



# PRABHAT SECURITIES LIMITED

## 34<sup>th</sup> Annual Report (2015-2016)



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## CORPORATE INFORMATION

### 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, Director  
 Mrs. Vandana Sharma, Director

### KEY MANAGERIAL PERSONNEL

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

### STATUTORY AUDITORS

Kamal Gupta Associates(Kanpur), Uttar Pradesh

### INTERNAL AUDITORS

Mr. Dharmendra Kumar, Chief Financial Officer

### BANKERS

HDFC Bank Limited  
 Krishna Tower, 15/63, Civil Lines, Kanpur

### 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)

### REGISTERED OFFICE

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

## CHAIRMAN'S MESSAGE

### Dear Shareholders,

I have pleasure to get this opportunity to share with you the performance of your Company for the financial year 2015-16. Your Company has made untiring exertion to make a good profit, but due to adverse market conditions from the previous years, it was unable to meet out its desirable performance for the year ended 31<sup>st</sup> March 2016.

India's economic growth improved modestly in fiscal 2016. As per the Central Statistical Organization's advance estimate, the gross value added (GVA) was estimated to grow 7.3% year-on-year (YoY) in fiscal 2016 compared to 7.1%YoY in fiscal 2015 and 6.3% YoY in fiscal 2014. The industrial and agriculture sectors have contributed to improvement in GVA expansion in fiscal 2016 although services growth was weak. 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. 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,

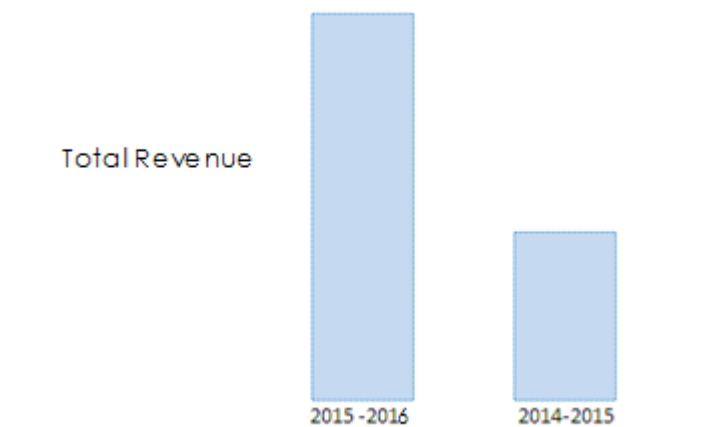
**Sd/-**  
**Mr. Parshant Malani**  
Chairman

## KEY HIGHLIGHTS DURING THE YEAR

### 1. Total Revenue (Gross)

Current Year: Rs. 3,020,908

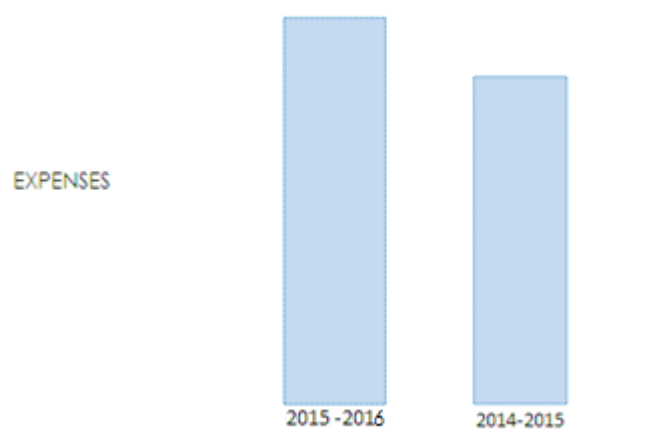
Previous Year: Rs. 1,949,176



### 2. Expenses

Current Year: Rs. 1,692,397.00

Previous Year: Rs. 1,464,069.05



### 3. DIRECT LISTING

The Equity Shares of the Company are listed on the Calcutta Stock Exchange Ltd. and for strengthening the foundations and core working systems of the Company, the Company is in process of listing with Metropolitan Stock Exchange of India Limited (MSEI) and has already filed the Information Memorandum.

### ANNUAL GENERAL MEETING DETAILS

Day:	Friday
Date:	23 <sup>rd</sup> September 2016
Time:	1.00 P.M.
Venue:	<b>PRABHAT SECURITIES LIMITED</b> 'SATYAM', 4/276, Parwati Bagla Road, Kanpur, Uttar Pradesh – 208002

## DIRECTORS' REPORT

To  
The Members,

Your Directors have the pleasure in presenting the 34<sup>th</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 2016:

- FINANCIAL RESULTS

### FINANCIAL HIGHLIGHTS:

Rs. In '000'

Particulars	2015-2016	2014-2015
	12 months	12 months
Total Revenue	3020.91	1949.18
Profit before Depreciation & Interest	1328.51	485.10
<b>Less</b> : depreciation and amortization	16.12	37.52
<b>Less</b> : Interest	1.82	0.11
Profit Before Tax	1310.56	447.47
<b>Less</b> : Current Tax	418.000	149.00
<b>Less</b> : Deferred Tax	5.17	2.46
Profit After Tax	887.38	300.93

- OPERATIONAL RESULTS AND FINANCIAL PERFORMANCE

During the year under review, the revenue of Company is Rs. 3020.00 (**in '000**) as compared to the previous year of Rs. 1949.00 (**in '000**). Due to favourable market condition, the Company has achieved the better revenue than last year and has also earned a little more profit as compared to the previous year. The Board of Directors is hopeful for the better results of the company in the next financial year.

- 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.

- SHARE CAPITAL

The Paid-up Equity Share Capital as at 31<sup>st</sup> March, 2016 stood at Rs. 29,000,070 (Two Crore Ninety Lakh Seventy). Divided into 2,900,007 (Twenty Nine Lakh Seven) shares of Rs 10/- (Ten) each.

- 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.

- DISCLOSURE OF ACCOUNTING TREATMENT:

There was no deviation in following the treatments prescribed in any of accounting standards (as) in the preparation of the financial statements of your company.

- **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**

No Significant or material order has been passed by the Regulator or Courts or Tribunals during the financial year.

- **RELATED PARTY TRANSACTION**

None of the transactions with related parties falls under the scope of section 188(1) of the Act. Information on transactions with related parties pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure 1** in Form AOC-2 and the same forms part of this report.

