name of Shareholders	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	<b>Vimal Kumar Sharma</b>				
	<b>At the beginning of the year</b>	<b>100000</b>	<b>10.00</b>	<b>100000</b>	<b>10.00</b>
	Transfer of shares on 3th November 2014 to Jagdish Prasad Maloo	20000	2.00	80000	8.00
	Transfer of shares on 4th November 2014 to Indira Gupta	20000	2.00	60000	6.00
	Transfer of shares on 5th November 2014 to Santosh Maloo	20000	2.00	40000	4.00
	Transfer of shares on 5th November 2014 to RajshreeGattani	5000	0.50	35000	3.50
	Transfer of shares on 5th November 2014 to ShamilaGattani	5000	0.50	30000	3.00
	Transfer of shares on 7th November 2014 to BeenaGoenka	20000	2.00	10000	1.00
	Transfer of shares on 7th November 2014 to ShamilaGattani	10000	1.00	0	0.00
	<b>At the end of the year</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
2	<b>Vimal Kumar Sharma HUF</b>				
	<b>At the beginning of the year</b>	<b>20000</b>	<b>2.00</b>	<b>20000</b>	<b>2.00</b>
	Transfer of Shares on 26th December 2014 to Kamal Goenka	20000	2.00	0	0.00





	<b>At the end of the year</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>3</b>	<b>Ritika Sharma</b>				
	At the beginning of the year	39000	3.90	39000	3.90
	At the end of the year	39000	3.90	39000	3.90
<b>4</b>	<b>Rajesh Sharma</b>				
	At the beginning of the year	39000	3.90	39000	3.90
	At the end of the year	39000	3.90	39000	3.90
<b>5</b>	<b>Anil Kumar Sharma</b>				
	At the beginning of the year	20000	2.00	20000	2.00
	At the end of the year	20000	2.00	20000	2.00
<b>6</b>	<b>Ashok Kumar Sharma</b>				
	At the beginning of the year	49500	4.95	49500	4.95
	At the end of the year	49500	4.95	49500	4.95
<b>7</b>	<b>Guljharilal Sharma HUF</b>				
	At the beginning of the year	20000	2.00	20000	2.00
	At the end of the year	20000	2.00	20000	2.00
<b>8</b>	<b>Guljharilal Sharma</b>				
	At the beginning of the year	15000	1.50	15000	1.50
	At the end of the year	15000	1.50	15000	1.50
<b>9</b>	<b>Santosh Devi Sharma</b>				
	At the beginning of the year	15000	1.50	15000	1.50
	At the end of the year	15000	1.50	15000	1.50
<b>10</b>	<b>Nidhi Sharma</b>				
	At the beginning of the year	20000	2.00	20000	2.00
	At the end of the year	20000	2.00	20000	2.00
<b>11</b>	<b>Radhika Sharma</b>				
	At the beginning of the year	15000	1.50	15000	1.50
	At the end of the year	15000	1.50	15000	1.50
<b>12</b>	<b>Kali Charan Sharma</b>				

	At the beginning of the year	50500	5.05	50500	5.05
	At the end of the year	50500	5.05	50500	5.05
<b>13</b>	<b>Santosh Holdings Private Limited</b>				
	At the beginning of the year	100000	10.00	100000	10.00
	At the end of the year	100000	10.00	100000	10.00
<b>14</b>	<b>Prabhat Funds and Holding Private Limited</b>				
	At the beginning of the year	100000	10.00	100000	10.00
	At the end of the year	100000	10.00	100000	10.00
<b>14</b>	<b>Prabhat Financial Services Limited</b>				
	At the beginning of the year	12000	1.20	12000	1.20
	At the end of the year	12000	1.20	12000	1.20

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
<b>1</b>	<b>Siddarth Gupta</b>				
	At the beginning of the year	0	0.00		
	Allotment of Shares 21st January 2015	<b>450000</b>	<b>15.52</b>	<b>450000</b>	<b>15.52</b>
	At the end of the year	<b>450000</b>	<b>15.52</b>	<b>450000</b>	<b>15.52</b>
<b>2</b>	<b>AnshumanKapur</b>				
	At the beginning of the year	0	0.00		
	Allotment of Shares 21st January 2015	<b>200000</b>	<b>6.90</b>	<b>200000</b>	<b>6.90</b>
	At the end of the year	<b>200000</b>	<b>6.90</b>	<b>200000</b>	<b>6.90</b>
<b>3</b>	<b>Kamal Kishore Somani HUF</b>				
	At the beginning of the year	0	0.00		
	Allotment of Shares 21st January 2015	<b>200000</b>	<b>6.90</b>	<b>200000</b>	<b>6.90</b>



	At the end of the year	<b>200000</b>	<b>6.90</b>	<b>200000</b>	<b>6.90</b>
<b>4</b>	<b>SonalDimri</b>				
	At the beginning of the year	0	0.00		
	Allotment of Shares 21st January 2015	<b>200000</b>	<b>6.90</b>	<b>200000</b>	<b>6.90</b>
	At the end of the year	<b>200000</b>	<b>6.90</b>	<b>200000</b>	<b>6.90</b>
<b>5</b>	<b>Divya Agarwal</b>				
	At the beginning of the year	0	0.00		
	Allotment of Shares 21st January 2015	<b>200000</b>	<b>6.90</b>	<b>200000</b>	<b>6.90</b>
	At the end of the year	<b>200000</b>	<b>6.90</b>	<b>200000</b>	<b>6.90</b>
<b>6</b>	<b>Manoj Agarwal</b>				
	At the beginning of the year	0	0.00		
	Allotment of Shares 21st January 2015	<b>200000</b>	<b>6.90</b>	<b>200000</b>	<b>6.90</b>
	At the end of the year	<b>200000</b>	<b>6.90</b>	<b>200000</b>	<b>6.90</b>
<b>7</b>	<b>Deepak Kumar Agarwal</b>				
	At the beginning of the year	0	0.00		
	Allotment of Shares 21st January 2015	<b>100000</b>	<b>3.45</b>	<b>100000</b>	<b>3.45</b>
	At the end of the year	<b>100000</b>	<b>3.45</b>	<b>100000</b>	<b>3.45</b>
<b>8</b>	<b>Vinay Kumar Agarwal</b>				
	At the beginning of the year	0	0.00		
	Allotment of Shares 21st January 2015	<b>100000</b>	<b>3.45</b>	<b>100000</b>	<b>3.45</b>
	At the end of the year	<b>100000</b>	<b>3.45</b>	<b>100000</b>	<b>3.45</b>
<b>9</b>	<b>Shanti Lal Jain</b>				
	At the beginning of the year	0	0.00		
	Allotment of Shares 21st January 2015	<b>50000</b>	<b>1.72</b>	<b>50000</b>	<b>1.72</b>
	At the end of the year	<b>50000</b>	<b>1.72</b>	<b>50000</b>	<b>1.72</b>
<b>10</b>	<b>Bindu Pandey</b>				



	At the beginning of the year	0	0.00		
	Allotment of Shares 21st January 2015	<b>50000</b>	<b>1.72</b>	<b>50000</b>	<b>1.72</b>
	At the end of the year	<b>50000</b>	<b>1.72</b>	<b>50000</b>	<b>1.72</b>

**(v) Shareholding of Directors & KMP**

Sr. No.	Particulars	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	<b>For Each of the Directors &amp; KMP</b>				
<b>1</b>	<b>Guljharilal Sharma</b>				
	At the beginning of the year	15000	1.50	15000	1.50
	At the end of the year	0	0.00	15000	0.52

**v INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	Nil
<b>Change in Indebtedness during the financial year</b>				
Additions	Nil	Nil	Nil	Nil
Reduction	Nil	Nil	Nil	Nil
<b>Net Change</b>	Nil	Nil	Nil	Nil
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil

iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	Nil

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Chairman, Managing Director, Whole time director and/or Manager:**

Sr. No.	Particulars of Remuneration	Name of the Chairman/Managing Director/ Executive Director		Total Remuneration
		Mr. R.K. Kushwaha (Managing Director)	Mr. Guljharilal Sharma (Ex-Chairman)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	156000.00	0.00	156000.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00
2	Stock option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission as % of profit others (specify)	0.00	0.00	0.00
5	Others, Sitting Fees of Chairman	0.00	22000.00	0.00
	<b>Total (A)</b>	<b>156000.00</b>	<b>22000.00</b>	<b>178000.00</b>
<b>Overall Ceiling as per the Act</b>		# As per Section 197(3), read with Schedule V of Companies Act, 2013, In case of Absence or Inadequacy of Profit a Public limited Company having effective capital of negative or less than 5 crore then an amount not exceeding Rs. 30 lakhs can be paid as Remuneration (Yearly)		

**B. Remuneration to other directors:**

Sr. No.	Particulars of Remuneration	Name of the Directors		Total Remuneration
1	Independent Directors	Mr. Santosh Kumar Gupta	Mr. ParshantMalani	Total



	(a) Fee for attending board /committee meetings	Nil	Nil	Nil
	(b) Commission	Nil	Nil	Nil
	(c ) Others, please specify	Nil	Nil	Nil
	<b>Total (1)</b>	Nil	Nil	Nil
<b>1</b>	Independent Directors	<b>Mr. Amit Soni</b>	<b>Mr. Krishna Kamal Prasad</b>	Nil
	(a) Fee for attending board /committee meetings	Nil	Nil	Nil
	(b) Commission	Nil	Nil	Nil
	(c ) Others, please specify	Nil	Nil	Nil
	<b>Total (1)</b>	Nil	Nil	Nil
<b>2</b>	Other Non Executive Directors	<b>Ms. Vandana Sharma</b>	-	Nil
	(a) Fee for attending board committee meetings	Nil	-	Nil
	(b) Commission	Nil	-	Nil
	(c ) Others, please specify.	Nil	-	Nil
	<b>Total (2)</b>	Nil	-	Nil
	<b>Total (B)=(1+2)</b>	Nil	-	Nil
<b>Total Managerial Remuneration</b>				<b>178000.00</b>
<b>Overall Ceiling as per the Act.</b>		# As per Section 197(3), read with Schedule V of Companies Act, 2013, In case of Absence or Inadequacy of Profit a Public limited Company having effective capital of negative or less than 5 crore then an amount not exceeding Rs. 30 lakhs can be paid as Remuneration (Yearly)		

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
<b>1</b>	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	3333.00	3561.64	6894.64
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.00	0.00	0.00
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00
<b>2</b>	<b>Stock Option</b>	0.00	0.00	0.00



3	Sweat Equity	0.00	0.00	0.00
4	Commission as % of profit others, specify	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00
	<b>Total</b>	<b>3333.00</b>	<b>3561.64</b>	<b>6894.64</b>

# Ms. Divya Gupta, Company Secretary of the Company was appointed on 20th March 2015. Therefore her salary is on Proportionate basis i.e., for 10 Days from 21st March to 31st March 2015.