- **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

In accordance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report forms part of this report.

- **LISTING OF SHARES**

The Company's shares are listed with Calcutta Stock Exchange Limited. Company is also intend and in process to list with "MSEI" Metropolitan Stock Exchange of India Limited, Mumbai.

- **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 2016 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;



- o Internal financial controls, to be followed by the Company are duly laid down and these controls are adequate and were operating effectively; and
- o 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 2015-2016, Six Board Meetings were convened and held, The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations. The details of which are given below.

1. 20<sup>th</sup> April, 2015
2. 30<sup>th</sup> May, 2015
3. 13<sup>th</sup> August, 2015
4. 23<sup>rd</sup> October, 2015
5. 20<sup>th</sup> January, 2016
6. 30<sup>th</sup> March, 2016

- **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	Mr. Rama Kant Kushwaha, Managing Director Mr. Guljhari Lal Sharma, Director Mrs. Vandana Sharma (woman Director)
II.	Independent Directors	Mr. Parshant Malani Mr. Amit Soni Mr. Krishna Kamal Prasad

- **COMMITTEES OF BOARD OF DIRECTORS**

In accordance with the applicable provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, The Board constituted the following committees –

1. AUDIT COMMITTEE AND RISK MANAGEMENT COMMITTEE
2. STAKEHOLDERS RELATIONSHIP COMMITTEE
3. NOMINATION AND REMUNERATION COMMITTEE

- **AUDIT COMMITTEE AND RISK MANAGEMENT COMMITTEE**

**Brief description of Terms of Reference:**

The Audit Committee comprises of Mr. Parshant Malani as Chairman and Mr. Krishna Kamal Prasad and Mr. Guljhari Lal Sharma as members of the Committee. The role and Terms of reference and powers of Audit Committee are in conformity with the Section 177 and Section 178 of Companies Act, 2013 and SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, 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.

The Audit Committee met Four Times in the year as follows.

1. 25/05/2015
2. 08/08/2015
3. 19/10/2015
4. 15/01/2016

- **STAKEHOLDERS RELATIONSHIP COMMITTEE**

**Brief Description of Terms of Reference:**

The Committee comprises of Mr. Parshant Malani as Chairman, and Mr. Rama Kant Kushwaha as members of the Committee. 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 SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.

During the year, the Committee Meetings were held two times as follows;

1. 07/08/2015
2. 14/01/2016

The 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. of complaints Received</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 2016.

- **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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Composition: The Nomination and Remuneration Committee is comprises of Mr. Parshant Malani as Chairman, and Mr. Krishna Kamal Prasad, Mr. Amit Soni and Mrs. Vandana Sharma as members of the Committee.

During the year, the Committee Meetings were held on two times as follows ;

1. 06/08/2015
2. 24/03/2016.

- **ANNUAL GENERAL MEETINGS**

Details of Last Three Annual General Meetings held:

<b>Particulars</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>	<b>FY 2014-2015</b>
Day	Monday	Tuesday	Saturday
Date	30-09-2013	30-09-2014	26-09-2015
Time	10.00 A.M.	11.00 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.

- **KEY MANAGERIAL PERSONNEL**

As per the definition of Key Managerial Personnel as contained in section 2(51) of the Companies Act, 2013, the "Key Managerial Personnel" in relation to the Company are:

Chief Executive Officer or Managing Director Whole-time Director  
 Company Secretary Chief Financial Officer  
 And, such other officer as may be prescribed

During the period under review,  
 Mr. Ramakant Kushwaha Din- 02237714 Managing Director of the Company,  
 Mr. Dharmendra Kumar Chief Financial Officer of the Company,  
 Ms. Divya Gupta Company Secretary of the Company.

The Remuneration and other details of the Key Managerial Personnel for the year ended March 31, 2016 are mentioned in the Extract to the Annual Return in Form MGT-9, which is attached as "**Annexure - 3**" and forms a part of this report of the Directors.

- **BOARD ANNUAL EVALUATION**

Pursuant to the provisions of the Companies act 2013, and SEBI (Listing Obligations And Disclosure Requirements) Regulations 2015, the Board has carried out the annual performance evaluations of its own performance, the Directors individually as well as the evaluation of its committees. The evaluation criteria, inter-alia, covered various aspects of the Boards' functioning including its composition and quality, understanding business and risks, process and procedure, oversight of financial reporting process inter controls in audit functions, ethics and compliance and monitoring activities.

The performance of individual Directors was evaluated and parameters, inter-alia such as regulatory, preparatory, participation at the Board meetings, timely execution of action items , recommendation and their periodic update to the Board, effective and successful relationships and communication with fellow Board members and senior management quality and value of their contributions at Board meeting , adherence to Company's policies and resolutions , devoting time and effort to understand the Company and its business etc.

- **DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received necessary declaration from each Independent Director under section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independent laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- **SECRETARIAL AUDIT**

The Secretarial Auditors, M/s AVA & Associates, Company Secretaries, has issued Secretarial Audit Report for the Financial Year 2015-2016 pursuant to Section 204 of the Companies Act, 2013, which is annexed to Directors' Report. **(Refer Annexure-2)** The Secretarial Audit Report for the Year under review does not contain any qualification, reservation or adverse remark or disclaimer.

- **ANNUAL RETURN**

The extract of Annual Return is annexed to Directors' Report **(Refer Annexure-3)**

- **POLICY ON NOMINATION & REMUNERATION 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)

- **PARTICULARS OF REMUNERATION OF DIRECTORS AND CERTAIN SPECIFIED EMPLOYEES:**

During the financial year under review, none of the Company's employees was in receipt of remuneration as under section 134(3)(q) of the Companies Act, 2013 read with Rule 5(2) & (3) of the companies (Appointment and remuneration of managerial personnel ) rules, 2014 and hence no particulars are required to be disclosed in this 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 Annual general meeting until the conclusion of the 35th Annual General Meeting to be held for the financial year 2016-17 on such remuneration as may be determined by the Board of Directors.

The Observations as per Auditors Report and relevant notes on accounts are self-explanatory and does not call any further clarification from 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.

- As Stated in Note No. 6 to the Notes on Accounts, 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.

- **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 "Jansatta" 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).