# Mr. Dharmendra Kumar, An employee of the Company was promoted as Chief Financial Officer on 20th March 2015 and for 10 Days from 21st March to 31st March 2015 his salary is on Proportionate basis.

#### VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment					
Compounding					



### 'ANNEXURE-3'

▪ **STATEMENT OF DISCLOSURE OF REMUNERATION U/S 197 OF COMPANIES ACT, 2013 AND RULES 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

1.(i) the ratio of the remuneration of Managing director, Mr. Ramakant Kushwaha to the median remuneration of the employees of the Company for the financial year;	2.36:1
(ii) the percentage increase in remuneration of Managing/Whole Time Director/KMP;	No increase (N.A)
(iii) the percentage increase in the median remuneration of employees in the financial year;	No increase (N.A)
(iv) the number of permanent employees on the rolls of Company as on 31 <sup>st</sup> March, 2015;	(N.A)
(v) the explanation on the relationship between average increase in remuneration and Company performance;	(N.A)
(vi) Comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the Company;	Keeping in view the latest amendments in the Companies Act, 2013, Key Managerial Personnel (KMP's) has been appointed by the Company. This was duly reviewed and approved by the Nomination & Remuneration Committee of the Company.
(vii) the key parameters for any variable component of remuneration availed by the Whole Time Director;	Variable compensation is an integral part of total reward package for all the employees including Whole Time Director. These are drawn from the organizational strategic plan and are then reviewed for consistency and stretch.
(viii) the ratio of the remuneration of the Whole Time Director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	(N.A)

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

## REPORT OF CORPORATE GOVERNANCE

### ▪ COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company is committed to the adoption of best governance practices and its adherence in the true letter and spirit at all times and envisages the attainment of high level of accountability and transparency in the functioning of the company and that there is no compromise to adopt transparent accounting policies, appropriate, disclosure norms, best-in-class board practices and consistent high standards of Corporate Conduct towards its stakeholders.

The Company has adopted and complied practices with the most of the requirements of corporate governance as laid down under the applicable clause 49 of the listing agreements with the Stock Exchanges (Calcutta Stock Exchange Ltd.) and has established procedures and system to be fully compliant with the Agreement.

### ▪ BOARD OF DIRECTORS

#### Composition/Category

The present strength of the Board of Director is 6(Six). The Composition of the Board is as follows:

- Three Non Executive, Independent Directors,
- One Non Executive, Promoter Director(Women),
- One Executive, Non Independent Director,
- One Executive, Promoter Director.

Sr. No.	Category	Name of Director
I.	Executive, Non Independent Director Executive and Promoter Director Non Executive, Non Independent Director (Additional Director)	Mr. Rama Kant Kushwaha, Managing Director Mr. Guljhari Lal Sharma, Director Mrs. Vandana Sharma
II.	Independent Directors {Independent Directors (Additional {Director)	Mr. Parshant Malani {Mr. Amit Soni {Mr. Krishna Kamal Prasad

Attendance of Director at the Meetings of Board of Directors held during the Financial Year 2014-2015 and Annual General Meeting held on 30<sup>th</sup> September, 2014 are as follows:

Eleven Board Meetings were held during the Financial Year 2014-2015. These meetings were held on 28<sup>th</sup> May 2014 adjourned to 03<sup>rd</sup> June 2014, 30<sup>th</sup> June 2014, 14<sup>th</sup> August 2014, 20<sup>th</sup> September 2014, 1<sup>st</sup> October 2014, 07<sup>th</sup> November 2014, 13<sup>th</sup> November 2014, 27<sup>th</sup> December 2014, 21<sup>st</sup> January 2015, 12<sup>th</sup> February 2015 and 20<sup>th</sup> March 2015.

**The record of attendance of Directors and Directorships of Public Limited Companies and Membership/ Chairmanship of Board Committees:**

Name of Director	No. of Board Meetings attended	Attendance at the AGM	*No. of Other Directorship	No. of Other Board Committees in which Director is Member	No. of Other Board Committees in which Director is Chairman
	Meeting during Financial Year 2014-2015		As on 31st March 2015		
Mr. Guljhari Lal Sharma	11	Present	2	-	-
Mr. Rama Kant Kushwaha	11	Present	-	-	-
**Mr. Santosh Kumar Gupta	8	Present	-	-	-
Mr. Vandana Sharma	-	Appointed on 20-03-2015	-	-	-
Mr. Parshant Malani	5	Appointed on 30-09-2014	-	-	-
Mr. Amit Soni	-	Appointed on 20-03-2015	-	-	-
Mr. Krishna Kamal Prasad	-	Appointed on 20-03-2015	-	-	-

\* Excludes directorships/ alternate directorships on private limited companies, foreign companies and companies under Section 8 the Companies Act, 2013.

\*\* Mr. Santosh Kumar Gupta has resigned on 20<sup>th</sup> March,2015

▪ **STATEMENT OF DECLARATION OF INDEPENDENCE OF INDEPENDENT DIRECTORS'**

As mandated by clause 49 of the Listing Agreement, the Independent Directors on Prabhat Securities Limited Board:

- Apart from receiving Sitting Fees, do not have any material pecuniary relationships or transactions with Company, its promoters, its Directors, and its Senior Management which may affect independence of the Director.
- Are not related to promoters or persons occupying management position at the Board level or at one level below the Board.
- Have not been an executive of the Company in the immediately preceding three financial years.
- Are not Partners or Executives or were not Partners or Executives during the preceding three financial years of the :

- a) Statutory Audit Firm or the Internal Audit Firm that is associated with the Company.
- b) Legal Firm(s) and consulting firm(s) that have a material association with the Company.

- Are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect independence of a Director.
- Are not substantial shareholders of the Company, i.e. do not own 2% or more of block of voting shares.
- Are not less than 21 years of age.

#### ▪ CODE OF CONDUCT

The Company has adopted a code of conduct for Board of Directors and the Senior Management of the Company. It is available on the Company's website: [www.prabhatsecuritiesltd.com](http://www.prabhatsecuritiesltd.com). The code is regularly reviewed and updated as necessary to ensure that it reflects the highest standard of behavior and professionalism. An affirmation as to compliance with the code of conduct is obtained from all the Directors and the Senior Management Personnel annually.

#### ▪ COMMITTEES OF BOARD OF DIRECTORS

##### AUDIT COMMITTEE AND RISK MANAGEMENT COMMITTEE

Brief description of Terms of Reference:

The Terms of reference of Audit Committee is according to Section 177 and Section 178 of Companies Act, 2013 and Clause 49 of Listing Agreement which, inter alia, includes to oversee the Company's financial reporting process, to review Directors' Responsibility Statement, changes, if any, in accounting policies and reasons for the same, qualifications in the draft audit report, performance & independence of statutory and internal auditors, reports of the Company's internal auditors and financial statement audited by the statutory auditors and also to review the information relating to Management Discussion and Analysis of financial statements and results of operations, statement of significant related party transactions, and internal control systems.

- Constitution : Re- Constituted by the Board of Directors of the Company at its meeting held on 20<sup>th</sup> March 2015.

During the year, the Committee Meetings were held on 26<sup>th</sup> May 2014, 11<sup>th</sup> August 2014, 20<sup>th</sup> September 2014, 10<sup>th</sup> November 2014, 23 December 2014, 10<sup>th</sup> February 2015 and 25<sup>th</sup> March 2015.

The attendance of Members was as follows:

Before 20<sup>th</sup> March 2015:-

<b>Name of Director</b>	<b>No. of Meetings held</b>	<b>No. of Meetings attended</b>
<b>Mr. Santosh Kumar Gupta, Chairman</b>	6	6
Mr. Guljhari Lal Sharma	6	5
Mr. Rama Kant Kushwaha	6	6

After 20<sup>th</sup> March 2015 (Re-Constitution of Audit Committee) are as follows:-



Name of Director	No. of Meetings held	No. of Meeting attended
<b>Mr. Amit Soni, Chairman</b>	1	1
Mr. Parshant Malani	1	1
Mr. Krishna Kamal prasad	1	1
Mr. Guljhari Lal Sharma	1	1

Mr. Santosh Kumar Gupta, The Chairman of the Audit Committee was Present at the Annual General Meeting held on 30<sup>th</sup> September 2014.

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

##### Brief Description of Terms of Reference:

The Committee's composition and the terms of reference meet with the requirements under the Provisions of section 178(5) of the Companies Act, 2013 and of Clause 49 of the Listing Agreement.

During the year, the Committee Meetings were held on 26<sup>th</sup> May 2014, 23<sup>rd</sup> September 2014, 1<sup>st</sup> November 2014, 22<sup>nd</sup> December 2014 & 23<sup>rd</sup> March 2015

The attendance of Members was as follows:

Name of Member	No. of Meetings held	No. of Meetings attended
<b>Mr. Rama Kant Kushwaha, Chairman</b>	4	4
Mr. Guljhari Lal Sharma	4	3
Mr. Santosh Kumar Gupta	4	4

The Committee (Re-Constituted on 20<sup>th</sup> March 2015) consists of:-

Name of Member	No. of Meetings held	No. of Meetings attended
<b>Mr. Krishna Kamal Prasad, Chairman</b>	1	1
Mr. Parshant Malani	1	1
Mr. Rama Kant Kushwaha	1	1

Terms of Reference inter alia include the following

To specifically look into the redressal of grievances of shareholders and other security holders. If any.

- To Consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non- receipts of balance sheet, non- receipt of declared dividends: and
- To act in terms of any consequent statutory modification(s)/ amendment(s)/ revision(s) to any of the applicable provisions to the said Committee.

Compliance Officer:

Ms. Divya Gupta, Company Secretary is the Compliance Officer for complying with requirements of Securities Laws and Listing Agreements with Stock Exchanges.

<b>Nature of Complaint</b>	<b>No. complaints Received</b>	<b>of</b>	<b>No. of Complaints Redressed</b>
Non receipt of Dividend	0		0
Issue of Duplicate certificates/ Share Certificates	0		0
Non receipt of Annual Return	0		0

There are no outstanding complaints as on 31<sup>st</sup> March 2015.

### NOMINATION AND REMUNERATION COMMITTEE

Brief Description of Terms of Reference:

The Committee's composition and the terms of reference meet with the requirements under the Provisions of section 178(5) of the Companies Act, 2013 and of Clause 49 of the Listing Agreement.

Composition: The Nomination and Remuneration Committee is Re-constituted on 20<sup>th</sup> March 2015

During the year, the Committee Meetings were held on 19<sup>th</sup> September 2014 and 24<sup>th</sup> march 2015

The attendance of Members was as follows:

Before 20<sup>th</sup> March 2015:-

<b>Name of Director</b>	<b>No. of Meetings held</b>	<b>No. of Meetings attended</b>
Mr. Guljhari Lal Sharma, Chairman	1	1
Mr. Santosh Kumar Gupta	1	1
Mr. Rama Kant Kushwaha	1	1

After 20<sup>th</sup> March 2015 (Re-Constitution of Audit Committee) are as follows:-

<b>Name of Director</b>	<b>No. of Meetings held</b>	<b>No. of Meeting attended</b>
Mr. Parshant Malani, Chairman	1	1
Mr. Krishna Kamal prasad	1	1
Mr. Amit Soni	1	1
Mrs. Vandana Sharma	1	1

### ▪ ANNUAL GENERAL MEETINGS

Details of Last Three Annual General Meetings held:

Particulars	FY 2011-2012	FY 2012-2013	FY 2013-2014
Day	Saturday	Monday	Tuesday
Date	29-09-2012	30-09-2013	30-09-2014
Time	11.00 A.M.	10.00 A.M.	11.00 A.M.
Venue	'Satyam', 4/276, Parwati Bagla Road, Kanpur, Uttar Pradesh - 208002	'Satyam', 4/276, Parwati Bagla Road, Kanpur, Uttar Pradesh - 208002	'Satyam', 4/276, Parwati Bagla Road, Kanpur, Uttar Pradesh - 208002

No Special resolutions have been passed by the Company during the last Three Financial Years

There is no resolution passed through postal ballot process at the ensuing Annual General Meeting.

**Extra Ordinary General Meeting** was held on Thursday, 11<sup>th</sup> of December 2014 and adjourned till Friday, 26<sup>th</sup> December 2014 to consider the following special business:-

- Issue of 19, 00,000 Equity Shares on Preferential Basis to Strategic Investors Forming Part of Non- Promoter Group.  
{All Directors were present at the Extra General Meeting}

#### ▪ **DISCLOSURES**

- In the meeting of Board of Directors held on 20<sup>th</sup> March 2015, The Company has amended and adopted following policies:-

1. Code of Practices & Procedures For Fair Disclosure of Unpublished Price Sensitive Information,
2. Code of Independent Director,
3. Insider Trading Code; and
4. Whistle blower policy.

- The Company has complied with the mandatory requirement of Clause 49 of the Listing Agreement.

#### ▪ **REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL**

##### A. Remuneration to Chairman, Managing Director, Whole time director and/or Manager:

Sr. No.	Particulars of Remuneration	Name of the Chairman/Managing Director/ Executive Director		Total Remuneration
		Mr. R.K. Kushwaha (Managing Director)	Mr. Guljhari Lal Sharma (Ex-Chairman)	
1	Gross salary			



	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	156000.00	0.00	156000.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.00	0.00	0.00
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00
2	Stock option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission as % of profit others (specify)	0.00	0.00	0.00
5	Others, Sitting Fees of Chairman	0.00	22000.00	0.00
	<b>Total (A)</b>	<b>156000.00</b>	<b>22000.00</b>	<b>178000.00</b>
<b>Overall Ceiling as per the Act</b>		# As per Section 197(3), read with Schedule V of Companies Act, 2013, In case of Absence or Inadequacy of Profit a Public limited Company having effective capital of negative or less than 5 crore then an amount not exceeding Rs. 30 lakhs can be paid as Remuneration (Yearly)		

#### ▪ REMUNERATION TO OTHER DIRECTORS:

Sl.No	Particulars of Remuneration	Name of the Directors		Total Remuneration
1	Independent Directors	<b>Mr. Santosh Kumar Gupta</b>	<b>Mr. Parshant Malani</b>	Total
	(a) Fee for attending board /committee meetings	Nil	Nil	Nil
	(b) Commission	Nil	Nil	Nil
	(c ) Others, please specify	Nil	Nil	Nil
	<b>Total (1)</b>	Nil	Nil	Nil
1	Independent Directors	<b>Mr. Amit Soni</b>	<b>Mr. Krishna Kamal Prasad</b>	Nil
	(a) Fee for attending board /committee meetings	Nil	Nil	Nil
	(b) Commission	Nil	Nil	Nil
	(c ) Others, please specify	Nil	Nil	Nil
	<b>Total (1)</b>	Nil	Nil	Nil



<b>2</b>	Other Non Executive Directors	<b>Ms. Vandana Sharma</b>	-	Nil
	(a) Fee for attending board committee meetings	Nil	-	Nil
	(b) Commission	Nil	-	Nil
	(c ) Others, please specify.	Nil	-	Nil
	<b>Total (2)</b>	Nil	-	Nil
	<b>Total (B)=(1+2)</b>	Nil	-	Nil
<b>Total Managerial Remuneration</b>				<b>178000.00</b>
<b>Overall Ceiling as per the Act.</b>		# As per Section 197(3), read with Schedule V of Companies Act, 2013, In case of Absence or Inadequacy of Profit a Public limited Company having effective capital of negative or less than 5 crore then an amount not exceeding Rs. 30 lakhs can be paid as Remuneration (Yearly).		

**■ REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	CFO	
<b>1</b>	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	3333.00	3561.64	6894.64
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.00	0.00	0.00
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00
<b>2</b>	<b>Stock Option</b>	0.00	0.00	0.00
<b>3</b>	<b>Sweat Equity</b>	0.00	0.00	0.00
<b>4</b>	<b>Commission as % of profit others, specify</b>	0.00	0.00	0.00
<b>5</b>	<b>Others, please specify</b>	0.00	0.00	0.00
	<b>Total</b>	<b>3333.00</b>	<b>3561.64</b>	<b>6894.64</b>



# **Ms. Divya Gupta**, Company Secretary of the Company was appointed on 20th March 2015. Therefore her salary is on Proportionate basis i.e., for 10 Days from 21st March to 31st March 2015.

# **Mr. Dharmendra Kumar**, An employee of the Company was promoted as Chief Financial Officer on 20th March 2015 and for 10 Days from 21st March to 31st March 2015 his salary is on Proportionate basis.

#### ▪ MEANS OF COMMUNICATION

The Company publishes its financial results every quarter in leading English newspapers such as "Financial Express" and in Hindi newspapers such as "Kampu Mail" and the same were also sent to all the Stock Exchanges where the Equity shares of the Company are listed. The results are also displayed on the Company's website [www.prabhatsecuritiesltd.com](http://www.prabhatsecuritiesltd.com).



## GENERAL SHAREHOLDER INFORMATION

### ▪ ANNUAL GENERAL MEETING

Date	September 26 <sup>th</sup> , 2015,
Day	Saturday
Time	11.00A.M.
Venue	'Satyam', 4/276, Parwati Bagla Road, Kanpur, Uttar Pradesh-208002

### ▪ FINANCIAL YEAR

01<sup>st</sup> April 2014 to 31<sup>st</sup> March 2015

### ▪ DATE OF BOOK CLOSURE

21<sup>st</sup> September 2015 to 26<sup>th</sup> September 2015

### ▪ DIVIDEND PAYMENT DATE

The Directors of the Company are of the opinion not to declare dividend for this financial year.

### ▪ LISTING OF STOCK EXCHANGE

The Calcutta Stock Exchange Limited

### ▪ MARKET PRICE

The Shares of the Company are not being traded on stock Exchanges. Hence no market price can be determined.

### ▪ SHARE TRANSFER SYSTEM

In Compliance with the SEBI circular dated 27<sup>th</sup> December 2002, requiring share registry in terms of both physical and electronic mode to be maintained at a single point, the Company has appointed M/s Maheshwari Datamatics Private Limited having Regd. Off.:- 6, Mangoe Lane (Surendra Mohan Ghosh Sarani), 2<sup>nd</sup> Floor, Kolkata – 700 001 as its Registrar and Share Transfer Agents.