- **CHANGE IN MANAGEMENT & TAKEOVER**

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

- **CORPORATE GOVERNANCE**

As clause 27 of the SEBI (Listing Obligations and Disclosure Requirement) 2015, is not applicable on the Company, and the Company is not required to give Corporate Governance Report, Therefore it does not forms as part of the Annual Report.

- **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.

- **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 Loans, Guarantees and Investments made by the Company have been given in the Financial Statements provide in the Annual Report.

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

- **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 RESPONSIBILITY**

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 initiatives 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.

- **GENERAL**

Your Directors state that during the financial year 2015-16:

1. The Company did not accept/renew any deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under and as such, no amount of principal or interest was outstanding as on the balance-sheet date.
2. The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.
3. The Company has not issued any sweat equity shares during the year.
4. There are no significant and material orders passed against the Company by the Regulators or Courts or Tribunals, which would impact the going concern status of the Company and its future operations.

- **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,

Sd/-

Sd/-

**Place:** Kanpur  
**Dated:** 12<sup>th</sup> August 2016

**Mr. Parshant Malani**  
Chairman

**Mr. Ramakant Kushwaha**  
Managing Director

## ANNEXURE-1 Form No. AOC-2

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

### **a. Details of contracts or arrangements or transactions not at arm's length basis:**

PRABHAT SECURITIES LIMITED (the Company) has not entered into any contract/arrangement/transaction with its related parties which are not in ordinary course of business or at arm's length during FY 2015-16. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 ("Act") and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

- a) Name(s) of the related party and nature of relationship: **Not Applicable**
- b) Nature of contracts/arrangements/transactions: **Not Applicable**
- c) Duration of the contracts / arrangements/transactions: **Not Applicable**
- d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- e) Justification for entering into such contracts or arrangements or transactions: **Not Applicable**
- f) Date(s) of approval by the Board: **Not Applicable**
- g) Amount paid as advances, if any: **Not Applicable**
- h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: **Not Applicable**

### **b. Details of material contracts or arrangement or transactions at arm's length basis:**

- a) Name(s) of the related party and nature of relationship: Not Applicable
- b) Nature of contracts / arrangements / transactions: Not Applicable
- c) Duration of the contracts / arrangements / transactions: Not Applicable
- d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- e) Date(s) of approval by the Board, if any: Not Applicable
- f) Amount paid as advances, if any: None

Date- 12/08/2016  
Place- Kanpur

On behalf of the board of directors

**Sd/-  
Chairman**



**'ANNEXURE-2'**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016**

[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, 2016 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, 2016 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;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.e.f. December 01, 2015.
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.
  7. Other laws applicable to the Company specifically as per the representations made by 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.
- II. We 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.

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 there were no other instances having a major bearing on the company's affairs, under above referred laws, rules, regulations, guidelines, standards etc.

**Place:** New Delhi  
**Date:** 12/08/2016

**AVA & Associates**  
Company Secretaries  
**Sd/-**  
**Ashish Kumar Gupta**  
Company Secretary  
FCS: 6433  
CP: 6859

**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.

**Place:** New Delhi  
**Date:** 12/08/2016

**AVA & Associates**  
Company Secretaries  
**Sd/-**  
**Ashish Kumar Gupta**  
Company Secretary  
FCS: 6433  
CP: 6859

**‘ANNEXURE -3’**  
**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	<b>CIN</b>	L22022UP1982PLC005759
ii	<b>Registration Date</b>	03rd September 1982
iii	<b>Name of the Company</b>	Prabhat Securities Limited
iv	<b>Category/Sub-category of the Company</b>	Public Company Limited by Shares
v	<b>Address of the Registered office &amp; contact details</b>	"Satyam", 4/276, ParwatiBagla Road, Kanpur-208002, Uttar Pradesh
vi	<b>Whether listed company</b>	Yes
vii	<b>Name, Address &amp; contact details of the Registrar &amp; Transfer Agent, if any.</b>	<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

<b>SL No</b>	<b>Name &amp; Description of main products/services</b>	<b>NIC Code of the Product /service</b>	<b>% to total turnover of the company</b>
1	Business of finance, Investment and fund based and non fund based activities.	64990	100

## III PARTICULARS OF HOLDING , SUBSIDIARY &amp; 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	263000	20000	283000	9.76%	283000	0	283000	9.76%	
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0	
c) Bodies Corporate	212000		212000	7.31%	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) (1)</b>	475000	20000	495000	17.07%	495000	0	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>	475000	20000	495000	17.07%	495000	0	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/FI	0	0	0	0	0	0	0	0
C) Cenntral 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 Corporates								
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.2 lakhs	20000	255807	275807	9.51%	100000	175807	275807	9.51%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	1880000	249200	2129200	73.42%	1880000	249200	2129200	73.42%
c) Others (specify)	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(2):</b>	1900000	505007	2405007	82.93%	1980000	425007	2405007	82.93%
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	1900000	505007	2405007	82.93%	1980000	425007	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>	2375000	525007	2900007	100.00%	2475000	425007	2900007	100.00%

**(ii) SHARE HOLDING OF PROMOTERS**

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	1.34	0	39000	1.34	0	0.00%
2	RAJESH SHARMA	39000	1.34	0	39000	1.34	0	0.00%
3	ANIL KUMAR SHARMA	20000	0.69	0	20000	0.69	0	0.00%
4	ASHOK KUMAR SHARMA	49500	1.71	0	49500	1.71	0	0.00%
5	G.L. SHARMA HUF	20000	0.69	0	2000	0.69	0	0.00%
6	G.L. SHARMA	15000	0.52	0	15000	0.52	0	0.00%
7	SANTOSH DEVI SHARMA	15000	0.52	0	15000	0.52	0	0.00%
8	NIDHI SHARMA	20000	0.69	0	20000	0.69	0	0.00%
9	RADHIKA SHARMA	15000	0.52	0	15000	0.52	0	0.00%
10	KALI CHARAN SHARMA	50500	1.74	0	50500	1.74	0	0.00%
11	SANTOSH MOTELS PRIVATE LIMITED	100000	3.45	0	100000	3.45	0	0.00%
12	PRABHAT COMMODITY BROKERS PRIVATE LIMITED	100000	3.45	0	100000	3.45	0	0.00%
13	PRABHAT FINANCIAL SERVICES LIMITED	12000	0.41	0	12000	0.41	0	0.00%
	<b>Total</b>	<b>495000</b>	<b>17.07</b>	<b>0</b>	<b>495000</b>	<b>17.07</b>	<b>0</b>	<b>0.00%</b>