## ▪ SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH 2015:

Pattern of Shareholding by Ownership			Pattern of Shareholding by Share Class			
Ownership	No. of Shares held	Share holding %	Category	No. of Share Holders	No. of Share held	Share Holding %
Promoters	283000	9.76	=/<500	494	50407	1.74
Non Promoter (Public)	2405007	82.93	501-1000	0	0	0.00
Bodies Corporate	212000	7.31	1001-2000	0	0	0.00
Fis/Banks	0	0.00	2001-3000	0	0	0.00
FIs	0	0.00	3001-4000	0	0	0.00
NRI's/OCB	0	0.00	4001-5000	1	5000	0.17
Mutual Funds	0	0.00	5000-10000	1	10000	0.34
Others	0	0.00	>10000	45	2834600	97.75
<b>Total</b>	<b>2900007</b>	<b>100.00</b>	<b>Total</b>	<b>541</b>	<b>2900007</b>	<b>100.00</b>

## ▪ DEMATERIALISATION

82% of Equity Shares are in Dematerialised form as on 31<sup>st</sup> March 2015 and Remaining 18% Shares are in Physical Form.

## ▪ DETAILS OF PUBLIC FUNDS OBTAINED IN LAST 3 YEARS

Nil

## ▪ CEO/CFO CERTIFICATION

As required by clause 49 (Corporate Governance) of the Listing Agreement, the Managing Director and Chief Financial Officer have furnished the necessary Certificate to the Board of Director with respect to Financial Statements and Cash Flow Statement for the Year ended 31<sup>st</sup> March 2015.

## ▪ REGISTERED OFFICE

'SATYAM', 4/276, Parwati Bagla Road, Kanpur, Uttar Pradesh – 208002

## ▪ AUDIT QUALIFICATION

The company has not made provisions in the books of account regarding diminution in market value of investments in compliance with the accounting standard specified under Section 133 of the Act.

As stated in Note no. 5 to the Notes on account, due to omission, the company has not deducted tax at source on the payment of Rs. 36500.00 made to a professional.

As stated in Note no.4 to the Notes on account, the balances of Trade Receivables, Loans and advances and other personal accounts are subject to confirmation and reconciliation, if any.

▪ **HALF YEARLY COMMUNICATION TO SHAREHOLDERS**

The Company does not mail the un-audited Half Yearly Financial Results individually to its shareholders. However these are published in newspapers and are also posted on the website of the Company .i.e., [www.prabhatsecuritiesltd.com](http://www.prabhatsecuritiesltd.com)

▪ **INVESTOR GRIEVANCE CORRESPONDENCE**

<b>Company</b>	<b>Share Transfer Agents</b>
Ms. Divya Gupta, Company Secretary	M/s Maheshwari Datamatics Private Limited
'SATYAM', 4/276, Parwati Bagla Road, Kanpur, Uttar Pradesh – 208002	Regd. Off.:- 6, Mangoe Lane (Surendra Mohan Ghosh Sarani), 2 <sup>nd</sup> Floor, Kolkata – 700 001
Phone: 91-512-3073793	Phone:033-2243-5029/5809
Fax: 91-512-2526347	Fax: (033) 22484787
E-mail: <a href="mailto:prabhatsecurities@gmail.com">prabhatsecurities@gmail.com</a>	E-mail: <a href="mailto:mdpldc@yahoo.com">mdpldc@yahoo.com</a>
Website: <a href="http://www.prabhatsecuritiesltd.com">www.prabhatsecuritiesltd.com</a>	Website: <a href="http://www.mdpl.in">www.mdpl.in</a>

**DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT**

I, Parshant Malani, Chairman of Prabhat Securities Limited hereby declare that all the Board members and Managerial Personnel have affirmed for the ended March 31, 2015 compliance with Code of Conduct of the Company laid down for them.

**Place:** Kanpur  
**Date:** 30/05/2015

**Mr. Parshant Malani**  
Chairman



## CERTIFICATE

To  
The Members of  
**PRABHAT SECURITIES LIMITED**

We have examined the compliance of conditions of Corporate Governance, by Prabhat Securities Limited, for the year ended on 31st March, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For **AVA & ASSOCIATES**  
*Company Secretaries*

**Ashish Kumar Gupta**  
F.C.S.:6433  
C.P.: 6859

Place: Kanpur  
Dated: 30/05/2015



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## MANAGEMENT DISCUSSION AND ANALYSIS

### ▪ ECONOMIC CONDITION

The Global as well as Indian economy grew at a rate lower than average of the last 10 Years due to overhang of lower capital expenditure and investments, tight monetary policy and sluggish demand conditions in critical sectors such as automotive, infrastructure and construction. There are significant expectations of the new Government to pursue further economic reforms, investments in infrastructure and an inclusive growth agenda to revive the economy.

### ▪ BUSINESS OVERVIEW

The Company is of opinion that there is ample of opportunities to work and grow even in this so called adverse business environment. It has prepared itself to meet all the future challenges and be focused on its vision.

### ▪ PERFORMANCE

Keeping in view the adverse market conditions the performance of Company for the financial year 2014-2015 has been satisfactory. The Company made a profit of Rs, 300.93 thousands.

### ▪ OUTLOOK

The Company repositioned itself under the prevailing financial condition and had a better over view of the economy as a whole. At macro level it seems that things are going to change with a positive note under the flagship of better policy decisions by the regulators.

### ▪ RISK AND CONCERNS

The Company assesses internal as well as external environment and fully aware of the risk factors. It implements adequate risk management measures.

### ▪ INTERNAL CONTROL SYSTEM

The Company ensures strict compliance of applicable laws and regulation for financial transactions. Audit committee of the Company oversees the internal audit function and the internal control system.

### ▪ HUMAN RESOURCES CAPITAL

The Company has best employees. It recognizes their effort in the success of company and provides platform for their growth and development.

### ▪ DISCLAIMER



The Statement and projections made in this report may vary depending on the economic conditions, government policies, and other factors beyond the control of the Company. Company is not under any obligation to amend, modify or revise any statement.

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## **INDEPENDENT AUDITORS' REPORT**

To the Members of  
**Prabhat Securities Limited**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of M/s Prabhat Securities Limited ("the company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. While conducting the Audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Basis for Qualified Opinions**

The company has not made provisions in the books of account regarding diminution in market value of investments in compliance with the accounting standard specified under Section 133 of the Act.

As stated in Note no.4 to the Notes on account, the balances of Trade Receivables, Loans and advances and other personal accounts are subject to confirmation and reconciliation, if any.

As stated in Note no. 5 to the Notes on account, due to omission, the company has not deducted tax at source on the payment of Rs. 36500.00 made to a professional.

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us because of the significance of matters described except for the effects/possible effects of the matter described in the basis of Qualified Opinion in above paragraphs, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2015,
- b. In the case of the Statement of Profit & Loss, of the Profit for the year ended on that date; and
- c. In the case of the Cash Flow Statement, of the Cash flows for the year ended on that date.

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

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As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the auditors' reports of the company, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by section 143(3) of the Act, we report that:

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

Except for the effects/possible effects of the matter described in the Basis of Qualified Opinion Paragraph, in our opinion, the Balance Sheet, statement of Profit & Loss and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable.

On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

In our opinion and to the best of our information and according to the explanations given to us, we further report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:

We have been informed that the Company does not have any pending litigation which would impact its financial position.

We have been informed that the Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses]

We have been informed that there were no amounts which required to be transferred by the company to the Investor Education and Protection Fund.

**For Kamal Gupta Associates**

*Chartered Accountants*

FRN:000752C

**CA. Pankaj Gupta**

*Partner*

Membership No.: 076367

Place: Kanpur  
Date: 30/05/2015

## ANNEXURE TO INDEPENDENT AUDITOR'S REPORT:

### RE: PRABHAT SECURITIES LIMITED

Referred to in paragraph (1) of our Audit Report of even date:

1.
  - a) The Company is maintaining proper records showing full particulars including quantitative details and situation of Fixed Assets.
  - b) As explained to us, all fixed assets have not physically verified by the management according during the year but there is a regular programme of verification, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. Further explained to us, No material discrepancies between the book records and the physical inventory have been noticed.
  - c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the company during the year and the going concern status of the company is not affected.
2.
  - a) As explained to us, the inventory of shares has been physically verified by the management at regular intervals during the year.
  - b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and nature of its business.
  - c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records which have been properly dealt with in the books of account were not material.
3.
  - a) During the year, the Company has not taken interest free Unsecured Loans from Company and parties covered in the register maintained U/s 189 of the Act except from a company. The maximum amount involved during the year was Rs. 8.20 Lacs and year-end balance of loan taken from such company was NIL. In our opinion and according to information and explanation given to us, the terms and conditions on which these loans have been taken by company from these parties are prima-facie not prejudicial to the interest of the company.
  - b) During the year, the company has granted unsecured loan to the companies, covered in the register maintained U/s 189 of the Companies Act' 2013, amounting to Rs. 37.55 lacs and the year-end balance of loans granted to such party was Rs. 33.63 Lacs.
  - c). On the basis of examination of books, there were no overdue amounts of more than one lac in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.
4. In our opinion and According to the information & explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory of shares, fixed assets and for the



sale of shares. Further, on the basis of our examinations of the books and records of the company and according to the information and explanations given to us, we have not observed any major weaknesses in internal controls during the course of audit.

5.
  - a) In our opinion and according to the information & explanations given to us, the transactions that need to be entered into the register in pursuance of section 189 of the Companies Act' 2013 have been so entered.
  - b) In our opinion and according to the information & explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained U/s 189 of the Act and exceeding the value of Rs. 5.00 Lacs in respect of any party during the year, have been made at prices which are reasonable, having regard to prevailing market prices at the relevant time. The Company has no accumulated losses as at 31.03.2015 and has not incurred cash losses in the financial year ended on that date.
6. In our opinion and according to the information & explanations given to us, the Company has not accepted any deposits from the public.
7. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
8. As informed to us, the maintenance of cost records U/s 148(1) of the Companies Act' 2013 has not been prescribed by the Central Govt.
9.
  - a) According to the information and explanations given to us and the records of the company examined by us, In our opinion, the company is generally regular in depositing the undisputed statutory dues including Income Tax, Sales Tax, Excise Duty, Cess and other material statutory dues as applicable, with the appropriate authorities.
  - b) According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31.03.2015 for a period of more than six months from the date they became payable except TDS amounting to Rs.2248.00.
  - c) According to the records of the company, there are no disputed statutory dues of Sales Tax, Custom Duty, Wealth Tax, Excise Duty and Cess, which have not been deposited as at 31.03.2015.
10. According to the records of the company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues of any financial institution or banks as at the Balance Sheet date.
11. According to information and explanations given to us and based on the documents and records produced to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
12. The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the company.
13. In our Opinion, the Company is a dealer or trader in shares, securities, debentures and other investments.
14. The Company has no accumulated losses as at 31.03.2015 and has not incurred cash losses in the financial year ended on that date.
15. According to records of the company examined by us, company has not taken any term loan; hence this para is not applicable.



16. On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short term basis which have been use for long term investments or vice-versa.
17. During the year, the Company has made preferential allotment of shares to parties and companies entered in the register maintained U/s 189 of the Companies Act' 2013.
18. The Co. has not created securities in respect of debentures as no debentures have been issued by the Co.
19. The Company has not raised any money by way of public issues during the year.
20. During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing factors practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year nor have we been informed of such case by the management.

**For Kamal Gupta Associates**

*Chartered Accountants*

*FRN:000752C*

**CA. Pankaj Gupta**

*Partner*

*Membership No.:076367*

Place: New Delhi

Date: 30/05/2015



# Balance Sheet

as at 31 March, 2015

Particulars		Note No.	As at 31 March, 2015	As at 31 March, 2014
			Rs.	Rs.
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
1	<b>Shareholders' funds</b>			
	(a) Share capital	3	29,000,070.00	10,000,070.00
	(b) Reserves and surplus	4	1,567,000.68	1,270,551.91
			30,567,070.68	11,270,621.91
2	<b>Share application money pending allotment</b>		-	-
3	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	5	-	-
	(b) Deferred tax liabilities (net)	6	-118,584.00	-116,117.00
			-118,584.00	-116,117.00
4	<b>Current liabilities</b>			
	(a) Short Term Borrowings	7	0.00	0.00
	(b) Trade payables	8	-	-
	(c) Other current liabilities	9	74,090.00	28,469.31
	(d) Short-term provisions	10	149,000.00	22,800.00
			223,090.00	51,269.31
	<b>TOTAL</b>		<b>30,671,576.68</b>	<b>11,205,774.22</b>
<b>B</b>	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets : Fixed Assets	11	82,258.00	124,271.00
	(ii) Investments	11A	3,630,000.00	3,630,000.00
	(b) Long-term loans and advances	12	-	-
			3,712,258.00	3,754,271.00
2	<b>Current assets</b>			
	(a) Inventories	13	14,730.00	14,120.00
	(b) Trade receivables	14	22,756.00	-
	(c) Cash and cash equivalents	15	303,093.68	128,473.56
	(d) Short-term loans and advances	16	26,618,739.00	7,308,909.66
			26,959,318.68	7,451,503.22
	<b>TOTAL</b>		<b>30,671,576.68</b>	<b>11,205,774.22</b>
	<b>Accompanying notes are an integral part of the financial statements</b>		-	-

In terms of our report of even date attached

**FOR KAMAL GUPTA ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
 FRN 000752C

**CA. PANKAJ GUPTA (MRN 076367)**  
**PARTNER**

PLACE : KANPUR  
 Date 30/05/2015

For and on behalf of the Board of Directors

**PRASHANT MALANI**  
**(Chairman)**

**RAMA KANT KUSHWAHA**  
**(Managing Director)**

**DHARMENRDA KUMAR**  
**(Chief Financial Officer)**

**DIVYA GUPTA**  
**(Company Secretary)**



# Statement of Profit and Loss

for the year ended 31 March, 2015

Particulars		Note No.	For the year ended 31 March, 2015	For the year ended 31 March, 2014
			Rs.	Rs.
<b>A</b>	<b>CONTINUING OPERATIONS</b>			
1	Revenue from operations (gross) Less: Service Tax on Sales <b>Revenue from operations (net)</b>	17	626,608.00 - 626,608.00	5,247,382.02 - 5,247,382.02
2	<b>Expenses</b>			
	(a) Cost of Shares Sold	18	-	5,035,112.36
	(b) Employee benefits expense	19	367,833.00	372,500.00
	(c) Changes in Inventory	20	-610.00	360.00
	(d) Other expenses	21	1,096,846.05	354,522.63
	<b>Total</b>		<b>1,464,069.05</b>	<b>5,762,494.99</b>
3	<b>Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA) (1 - 2)</b>		-837,461.05	-515,112.97
4	Finance costs	22	112.18	280.90
5	Depreciation and amortisation expense	11	37,527.00	49,376.00
6	Other income	23	1,322,568.00	684,265.00
7	<b>Profit / (Loss) before exceptional and extraordinary items and tax (3-4-5+6)</b>		447,467.77	119,495.13
8	Exceptional items		-	-
9	<b>Profit / (Loss) before extraordinary items and tax (7 + 8)</b>		447,467.77	119,495.13
10	Extraordinary items		-	-
11	<b>Profit / (Loss) before tax (9 + 10)</b>		447,467.77	119,495.13
12	<b>Tax expense:</b>			
	(a) Current tax expense for current year (M.A.T.)		149,000.00	22,800.00
	(b) Current tax expense relating to prior years		-	-
	(c) Net current tax expense		149,000.00	22,800.00
	(d) Deferred tax		-2,467.00	(5,361.00)
			<b>146,533.00</b>	<b>17,439.00</b>
13	<b>Profit / (Loss) from continuing operations (11 + 12)</b>		300,934.77	102,056.13
14	<b>Profit / (Loss) for the year</b>		300,934.77	102,056.13
15	<b>Earnings per share (of Rs.10/- each):</b>			
	Basic			
	(i) Net Profit From Continuing operations		300,934.77	102,056.13
	(ii) Weighted No. of Equity Shares (No.)		2900007	1000007
	(iii) Earning Per Share From Continuing Operations (i/ii)		0.10	0.10

Accompanying notes are an integral part of the financial statements

In terms of our report of even date attached

**FOR KAMAL GUPTA ASSOCIATES**  
Chartered Accountants  
FRN 000752C

**CA. PANKAJ GUPTA (MRN 076367)**  
PARTNER

PLACE : KANPUR  
Date : 30/05/2015

For and on behalf of the Board of Directors

**PRASHANT MALANI**  
(Chairman)

**DHARMENRDA KUMAR**  
(Chief Financial Officer)

**RAMA KANT KUSHWAHA**  
(Managing Director)

**DIVYA GUPTA**  
(Company Secretary)



# Fund Flow Statement

for the year ended 31st march 2015

particulars	FOR THE YEAR ENDED 31.03.2015	FOR THE YEAR ENDED 31.03.2014
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
PROFIT AFTER EXCEPTIONAL ITEMS AND BEFORE TAX	447467.77	119495.13
Add: DEPRECIATION	37527.00	49376.00
Less: PROFIT ON SALE OF CAR	0.00	-162729.00
Less: INTEREST INCOME	-1310449.00	-519936.00
Less: DIVIDEND	-400.00	-1600.00
OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES	<b>-825854.23</b>	<b>-515393.87</b>
ADJUSTMENT FOR: TRADE & OTHER RECEIVABLES	-19332585.34	569573.27
VARIATION IN INVENTORIES	-610.00	360.00
TRADE PAYABLE	22820.69	-71733.30
	<b>-19310374.65</b>	<b>498199.97</b>
<b>CASH GENERATED FROM OPERATIONAL ACTIVITIES</b>	<b>-20136228.88</b>	<b>-17193.90</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
INTEREST RECEIVED	1310449.00	519936.00
DIVIDEND RECEIVED	400.00	1600.00
SHARE CAPITAL ISSUED	19000000.00	0.00
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>20310849.00</b>	<b>521536.00</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
NET PROCEEDS FROM FIXED ASSETS	0.00	225300.00
NET PROCEEDS FROM SHORT TERM BORROWINGS	0.00	-622011.78
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>0.00</b>	<b>-396711.78</b>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVILANTS</b>	<b>174620.12</b>	<b>107630.32</b>
CASH AND CASH EQUIVALANTS AT 1st APRIL 2014	128473.56	20843.24
CASH AND CASH EQUIVALANTS AT 31st MARCH 2015	<b>303093.68</b>	<b>128473.56</b>

FOR KAMAL GUPTA ASSOCIATES

CHARTERED ACCOUNTANTS  
FRN 000752C

CA. PANKAJ GUPTA (MRN 076367)  
PARTNER

PLACE : KANPUR  
Date: 30/05/2015

For and on behalf of the Board of Directors

PRASHANT MALANI  
(Chairman)

RAMA KANT KUSHWAHA  
(Managing Director)

DHARMENRDA KUMAR  
(Chief Financial Officer)

DIVYA GUPTA  
(Company Secretary)