**(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
1	<b>Siddarth Gupta</b>				
	At the beginning of the year	450000	15.52	450000	15.52
	At the end of the year	450000	15.52	450000	15.52
2	<b>Anshuman Kapur</b>				
	At the beginning of the year	200000	6.90	200000	6.90
	At the end of the year	200000	6.90	200000	6.90

<b>3</b>	<b>Kamal Kishore Somani HUF</b>				
	At the beginning of the year	200000	6.90	200000	6.90
	At the end of the year	200000	6.90	200000	6.90
<b>4</b>	<b>Sonal Dimri</b>				
	At the beginning of the year	200000	6.90	200000	6.90
	At the end of the year	200000	6.90	200000	6.90
<b>5</b>	<b>Divya Agarwal</b>				
	At the beginning of the year	200000	6.90	200000	6.90
	At the end of the year	200000	6.90	200000	6.90
<b>6</b>	<b>Manoj Agarwal</b>				
	At the beginning of the year	200000	6.90	200000	6.90
	At the end of the year	200000	6.90	200000	6.90
<b>7</b>	<b>Deepak Kumar Agarwal</b>				
	At the beginning of the year	100000	3.45	100000	3.45
	At the end of the year	100000	3.45	100000	3.45
<b>8</b>	<b>Vinay Kumar Agarwal</b>				
	At the beginning of the year	100000	3.45	100000	3.45
	At the end of the year	100000	3.45	100000	3.45
<b>9</b>	<b>Shanti Lal Jain</b>				
	At the beginning of the year	50000	1.72	50000	1.72
	At the end of the year	50000	1.72	50000	1.72
<b>10</b>	<b>Bindu Pandey</b>				
	At the beginning of the year	50000	1.72	50000	1.72
	At the end of the year	50000	1.72	50000	1.72

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

Sl. No.	For Each of the Directors & KMP	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>Guljhari Lal 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



**(VI) 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>Indebtedness 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

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

Sl.No	Particulars of Remuneration	Name of the Chairman/Managing Director/ Executive Director		Total Remuneration
		Mr. R.K. Kushwaha (Managing Director)	Mr. Parshant Malani (Chairman)	
1	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	216000.00	0.00	216000.00
	(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	0.00	0.00
	<b>Total (A)</b>	<b>216000.00</b>	<b>0.00</b>	<b>216000.00</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:**

Sl.No	Particulars of Remuneration	Name of the Directors		Total Remuneration
<b>1</b>	<b>Independent Directors</b>	<b>Mr. Krishna Kamal Prasad</b>	<b>Mr. Amit Soni</b>	
	(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>	<b>Other Non Executive Directors</b>	<b>Ms. Vandana Sharma</b>	<b>Mr. Guljhari Lal Sharma</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 (2)</b>	Nil	Nil	Nil
	<b>Total (B)=(1+2)</b>	Nil	Nil	Nil
	<b>Total Managerial Remuneration</b>			<b>216000.00</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		Total
		Company Secretary	CFO	
1	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	120000.00	190000.00	310000.00
	(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	<b>Stock Option</b>	0.00	0.00	0.00
3	<b>Sweat Equity</b>	0.00	0.00	0.00
4	<b>Commission as % of profit others, specify</b>	0.00	0.00	0.00
5	<b>Others, please specify</b>	0.00	0.00	0.00
	<b>Total</b>	<b>120000.00</b>	<b>190000.00</b>	<b>310000.00</b>

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

**(VIII) 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					
Punishment			NIL		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			NIL		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			NIL		
Compounding					

## **GENERAL SHAREHOLDER INFORMATION**

### **1. ANNUAL GENERAL MEETING**

Date	September 23 <sup>rd</sup> , 2016,
Day	Friday
Time	1.00 P.M.
Venue	'Satyam', 4/276, Parwati Bagla Road, Kanpur, Uttar Pradesh-208002

### **2. FINANCIAL YEAR**

01<sup>st</sup> April 2015 to 31<sup>st</sup> March 2016

### **3. DATE OF BOOK CLOSURE**

15<sup>th</sup> September 2016 to 23<sup>rd</sup> September 2016

### **4. DIVIDEND PAYMENT DATE**

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

### **5. LISTING OF STOCK EXCHANGE**

The Calcutta Stock Exchange Limited

### **6. MARKET PRICE**

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

### **7. 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.

**8. SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH 2016:**

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 %
<b>Promoters &amp; Promoter group</b>						
Individuals/Hindu undivided Family	283000	9.76	=/<500	494	50407	1.74
Bodies Corporate	212000	7.31	1001-2000	0	0	0.00
<b>Non Promoter (Public)</b>	2405007	82.93	501-1000	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	.34
Others	0	0.00	>10000	45	2834600	97.75
<b>Total</b>	<b>2900007</b>	<b>100.00</b>	<b>Total</b>	<b>583</b>	<b>2900007</b>	<b>100.00</b>

**9. DEMATERIALIZATION**

85.34% of Equity Shares are in Dematerialised form as on 31<sup>st</sup> March 2016 and Remaining 14.66% Shares are in Physical Form.

**10. DETAILS OF PUBLIC FUNDS OBTAINED IN LAST 3 YEARS**

Nil

**11. CEO/CFO CERTIFICATION**

As clause 27 (Corporate Governance) of the SEBI (LODR) Regulation 2015, is not applicable on the Company. Hence no requirement for CEO/CFO Certification.

**12. REGISTERED OFFICE**

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

**13. AUDIT QUALIFICATION**

As Stated in Note No. 6 to the Notes on Accounts, 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.

**14. 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)

## 15. 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, 2016 compliance with Code of Conduct of the Company laid down for them.

Place: Kanpur  
Date: 12/08/2016

**Sd/-**  
**Mr. Parshant Malani**  
Chairman

## MANAGEMENT DISCUSSION AND ANALYSIS

- ECONOMIC CONDITION

During the year, major economies across geographies remained largely subdued. Global growth declined from 3.4% in 2014 to 3.1% in 2015 driven mainly by fall in commodity prices, considerable tightening in world trade, and choppy financial markets.