## Notes forming part of the financial statements

Note	Particulars												
<b>1</b>	<b>Corporate information</b>												
	The Company is working as Non-Banking Financial Company (NBFC) and the Company has Interest Income along with Income from dealing in shares. The registered office of the company is situated at "Satyam", 4/276, Parwati Bagla Road, Kanpur.												
<b>2</b>	<b>Significant accounting policies</b>												
	The Company is a Small and Medium Sized Company as defined in the General Instructions in respect of Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006												
<b>2.1</b>	<b>Basis of accounting and preparation of financial statements</b>												
	The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2015 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except where otherwise stated.												
<b>2.2</b>	<b>Use of estimates</b>												
	The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.												
<b>2.3</b>	<b>Inventories</b>												
	As the company is a NBFC and has only Shares as Stock in Trade. The same has been valued at lower of cost or market Price, to the extent market rate available.												
<b>2.4</b>	<b>Depreciation and amortization</b>												
	Depreciation has been charged over the estimated useful life of a fixed assets on straight line basis as per the rates prescribed and in the manner specified in Part C of Schedule - II of the Companies Act, 2013. The useful lives of the groups of fixed assets are given below:-												
	<table border="0"> <thead> <tr> <th>Fixed Assets</th> <th>Useful Life</th> </tr> </thead> <tbody> <tr> <td>1) Computer</td> <td>3 years</td> </tr> <tr> <td>2) FPRX</td> <td>10 years</td> </tr> <tr> <td>3) Air Conditioner</td> <td>10 years</td> </tr> <tr> <td>4) Car</td> <td>8 years</td> </tr> <tr> <td>5) Scooter</td> <td>10 years</td> </tr> </tbody> </table>	Fixed Assets	Useful Life	1) Computer	3 years	2) FPRX	10 years	3) Air Conditioner	10 years	4) Car	8 years	5) Scooter	10 years
Fixed Assets	Useful Life												
1) Computer	3 years												
2) FPRX	10 years												
3) Air Conditioner	10 years												
4) Car	8 years												
5) Scooter	10 years												
<b>2.5</b>	<b>Revenue recognition</b>												
	Interest income has been recognised on the basis accrual of interest.												
<b>2.6</b>	<b>Tangible fixed assets</b>												
	Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets												
<b>2.7</b>	<b>Earnings per share</b>												
	Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.												
<b>2.8</b>	<b>Taxes on income</b>												

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences.

### **2.9 Impairment of assets**

An impairment loss is recognized wherever the carrying amount of fixed assets exceeds the recoverable amount i.e. the higher of the assets' net selling price and value in use.

### **3.00 Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

## Notes forming part of the financial statements

S.N.	Particulars	Current Year As At 31.03.2015	Previous Year As At 31.03.2014
1	<b><u>Contingent Liabilities:-</u></b>		
	i) Estimated Amount of Contract on Capital Account remaining to be executed and provided for	NIL	NIL
	ii) Other Contingent Liabilities	NIL	NIL
2	Director's Remuneration	156000.00	156000.00
3	<b><u>AUDITOR'S REMUNERATION:-</u></b>		
	Audit fees	29972.00	22472.00
4	The balances of Trade Receivables, Loans and Advances and other personal accounts are subject to confirmation and reconciliation, if any		
5	Due to omission, the company has not deducted tax at source on payment of Rs.36500.00 made to a professional.		
6	Quoted investments of Rs. 505000.00 held by the company are stated at cost. The market value of these investments as at 31st March 2015 stands at Rs. NIL as there is no rate available as on 31st March 2015. Provision for decline in the market value has not been made as there was no market rate available.		
7	None of the employees has completed the qualifying years of services for entitlement of gratuity and hence no provision has been made for Gratuity		
8	<b><u>The Deferred Tax Liability as at 31.03.2015 comprises of the</u></b>		
		<b>As at</b>	<b>Current Year</b>
		<b>As at 31.03.2015</b>	
	<b><u>Deferred Tax Assets:-</u></b>		
	Related to Fixed Assets	116117.00	2467.00
		116117.00	118584.00
9	Earning per share are calculated by dividing net profit/ (loss) for the year attributable to equity share holders by No. of equity shares outstanding during the year. As there is no change in the equity capital during the year, the diluted earning per share.		
10	Figures of the Previous Year have been regrouped/ rearranged wherever found necessary.		

## Note 3 Share capital

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
(a) Authorised Equity shares of Rs.10 each with voting rights	5500000	55,000,000.00	5500000	55,000,000.00
(b) Issued, Subscribed and Fully Paid up Equity shares of Rs. 10 each with voting rights	2900007	29,000,070.00	1000007	10,000,070.00
<b>Total</b>	<b>2900007</b>	<b>29000070.00</b>	<b>1000007</b>	<b>10000070.00</b>

Refer Notes (i), (ii) &amp; (iii) below

Particulars
(i) Terms/rights attached to equity shares
The company has only one class of equity shares with a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.
In the event of liquidation of the Company, the holders of equity shares are entitled to receive the remaining assets of the company, after meeting all liabilities and distribution of all preferential amounts, in proportion to their shareholding.

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2015			
- Number of shares	1,000,007	1,900,000	2,900,007
- Amount (Rs.)	10,000,070.00	19,000,000.00	29,000,070.00
Year ended 31 March, 2014			
- Number of shares	1000007	0	1,000,007
- Amount (Rs.)	10,000,070.00	-	10,000,070.00

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
KALI CHARAN SHARMA	0	0.00	50500	5.05
VIMAL KUMAR SHARMA	0	0.00	100000	9.99
SANTOSH HOLDING PRIVATE LIMITED	0	0.00	100000	9.99
PRABHAT FUND & HOLDING LTD.	0	0.00	100000	9.99
PRABHAT FINANCIAL SERVICES LTD.	0	0.00	100000	9.99
MANOJ AGARWAL	200000	6.89		
DIVYA AGARWAL	200000	6.89		
KAMAL KISHORE SOMANI HUF	200000	6.89		
ANHUMAN KAPUR	200000	6.89		
SONALI DIMRI	200000	6.89		
SIDDARTH GUPTA	450000	15.52		



### Note 4 Reserves and surplus

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	1,270,551.91	1,168,495.78
Add: Profit / (Loss) for the year	300,934.77	102,056.13
Less: Depreciation relating to previous year	(4,486.00)	-
Closing balance	<b>1,567,000.68</b>	<b>1,270,551.91</b>
<b>Total</b>	<b>1,567,000.68</b>	<b>1,270,551.91</b>

### Note 5 Long-term borrowings

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Term loans		
From banks/Fl		
Secured -	-	-
From other parties	-	-
Unsecured	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### Note 5 Long-term borrowings (contd.)

Particulars					
(i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:					
Particulars	Terms of repayment and security	As at 31 March, 2015		As at 31 March, 2014	
		Secured	Unsecured	Secured	Unsecured
		Rs.	Rs.	Rs.	Rs.
Term loans from banks/Fl:		0.00			
Total - Term loans from banks/Fl:		0.00	0.00	0.00	0.00
Term loans from other Unsecured Loans: From Body Corporate		0.00	0.00		0.00
Total - Term loans from other parties		-	-	-	-
(ii) The Company has defaulted in repayment of loans and interest in respect of the following:					
Particulars	As at 31 March, 2015		As at 31 March, 2014		
	Period of	Rs.	Period of	Rs.	
Term loans from other					
Principal		-		-	
Interest		-		-	



## Note 7 of Short-term borrowings

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Secured	Secured
i) Loan Repayable on demand from Banks		
ii) Other Loan and Advances : From Body Corporates	-	-
From Chairman	0.00	0.00
	<b>0.00</b>	<b>0.00</b>

## Note 8 Trade payables

Particulars	As at 31 March, 2015	As at 31 March,
	Rs.	Rs.
Trade payables:		
Acceptances	-	-
Other than Acceptances : Sundry Creditors for goods	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Note 9 Other current liabilities

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Current maturities of long-term debt (Refer Note (i) below)	-	-
(b) Book Overdraft (Corporation Bank SCRW A/c)	56.00	-
(c) Security Received		
(d) Other payables		
(i) Deposit from Employees	-	-
(ii) Advances from customers	-	-
(iii) <u>Other Sundry Liabilities</u>	-	-
Audit Fee Payable	29,972.00	22,472.00
Electricity Payable	1,530.00	2,220.00
Telephone Expenses	1,836.00	926.00
D.P. Charges	-	2,851.31
Salary Payable	3,333.00	
NSDL Expense	3,371.00	
RTA Fees	11,236.00	
T.D.S Payable	22,756.00	
<b>Total</b>	<b>74,090.00</b>	<b>28,469.31</b>

Note (i): Current maturities of long-term debt (Refer Notes (i) and (ii) in Note 5 - Long-term borrowings for

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Term loans		
From banks /Fis		
<u>Secured</u>		
From Other Parties		
<u>Unsecured</u>		
<b>Total</b>	<b>-</b>	<b>-</b>

## Note 10 Short-term provisions

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Provision for tax : for the A.Y. 2015-16	149,000.00	-

(b) Provision for tax : for the A.Y. 2014-15	-	22,800.00
<b>Total</b>	<b>149,000.00</b>	<b>22,800.00</b>

## Note 11A INVESTMENTS

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
<b>QUOTED SHARES:</b>		
50000 EQ. SHARES OF RAJENDRA FISCAL SERVICES LTD.	500000.00	500000.00
500 EQ. SHARES OF SUSHILA PULP & PAPERS LIMITED	5000.00	5000.00
<b>UNQUOTED SHARES</b>		
12500 EQ. SHARES OF SANTOSH HOLDINGS PVT. LTD.	125000.00	125000.00
300000 EQ. SHARES OF PRABHAT FINANCIAL SERV. LTD.	3000000.00	3000000.00
<b>Total</b>	<b>3630000.00</b>	<b>3630000.00</b>

## Note 12 Long-term loans and advances

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Security deposits With : Unsecured, considered good :		
(b) Due from Director	-	-
	-	-

Note: Long-term loans and advances include amounts due from:

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
Directors	0.00	0.00
Other officers of the Company	Nil	Nil
Firms in which any director is a partner	Nil	Nil
Private companies in which any director is a director or member	Nil	Nil
	-	-

## Note 13 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Shares in Trade	14,730.00	14,120.00
<b>Total</b>	<b>14,730.00</b>	<b>14,120.00</b>

## Note 14 Trade receivables

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(i) Trade receivables outstanding for a period exceeding six months from the date they were due for payment Unsecured, considered good	-	-
(ii) Other Trade receivables Unsecured, considered good	22,756.00	-
<b>Total</b>	<b>22,756.00</b>	<b>-</b>