India remains a bright spot amid the global uncertainty, with its growth rate outpacing the emerging as well as developed markets. At 7.6% GDP growth in the financial year ended March 31, 2016 (FY2015-16), India is one of the fastest growing major economies in the world. During the year, the economy crossed the US\$2 trillion mark and is expected to continue the trajectory in FY2016-17.

India's diversified financial sector comprises commercial banks, non-banking financial companies, co-operatives, pension funds, insurance companies, mutual funds and others. During FY2015-16, the Government took several measures to strengthen the financial services sector, which include Jan Dhan campaign for financial inclusion, licensing of payment banks and small finance banks, the new bankruptcy law, liberalisation of foreign direct investment and portfolio investment, universal social security schemes in insurance and pension, and gold monetisation scheme.

- 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 2015-2016 has been satisfactory. The Company made a profit of Rs, 887.386 '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.



## INDEPENDENT AUDITORS' REPORT

To the members of **Prabhat Securities Limited**

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

We have audited the accompanying Standalone financial statements of **Prabhat Securities Limited** ("the company"), which comprise the Balance Sheet as at 31 March 2016, 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 Standalone 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 Standalone 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Standalone financial statements based on our 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 thereunder. 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. 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**

- a) As stated in Note No. 6 to the Notes on Accounts, 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.
- b) As stated in Note no.4 to the Notes on account, the balances of Loans and advances, Current Liabilities and Provisions and other personal accounts are subject to confirmation and reconciliation, if any.

### **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 2016,
- 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**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) Except for the effects/possible effects of the matter described in the Basis of Qualified Opinion Paragraph, the aforesaid Financial Statements 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.
  - e) On the basis of written representations received from the directors as on 31 March, 2016 and taken on record by the Board of Directors, none of the

directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the Internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure B and,
- g) With respect to the other matter to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. We have been informed that the Company does not have any pending litigation which would impact its financial position.
  - ii. 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]
  - iii. 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

**Sd/-**

**CA. Pankaj Gupta**

*Partner*

Membership No.:

076367 Place:

Kanpur

Date: 30.05.2016

**ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT:  
RE: PRABHAT SECURITIES LIMITED**

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

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.  
b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified at the end of financial year, accordance with this program, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.  
c) As company has no immovable properties as its fixed assets, comment as to whether the title deeds of Immovable properties are held in the name of company is not applicable.
- ii) The inventories of Shares have been physically verified by the management during the year. As stated in Note no.5 to the Notes on account, there is mismatch between Inventory of Shares as shown in Balance Sheet and actual possession of Shares in hand. Inventory of Shares of Rs. 11880.00 has been overstated in the books of account in comparison to the actual Inventory of Shares in hand being missing.
- iii) The company has granted unsecured loans to the companies covered in the register maintained under section 189 of the Act, in respect of which:
  - a) The terms and conditions of the grant of such loans were, in opinion, prima facie, not prejudicial to the company's interest except in one case where no interest has been charged on the loan given to a company covered in the register maintained under section 189 of the Act.
  - b) Where the schedule of repayment of principal and payment of interest has been stipulated, the receipt of interest is regular.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of Loans and Investment made.
- v) According to the information and explanations given to us, the company has not accepted any deposits from the public. Therefore, the provisions of Clause (v), of the para 3 of the Order are not applicable to the company.
- vi) In our opinion and according to the information and explanations given to us, the company is not required to maintain cost records pursuant to the Rules made by the Central Government u/s 148 (1) of the Companies Act 2013.
- vii) a) According to the records of the company, the company is generally regular in depositing undisputed statutory dues payable including Income tax and other material statutory dues with the appropriate authority. According to the information and explanations given to us, no undisputed amounts payable in respect of any statutory dues including Income Tax were in arrears as at 31<sup>st</sup> March 2016 for a period of more than six months from the date they became payable.  
b) According to the information and explanations given to us and the records of the company, there are no material statutory dues including Income Tax which have not been deposited with the appropriate authorities on account of any dispute.
- viii) According to the information and explanations given to us, the company has not defaulted in repayment of Loan or borrowings to any financial institutions during the year. The company has not borrowed from Government or any Debenture holder.

- ix) In our opinion and according to the information and explanations given to us, the company has not raised any money by way of initial public offer, further public offer (including debt instrument) and term loan, during the year. Accordingly, paragraph 3 ix) of the order is not applicable.
- x) According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations given to us and bases on our examination of the records, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with Schedule V of the Act.
- xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Accordingly, paragraph 3 xii) of the order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the company, the transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement or shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 xv) of the Order is not applicable.
- xvi) According to the information and explanations given to us, the company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

**FOR KAMAL GUPTA ASSOCIATES**

CHARTERED ACCOUNTANTS  
FRN000752C

**Sd/-**

**CA. PANKAJ GUPTA (MRN**

076367) PARTNER  
PLACE: KANPUR  
DATED: 30.05.2016

## Balance Sheet as at 31<sup>st</sup> March 2106:

Particulars		Note No.	As at 31 March, 2016	As at 31 March, 2015
			Rs.	Rs.
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	<b>3</b>	2,90,00,070.00	2,90,00,070.00
	(b) Reserves and surplus	<b>4</b>	24,54,386.68	15,67,000.68
			3,14,54,456.68	3,05,67,070.68
<b>2</b>	<b>Share application money pending allotment</b>		-	-
<b>3</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	<b>5</b>	-	-
	(b) Deferred tax liabilities (net)	<b>6</b>	-1,13,408.00	-1,18,584.00
			-1,13,408.00	-1,18,584.00
<b>4</b>	<b>Current liabilities</b>			
	(a) Short Term Borrowings	<b>7</b>	0.00	0.00
	(b) Trade payables	<b>8</b>	-	-
	(c) Other current liabilities	<b>9</b>	2,96,423.00	74,090.00
	(d) Short-term provisions	<b>10</b>	4,18,000.00	1,49,000.00
			7,14,423.00	2,23,090.00
	<b>TOTAL</b>		<b>3,20,55,471.68</b>	<b>3,06,71,576.68</b>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets : Fixed Assets	<b>11</b>	66,133.00	82,258.00
	(ii) Investments	<b>11A</b>	36,30,000.00	36,30,000.00
	(b) Long-term loans and advances	<b>12</b>	-	-
			36,96,133.00	37,12,258.00
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	<b>13</b>	14,730.00	14,730.00
	(b) Trade receivables	<b>14</b>	-	22,756.00
	(c) Cash and cash equivalents	<b>15</b>	19,858.68	3,03,093.68
	(d) Short-term loans and advances	<b>16</b>	2,83,24,750.00	2,66,18,739.00
			2,83,59,338.68	2,69,59,318.68
	<b>TOTAL</b>		<b>3,20,55,471.68</b>	<b>3,06,71,576.68</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