## Note 15 Cash and cash equivalents

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Cash on hand:	82,226.00	92,588.00
(b) Balances with banks (i) In current accounts: with HDFC Bank	220,867.68	35,885.56
<b>Total</b>	<b>303,093.68</b>	<b>128,473.56</b>

## Note 16 Short-term loans and advances

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Loans and advances to related parties		
<u>Unsecured, considered good</u>		
Prabhat Financial Services Ltd. (For Shares)		-
Prabhat Financial Services Ltd.	-	147,606.00
Interest Receivable	11,687.00	157,691.00
	11,687.00	305,297.00
(b) Prepaid expenses - Unsecured, considered good		
Prepaid Computer Software Exp.	-	8,500.00
Prepaid Insurance	-	3,617.00
	-	12,117.00
(d) Balances with government authorities		
<u>Unsecured, considered good</u>		
Advance Income Tax ( 2014-15)	-	25,000.00
Income Tax Refund Receivables	-	109,291.00
STT NSE & BSE	-	-
Tax Deducted at Sources	127,574.00	33,815.00
(g) Others (specify nature)		
<u>Unsecured, considered good</u>		
Loan to Others :		
Arrow Granites Industries	2,400,000.00	-
Arrow Granites Private Limited	3,600,000.00	-
CMK Developers Pvt. Ltd.	5,581,666.00	-
Prabhat Commodity Brokers (p) Ltd	-	500,000.00
Manish Kanoongo	-	1,316,250.00
Kali Commodities PVT. LTD.	-	212,269.66
Rodic Coffe Estates Private Limited	3,711,800.00	3,350,000.00
Rodic Sikkim Project PVT. LTd.	1,835,394.00	1,000,000.00
Mahesh Kumar Makhija	-	101,250.00
Neelkanth Granites	403,551.00	-
Northmidland Construction Pvt. Ltd.	5,084,329.00	-
Shri Mehndipur Balaji Traders P. Ltd.	-	-
Suraj Narain Ajmera	-	50,000.00
Sunil Malani	-	2,370.00
Seema Jajodia	500,000.00	291,250.00
VKS Fincap Pvt. Ltd.	3,362,738.00	-
	26,479,478.00	6,823,389.66
<b>Total</b>	<b>26,618,739.00</b>	<b>7,308,909.66</b>

### Note 16 Short-term loans and advances (contd.)

Particulars		
Note: Short-term loans and advances include amounts due		
Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
<u>Directors</u>	-	0.00

## Note 17 Revenue from operations

	Particulars	For the year ended	For the year ended 31
		31 March, 2015	March, 2014
		Rs.	Rs.
(a)	Sale of products (Refer Note (i) below)	626,608.00	5,247,382.02
(b)	Sale of services (Refer Note (ii) below)	-	-
		626,608.00	5,247,382.02
(c)	Loss: Service Tax on Sales	-	-
<b>Total</b>		<b>626,608.00</b>	<b>5,247,382.02</b>

Note	Particulars	For the year ended	For the year ended 31
		31 March, 2015	March, 2014
		Rs.	Rs.
(i)	Sale of products comprises: Equity & Shares	626,608.00	5,247,382.02
<b>Total - Sale of Products</b>		<b>626,608.00</b>	<b>5,247,382.02</b>
(ii)	Sale of services comprises:	0	0
<b>Total - Sale of services</b>		<b>-</b>	<b>-</b>

## Note 18 Cost of materials consumed

Particulars	For the year ended	For the year ended 31	
	31 March, 2015	March, 2014	
		Rs.	Rs.
Openina stock: Equity & Shares	-	-	
Add: Purchases: Equity & Shares	-	5,035,112.36	
Add: Service tax on Purchase	-	-	
<b>Total</b>	<b>-</b>	<b>5,035,112.36</b>	
Less: Closing stock : Equity Shares	-	-	
<b>Cost of Shares consumed/Sold</b>	<b>-</b>	<b>5,035,112.36</b>	
Shares consumed/Sold comprises: Equity Shares	-	5,035,112.36	
<b>Total</b>	<b>-</b>	<b>5,035,112.36</b>	

## Note 19 Employee benefits expense

Particulars	For the year ended	For the year ended 31	
	31 March, 2015	March, 2014	
		Rs.	Rs.
Staff Welfare	-	17,000.00	
Salary to Employees	211,833.00	199,500.00	
Salary to Directors	156,000.00	156,000.00	
<b>Total</b>	<b>367,833.00</b>	<b>372,500.00</b>	

## Note 20 Changes in Inventories of Finished Goods, WIP and Stock In Trade

Particulars	For the year ended	For the year ended 31	
	31 March, 2015	March, 2014	
		Rs.	Rs.
Openina Stock of Shares	14120.00	14480.00	
	<b>14120.00</b>	<b>14480.00</b>	
Closing Stock of Shares	14730.00	14120.00	
	<b>14730.00</b>	<b>14120.00</b>	
<b>Changes in Inventories</b>	<b>610.00</b>	<b>-360.00</b>	

**Note 22 Finance costs**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
<b>(a)</b> Interest expense on:		
<b>(i)</b> Borrowings From Banks		
<b>(ii)</b> Others		
Interest paid	-	-
Interest paid on TDS	-	-
<b>(b)</b> Other borrowing costs		
Bank Charges and Commission	112.18	280.90
<b>Total</b>	<b>112.18</b>	<b>280.90</b>

**Note 23 Other income**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Dividend	400.00	1600.00
Interest on Loan	1310449.00	519919.00
Interest on Income Tax Refund	11719.00	17.00
Profit on Sale of Car	0.00	162729.00
<b>Total</b>	<b>1,322,568.00</b>	<b>684,265.00</b>

**Note 25 Additional information to the financial statements**

Note	Particulars	As at 31 March, 2015	As at 31 March, 2014
		Rs.	Rs.
23.1	<b>Contingent liabilities and commitments (to the extent not provided for)</b>		
(i)	Contingent liabilities		
	(a) Claims against the Company not acknowledged as debt	Nil	Nil
	(b) Guarantees	Nil	Nil
	(c) Other money for which the Company is contingently liable	Nil	Nil
		As at 31 March, 2015	As at 31 March, 2014
(ii)	Commitments	Rs.	Rs.
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
	Tangible assets	Nil	Nil
	Intangible assets	Nil	Nil
	(b) Uncalled liability on shares and other investments partly paid	Nil	Nil
	(c) Other commitments	Nil	Nil
23.2	<b>Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b> The company has not received information from vendors regarding their status under the Micro, Small & Medium enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid / payable under this Act has not been given.		
23.3	<b>Value of imports calculated on CIF basis :</b>	For the year ended	For the year ended 31
		Rs.	Rs.
	Raw materials	Nil	Nil
	Components	Nil	Nil
	Spare parts	Nil	Nil
	Capital goods	Nil	Nil
23.4	<b>Expenditure in foreign currency :</b>	For the year ended 31 March, 2015	For the year ended 31 March, 2014
		Rs.	Rs.
	Royalty	Nil	Nil
	Know-how	Nil	Nil
	Professional and consultation fees	Nil	Nil
	Interest	Nil	Nil
	Other matters	Nil	Nil
23.5	<b>Details of consumption of imported and indigenous items</b>	For the year ended 31 March, 2015	
		Rs.	%
	Imported (Rs. In Lacs)		
	Raw materials	(Nil)	(Nil)
	Components	(Nil)	NA
	Spare parts	(Nil)	NA
	<b>Total</b>	(Nil)	(Nil)
		(Nil)	(Nil)

**Note 25 continued**

Indigenous		For the year ended 31 March, 2015	
		Rs.	%
Raw Materials (Rs. In Lacs)		0.00 (0)	0.00% (0)
Consumables		0 (NIL)	0% (NIL)
Packing Materials		0 (NIL)	
<b>Total</b>		0.00 (0)	0.00% (0)
Note: Figures / percentages in brackets relates to the previous year			
		For the year ended 31 March, 2015	For the year ended 31 March, 2014
		Rs.	Rs.
23.6	<b>Earnings in foreign exchange: (Rs. In Lacs)</b>		
	Export of goods calculated on FOB basis	Nil	Nil
	Royalty, know-how, professional and consultation fees	Nil	Nil
	Interest and dividend	Nil	Nil
	Other income	Nil	Nil
23.7	In the opinion of the board of directors, the current assets, Loans & Advances if realized in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and that no contingent liability exists as on 31.03.2015 except those mentioned in these notes on account		
<b>FOR KAMAL GUPTA ASSOCIATES CHARTERED ACCOUNTANTS FRN 000752C</b>		<b>For and on behalf of the Board of Directors</b>	
<b>CA. PANKAJ GUPTA (MRN 076367) PARTNER</b>		<b>PRASHANT MALANI (Chairman)</b>	<b>RAMA KANT KUSHWAHA (Managing Director)</b>
PLACE : KANPUR Date : 30/05/2015		<b>DHARMENRDA KUMAR (Chief Financial Officer)</b>	<b>DIVYA GUPTA (Company Secretary)</b>