Sd/-

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

PLACE : KANPUR

Date : 30-05-2016

For and on behalf of the Board of Directors

**Sd/-**  
**PARSHANT MALANI**  
**(CHAIRMAN)**  
**DIN:- 06368140**

**Sd/-**  
**DHARMENRDA KUMAR**  
**(C.F.O.)**

**Sd/-**  
**RAMA KANT KUSHWAHA**  
**(M. DIRECTOR)**  
**DIN:- 02237714**

**Sd/-**  
**DIVYA GUPTA**  
**(C.S.)**

## Statement of Profit and Loss for the year ended 31 March, 2016

Particulars		Note No.	For the year ended	For the year ended
			31 March, 2016	31 March, 2015
			Rs.	Rs.
<b>A</b>	<b>CONTINUING OPERATIONS</b>			
1	Revenue from operations (gross)	17	-	6,26,608.00
	Less: Service Tax on Sales		-	-
	<b>Revenue from operations (net)</b>		-	6,26,608.00
2	<b>Expenses</b>			
	(a) Cost of Shares Sold	18	-	-
	(b) Employee benefits expense	19	8,77,540.00	3,67,833.00
	(c) Changes in Inventory	20	-	-610.00
	(d) Other expenses	21	8,14,857.00	10,96,846.05
	<b>Total</b>		<b>16,92,397.00</b>	<b>14,64,069.05</b>
3	<b>Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA) (1 - 2)</b>		-16,92,397.00	-8,37,461.05
4	Finance costs	22	1,824.00	112.18
5	Depreciation and amortisation expense	11	16,125.00	37,527.00
6	Other income	23	30,20,908.00	13,22,568.00
7	<b>Profit / (Loss) before exceptional and extraordinary items and tax (3-4-5+6)</b>		13,10,562.00	4,47,467.77
8	Exceptional items		-	-
9	<b>Profit / (Loss) before extraordinary items and tax (7 ± 8)</b>		13,10,562.00	4,47,467.77
10	Extraordinary items		-	-
11	<b>Profit / (Loss) before tax (9 ± 10)</b>		13,10,562.00	4,47,467.77
12	<b>Tax expense:</b>			
	(a) Current tax expense for current year (M.A.T.)		4,18,000.00	1,49,000.00
	(b) Current tax expense relating to prior years		-	-
	(c) Net current tax expense		4,18,000.00	1,49,000.00
	(d) Deferred tax		5,176.00	-2,467.00
			<b>4,23,176.00</b>	<b>1,46,533.00</b>
13	<b>Profit / (Loss) from continuing operations (11 ± 12)</b>		8,87,386.00	3,00,934.77
14	<b>Profit / (Loss) for the year</b>		8,87,386.00	3,00,934.77
15	<b>Earnings per share (of Rs.10/- each):</b>			
	Basic			
	(i) Net Profit From Continuing operations		8,87,386.00	3,00,934.77
	(ii) Weighted No. of Equity Shares (No.)		2900007	2900007
	(iii) Earning Per Share From Continuing Operations (i/ii)		0.31	0.10
	<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

Sd/-

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

**PARTNER**

PLACE : KANPUR

Date : 30.05.2016

For and on behalf of the Board of Directors

Sd/-

**PARSHANT MALANI**  
(CHAIRMAN)

DIN:- 06368140

Sd/-

**RAMA KANT USHWAHA**  
(M. DIRECTOR)

DIN:- 02237714

Sd/-

**DHARMENRDA KUMAR**  
(C.F.O.)

Sd/-

**DIVYA GUPTA**  
(C.S.)

## FUND FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2016

PARTICULARS	FOR THE YEAR ENDED 31.03.2016	FOR THE YEAR ENDED 31.03.2015
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
PROFIT AFTER EXCEPTIONAL ITEMS AND BEFORE TAX	1310562.00	447467.77
Add: DEPRECIATION	16125.00	37527.00
Less: INTEREST INCOME	-3018508.00	-1310449.00
Less: DIVIDEND	-2400.00	-400.00
OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES	<b>-1694221.00</b>	<b>-825854.23</b>
ADJUSTMENT FOR: TRADE & OTHER RECEIVABLES	-1683255.00	-19332585.34
VARIATION IN INVENTORIES	0.00	-610.00
TRADE PAYABLE	73333.00	22820.69
	-1609922.00	-19310374.65
<b>CASH GENERATED FROM OPERATIONAL ACTIVITIES</b>	<b>-3304143.00</b>	<b>-20136228.88</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
INTEREST RECEIVED	3018508.00	1310449.00
DIVIDEND RECEIVED	2400.00	400.00
SHARE CAPITAL ISSUED	0.00	19000000.00
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>3020908.00</b>	<b>20310849.00</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
NET PROCEEDS FROM FIXED ASSETS	0.00	0.00
NET PROCEEDS FROM SHORT TERM BORROWINGS	0.00	0.00
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>0.00</b>	<b>0.00</b>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVILANTS</b>	<b>-283235.00</b>	<b>174620.12</b>
CASH AND CASH EQUIVALANTS AT 1st APRIL 2015	303093.68	128473.56
CASH AND CASH EQUIVALANTS AT 31st MARCH 2016	<b>19858.68</b>	<b>303093.68</b>
<b>FOR KAMAL GUPTA ASSOCIATES CHARTERED ACCOUNTANTS FRN 000752C</b>		
Sd/-	<b>Sd/- PRASHANT MALANI (CHAIRMAN)</b>	<b>Sd/- RAMA KANT KUSHWAHA (M. DIRECTOR)</b>
<b>CA. PANKAJ GUPTA (MRN 076367) PARTNER</b>	<b>Sd/- DHARMENRDA KUMAR (C.F.O.)</b>	<b>Sd/- DIVYA GUPTA (C.S.)</b>
PLACE : KANPUR Date: 30.05.2016		