## Note 21 Other expenses

Particulars	For the year ended 31 March, 2015	For the yearended 31 March, 2014
	Rs.	Rs.
Conveyance Charges	10,500.00	4,629.00
Computer Software Exp.	8,500.00	8,500.00
Board Meeting Fees	-	12,000.00
CDSL Expense	47,191.60	-
D.P. Charges	942.70	842.70
Expenses From Dealing in Shares	498.75	
Electricity Expenses	62,456.00	77,388.00
Insurance	4,291.00	6,019.00
Listing Fee	43,270.00	9,000.00
Misc. Expenses	3,095.00	2,650.00
NSDL Expense	10,677.00	-
Printing & Stationery	4,251.00	2,737.00
Professional Charges	407,080.00	15,575.00
Advertising Expense	23,548.00	-
ROC Filing Fees	35,600.00	2,000.00
Rent, Rates And Taxes	168,000.00	168,000.00
Repair & Maintainence	2,907.00	2,224.00
RTA Expense	33,708.00	-
Prefrential Share Allotment Processing Fee	112,360.00	
Postage & Telegram	11,329.00	-
UPSE Expense	22,472.00	
Website Expense	19,000.00	
Telephone	21,042.00	11,132.00
Transaction Charges	-	6,500.00
Travelling & Conveyance	5,000.00	
Payments to auditors (Refer Note (i) below)	29,972.00	22,472.00
Prior period items (net) (Refer Note (ii) below)	9,155.00	2,853.93
<b>Total</b>	<b>1,096,846.05</b>	<b>354,522.63</b>

### Notes:

Particulars	For the year ended 31 March, 2015	For the yearended 31 March, 2014
	Rs.	Rs.
(i) Payments to the auditors comprises		
As auditors - statutory audit	29,972.00	22,472.00
For taxation matters	-	
For Other Services	-	
<b>Total</b>	<b>29,972.00</b>	<b>22,472.00</b>
(ii) Details of Prior period items (net)		
Prior period expenses	-	2,853.93
Adjustment for Income Tax of Earlier Year	9,155.00	-
<b>Total</b>	<b>9,155.00</b>	<b>2,853.93</b>

## Note 24 Disclosures under Accounting Standards

Particulars				
<b>Related party transactions</b>				
<b>Details of related parties:</b>				
Description of relationship	Names of related parties			
Key Management Personnel (KMP)	1) Mr.Guljhari Lal Sharma 2) Rama Kant Kushwaha 3) Vandana Sharma 4) Prashant Malani 5) Amit Soni 6) Krishna Kamal Prasad 7) Dharmendra Kumar 8) Divya Gupta			
Relatives of KMP	1) Smt. Santosh Sharma (Wife of KMP) 2) Vimal Kumar Sharma (Son of KMP)			
Company in which KMP can exercise significant influence	1) Prabhat Financial Services Ltd. 2) Prabhat Stock Share Brokers P. Ltd. 3) G.L.Sharma Stock Share Brokers P. Ltd. 4) Prabhat Commodity Brokers (P) Ltd. 5) VKS Fincap Pvt. Ltd.			
Note: Related parties have been identified by the Management.				
<b>Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015:</b>				
Particulars	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Remuneration Paid	156000.00			156000.00
Rent paid		168000.00		168000.00
Sales Made			626109.25	626109.25
Int. Received			408251.00	408251.00
Balances outstanding at the end of the year			3362738.00(Cr)	3362738.00
Loans and advances Given			3755000.00	3755000.00
Repayment of Loans and advances Given			1553297.00	1553297.00
Borrowings: Loan Taken			820000.00	820000.00
Repaid			820000.00	820000.00

## Note 6 Disclosures under Accounting Standards

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
<b>Opening Deferred tax Liability/(Asset)</b>	-116,117.00	(110,756.00)
<u>Tax effect of items constituting deferred tax liability</u>		
On diff. between dep. As per Co.'s Act and as per Income Tax Act/	(2,467.00)	(5,361.00)
On Absorption of Unabsorbed Depreciation during the year and Due to Fixed Assets	-	-
Others		
Tax effect of items constituting deferred tax liability	-2,467.00	-5,361.00
<u>Tax effect of items constituting deferred tax assets</u>		
Disallowances under Section 43B of the Income Tax Act, 1961	-	-
On difference between book balance and tax balance of fixed assets	-	-
Tax effect of items constituting deferred tax assets	-	-
<b>Closing deferred tax liability/(Asset)</b>	<b>(118,584.00)</b>	<b>(116,117.00)</b>
The Company has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax (or) The Company has recognised deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits considering the non- cancellable customer orders received by the Company.		

**INCOME TAX CHART AS ON 31 MARCH 2015**

S.NO.	NAME OF ASSET	DEP. RATE	OP. BAL.	PURCH.	TOTAL	SALE	DEP.	CL BAL.
1.	COMPUTER	60.00%	21511.00	0.00	21511.00	0.00	12906.60	8604.40
2.	E.P.B.X.	15.00%	2521.00	0.00	2521.00	0.00	378.15	2142.85
3.	MOTOR CAR	15.00%	181580.00	0.00	181580.00	0.00	27237.00	154343.00
4.	AIR CONDITIONER	15.00%	13263.00	0.00	13263.00	0.00	1989.45	11273.55
5.	SCOOTER	15.00%	19989.00	0.00	19989.00	0.00	2998.35	16990.65
	<b>TOTAL</b>		<b>238864.00</b>	<b>0.00</b>	<b>238864.00</b>	<b>0.00</b>	<b>45509.55</b>	<b>193354.45</b>

**DEPRECIATION CHART FOR F. Y. 2014-15**

Note: 11 FOR ASSETS  
EXISTING AS ON 31.03.2015

Date of Purchase / Put to	Particulars	Original Cost (Rs.)	Dep charged upto	WDM as on 01.04.2011	Life as per Co. Act. 2013	Life used till 31.03.2011	Remaining life	Salvage value	Depreciable amount over whole	Excess Dep. (Already)	Rate of Dep.	Dep for the Year 2014-15	Adjusted with Retained	WDM as on 31st Mar 2015
<b>(A) Office Equipments</b>														
1-Apr-1995	Computer	66,500	66,495	5	3.00	19.01	(16.01)	3,325	63,175	3,320	0.00%	-	-	5
28-Oct-2004	Computer	78,000	77,369	631	3.00	9.43	(6.43)	3,900	74,100	3,269	0.00%	-	-	631
5-Jan-2008	Computer	19,600	18,753	847	3.00	6.24	(3.24)	980	18,620	133	0.00%	-	-	847
29-Jul-2013	Computer	44,500	11,996	32,504	3.00	0.67	2.33	2,225	42,275	-	68.38%	22,228	-	10,276
7-Nov-2013	Computer	5,200	826	4,374	3.00	0.39	2.61	260	4,940	-	66.16%	2,894	-	1,480
<b>(B) Electric Equipment &amp; Installation</b>														
6-Mar-2003	EPB X	19,500	15,774	3,726	10.00	11.08	(1.08)	975	18,525	-	0.00%	-	2,751	975
3-May-1991	Air	28,500	27,578	922	10.00	22.93	(12.93)	1,425	27,075	503	0.00%	-	-	922
22-Jun-2009	Air	29,500	15,044	14,456	10.00	4.78	5.22	1,475	28,025	-	35.39%	5,117	-	9,339
<b>(C) Vehicles</b>														
8-May-2003	Car	546,732	525,759	20,973	8.00	10.90	(2.90)	27,307	519,395	6,364	0.00%	-	-	20,973
20-Jun-2004	Car	452,607	428,242	24,365	8.00	9.78	(1.78)	22,630	429,977	-	0.00%	-	1,735	22,630
7-Sep-2009	Scooter	45,051	23,583	21,468	10.00	4.56	5.44	2,253	42,798	-	33.95%	7,268	-	14,180
	<b>Total Assets</b>	<b>1,335,690</b>	<b>1,211,419</b>	<b>124,271</b>				<b>66,785</b>	<b>1,268,905</b>	<b>13,589</b>		<b>37,527</b>		<b>82,258</b>

31-Mar-2014

**PRABHAT SECURITIES LIMITED**

Registered Office: 'SATYAM', 4/276, Parwati Bagla Road, Kanpur 208002

**ATTENDANCE SLIP**

PLEASE BRING THIS ATTENDANCE SLIP AND HAND IT OVER AT 'SATYAM', 4/276, PARWATI BAGLA ROAD, KANPUR 208002

Name & Address of the Shareholder

SEQUENCE No. :

FOLIO No. :

DP. ID :

Client ID :

I hereby record my presence at the ANNUAL GENERAL MEETING at 'Satyam', 4/276, Parwati Bagla Road, Kanpur 208002 on Saturday the 26th September, 2015 at 11.00A.M.

Signature of the Member or Proxy

No. of Shares held

**Form No. MGT-11  
PROXY FORM**

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

CIN	L22022UP1982PLC005759
Name of the Company	Prabhat Securities Limited
Registered Office	'Satyam', 4/276, Parwati Bagla Road, Kanpur 208002
Name of the shareholder	
Registered address	
E-mail ID	
Folio No. / Client ID	
DP ID	

I / we, being the shareholder(s) of ..... shares of the above named company, hereby appoint :

1	Name	
	Address	
	E-mail ID	
	Signature	

or failing him

2	Name	
	Address	
	E-mail ID	
	Signature	

or failing him

3	Name	
	Address	
	E-mail ID	
	Signature	

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the company, to be held on Saturday the 26th September, 2015 at 11.00 am at 'Satyam', 4/276, Parwati Bagla Road, Kanpur 208002 and at any adjournment thereof in respect of such resolutions as are indicated below

**Resolution No.**

1	To Adopt the Financial Statement of the Company for the Year ended 31st March 2015.	5	To Re-appoint Mr. Krishna Kamal Prasad (DIN 07028841), Director (Independent) of the Company.
2	To Re-appoint Mr. Gulshari Lal Sharma (DIN 00451143), Director of the Company.	6	To Re-appoint Mr. Amit Sori (DIN 05789882), Director (Independent) of the Company
3	To Ratify the appointment of Auditor of the Company, M/s Kamal Gupta & Associates, Kanpur.	7	To Re-appoint Ms. Vandana Sharma (DIN 00954155), Director of the Company
4	To Ratify the appointment of Mr. Rama Kant Kushwaha (DIN 02237714), Managing Director of the Company	8	

Signed this ..... day of ..... 2015.

Signature of shareholder :

Affix  
Revenue  
Stamp

Signature of Proxy holder(s) :

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.**