## 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 (as amended). Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.												
<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 amortisation</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="1"> <thead> <tr> <th><u>Fixed Assets</u></th> <th><u>Useful Life</u></th> </tr> </thead> <tbody> <tr> <td>1) Computer</td> <td>3 years</td> </tr> <tr> <td>2) EPBX</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>	<u>Fixed Assets</u>	<u>Useful Life</u>	1) Computer	3 years	2) EPBX	10 years	3) Air Conditioner	10 years	4) Car	8 years	5) Scooter	10 years
<u>Fixed Assets</u>	<u>Useful Life</u>												
1) Computer	3 years												
2) EPBX	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 up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date.												
<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. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

### 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 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.

S.N.	Particulars	Current Year		Previous Year	
		As At 31.03.2016		As At 31.03.2015	
1	<b>Contingent Liabilities:-</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		216000.00		156000.00
3	<b>AUDITOR'S REMUNERATION:-</b>				
	Audit fees		29972.00		29972.00
4	The balances of Loans and Advances, Current Liabilities & Provisions and other personal accounts are subject to confirmation and reconciliation, if any				
5	At the beginning and year end, the company has Inventories of Shares, amounting to Rs.14730.00, comprising investment in Equity Shares of five companies, But out of five, the company has not in possession of equity shares of three companies, amounting to Rs. 11880.00 Still these Equity Shares are showing in Stock in Trade as held in Company's possession. There are no details of these missing shares.				
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 2016 stands at Rs. NIL as there is no rate available as on 31st March 2016. 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>The Deferred Tax Liability as at 31.03.2016 comprises of the following:-</b>				
		<b>As at 01.04.2015</b>	<b>Current Year charge</b>	<b>As at 31.03.2016</b>	
	<b>Deferred Tax Assets:-</b>				
	Related to Fixed Assets	-	-	-	
		118584.00	5176.00	113408.00	
		118584.00	5176.00	113408.00	
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, 2016		As at 31 March, 2015	
	Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
(a) Authorised Equity shares of Rs.10 each with voting rights	5500000	5,50,00,000.00	5500000	5,50,00,000.00
(b) Issued, Subscribed and Fully Paid up Equity shares of Rs. 10 each with voting rights	2900007	2,90,00,070.00	2900007	2,90,00,070.00
<b>Total</b>	<b>2900007</b>	<b>29000070.00</b>	<b>2900007</b>	<b>29000070.00</b>

Refer Notes (i),(ii) & (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, 2016			
- Number of shares	29,00,007	-	29,00,007
- Amount (Rs.)	1,00,00,070.00	-	1,00,00,070.00
Year ended 31 March, 2015			
- Number of shares	1000007	19,00,000	29,00,007
- Amount (Rs.)	1,00,00,070.00	1,90,00,000.00	2,90,00,070.00

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

Class of shares / Name of shareholder	As at 31 March, 2016		As at 31 March, 2015	
	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>				
MANOJ AGARWAL	200000	6.89	200000	6.89
DIVYA AGARWAL	200000	6.89	200000	6.89
KAMAL KISHORE SOMANI HUF	200000	6.89	200000	6.89
ANHUMAN KAPUR	200000	6.89	200000	6.89
SONALI DIMRI	200000	6.89	200000	6.89
SIDDARTH GUPTA	450000	15.52	450000	15.52

**Note 4 Reserves and surplus**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	15,67,000.68	12,70,551.91
Add: Profit / (Loss) for the year	8,87,386.00	3,00,934.77
Less: Depreciation relating to previous year	-	(4,486.00)
Closing balance	<b>24,54,386.68</b>	<b>15,67,000.68</b>
<b>Total</b>	<b>24,54,386.68</b>	<b>15,67,000.68</b>

**Note 5 Long-term borrowings**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Term loans		
From banks/FI		
Secured -	-	-
From other parties		
Unsecured	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**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, 2016		As at 31 March, 2015	
		Secured	Unsecured	Secured	Unsecured
		Rs.	Rs.	Rs.	Rs.
Term loans from banks/FI:		0.00			
Total - Term loans from banks/Fis		0.00	0.00	0.00	0.00
Term loans from other parties:					
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, 2016	Rs.	As at 31 March, 2015	Rs.
	Period of default		Period of default	
Term loans from other Parties				
Principal		-	-	-
Interest		-	-	-

**Note 6 Disclosures under Accounting Standards**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
<b>Opening Deferred tax Liability/(Asset)</b>	-1,18,584.00	-1,16,117.00
<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/	5,176.00	-2,467.00
On Absorption of Unabsorbed Depreciation during the year and Due to Fixed Assets	-	-
Others	-	-
Tax effect of items constituting deferred tax liability	5,176.00	-2,467.00
<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>-1,13,408.00</b>	<b>-1,18,584.00</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.		

**Note 7 of Short-term borrowings:**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	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, 2016	As at 31 March, 2015
	Rs.	Rs.
<u>Trade payables:</u>		
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, 2016	As at 31 March, 2015
	Rs.	Rs.

(a) Current maturities of long-term debt (Refer Note (i) below)	23,000.00	-
(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	29,972.00
Electricity Payable	1,458.00	1,530.00
Telephone Expenses	1,993.00	1,836.00
Professional Charges	55,800.00	-
Salary Payable	10,000.00	3,333.00
NSDL Expense	-	3,371.00
RTA Fees	-	11,236.00
T.D.S Payable	6,200.00	22,756.00
Santosh Devi Sharma (Rent)	1,68,000.00	-
<b>Total</b>	<b>2,96,423.00</b>	<b>74,090.00</b>
Note (i): Current maturities of long-term debt (Refer Notes (i) and (ii) in Note 5 - Long-term borrowings for details of security and guarantee):		
<b>Particulars</b>	<b>As at 31 March, 2016</b>	<b>As at 31 March, 2015</b>
	<b>Rs.</b>	<b>Rs.</b>
(a) Term loans		
From banks / Fis		
<u>Secured</u>		
From Other Parties :- G. L. Sharma Stock Brokers (P) Ltd.	23000.00	-
<u>Unsecured</u>		
<b>Total</b>	<b>23,000.00</b>	<b>-</b>
<b>Note 10 Short-term provisions:</b>		
<b>Particulars</b>	<b>As at 31 March, 2016</b>	<b>As at 31 March, 2015</b>
	<b>Rs.</b>	<b>Rs.</b>
(a) Provision for tax : for the A.Y. 2016-17	4,18,000.00	-
(b) Provision for tax : for the A.Y. 2015-16	-	1,49,000.00
<b>Total</b>	<b>4,18,000.00</b>	<b>1,49,000.00</b>

Note: 11 FOR ASSETS EXISTING AS ON 31.03.2016														
Date of Purchase / Put to use	Particular	Original Cost (Rs)	Dep charged upto 31.03.2015	WDV as on 01.04.2015	Life as per Co. Act, 2013	Life Used till 31/03/2015	Remaining Life	Salvaged value	Depreciable amount over whole life	Excess Dep. (Already charged)	Rate of Dep.	Dep for the Year 2015-16	Adjusted with Retained	WDV as on 31st Mar 2016
<b>(A) Office Equipments</b>														
1-Apr-1995	Computer	66,500	66,495	5	3.00	20.01	(17.01)	3,325	63,175	3,320	0.00%	-	-	5
28-Oct-2004	Computer	78,000	77,369	631	3.00	10.43	(7.43)	3,900	74,100	3,269	0.00%	-	-	631
5-Jan-2008	Computer	19,600	18,753	847	3.00	7.24	(4.24)	980	18,620	133	0.00%	-	-	847
29-Jul-2013	Computer	44,500	34,224	10,276	3.00	1.67	1.33	2,225	42,275	-	68.38%	7,027	-	3,249
7-Nov-2013	Computer	5,200	3,720	1,480	3.00	1.39	1.61	260	4,940	-	66.15%	979	-	501
<b>(B) Electric Equipment &amp; Installation</b>														
6-Mar-2003	EPBX	19,500	18,525	975	10.00	12.08	(2.08)	975	18,525	-	0.00%	-	-	975
3-May-1991	Air Condit	28,500	27,578	922	10.00	23.93	(13.93)	1,425	27,075	503	0.00%	-	-	922
22-Jun-2009	Air Condit	29,500	20,161	9,339	10.00	5.78	4.22	1,475	28,025	-	35.39%	3,305	-	6,034
<b>(C) Vehicles</b>														
8-May-2003	Car	5,46,732	5,25,759	20,973	8.00	11.90	(3.90)	27,337	5,19,395	6,364	0.00%	-	-	20,973
20-Jun-2004	Car	4,52,607	4,29,977	22,630	8.00	10.78	(2.78)	22,630	4,29,977	-	0.00%	-	-	22,630
7-Sep-2009	ScOOTer	45,051	30,871	14,180	10.00	5.56	4.44	2,253	42,798	-	33.95%	4,814	-	9,366
<b>Total Assets</b>		<b>13,35,690.00</b>	<b>12,53,432.00</b>	<b>82,258.00</b>				<b>66,785.00</b>	<b>12,68,905.00</b>	<b>13,589</b>		<b>16,125.00</b>	<b>-</b>	<b>66,133.00</b>

**Note 11A INVESTMENTS:**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	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>3630000.00</b>	<b>3630000.00</b>

**Note 12 Long-term loans and advances:**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	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, 2016	As at 31 March, 2015
	Rs.	Rs.
Directors	Nil	Nil
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, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Shares in Trade	14,730.00	14,730.00
<b>Total</b>	<b>14,730.00</b>	<b>14,730.00</b>

**Note 14 Trade receivables:**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	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>



**Note 15 Cash and cash equivalents:**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Cash on hand:	11,134.00	82,226.00
(b) Balances with banks (i) In current accounts: with HDFC Bank	8,724.68	2,20,867.68
<b>Total</b>	<b>19,858.68</b>	<b>3,03,093.68</b>

**Note 16 Short-term loans and advances:**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Loans and advances to related parties		
<u>Unsecured, considered good</u> Prabhat Financial Services Ltd. (Interest Receivable)	- 13,123.00	- 11,687.00
(b) Prepaid expenses - Unsecured, considered good		
Prepaid Cibil Anual Exp.	1,900.00	-
Prepaid Insurance	<u>424.00</u>	-
	2,324.00	-
(d) Balances with government authorities		
<u>Unsecured, considered good</u> Advance Income Tax ( 2015-16) Tax Deducted at Sources	1,00,000.00 2,46,855.00	- 1,27,574.00
(g) Others (specify nature)		
<u>Unsecured, considered good</u>		
Loan to Others :		
Arrow Granites Industries	13,22,525.00	24,00,000.00
Arrow Granites Private Limited	-	36,00,000.00
CMK Developers Pvt. Ltd.	87,52,032.00	55,81,666.00
Jawan Mining & Construction Eq. Pvt. Ltd	67,26,534.00	-
Rodic Coffe Estates Private Limited	17,63,347.00	37,11,800.00
Rodic Sikkim Project PVT. LTd.	-	18,35,394.00
Neelkanth Granites	-	4,03,551.00
Northmidland Construction Pvt. Ltd.	55,42,727.00	50,84,329.00
Seema Jajodia	-	5,00,000.00
VKS Fincap Pvt. Ltd.	38,55,283.00	33,62,738.00
	2,79,62,448.00	2,64,79,478.00
<b>Total</b>	<b>2,83,24,750.00</b>	<b>2,66,18,739.00</b>
Note: Short-term loans and advances include amounts due from:		
Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
Directors	-	0.00

**Note 17 Revenue from operations**

	Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
		Rs.	Rs.
(a)	Sale of products (Refer Note (i) below)	-	6,26,608.00
(b)	Sale of services (Refer Note (ii) below)	-	-
		-	6,26,608.00
(c)	<u>Less:</u> Service Tax on Sales	-	-
	<b>Total</b>	<b>-</b>	<b>6,26,608.00</b>
Note	Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
		Rs.	Rs.
(i)	Sale of products comprises : Equity & Shares	-	6,26,608.00
	<b>Total - Sale of Products</b>	<b>-</b>	<b>6,26,608.00</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 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
Opening stock; Equity & Shares	-	-
Add: Purchases: Equity & Shares	-	-
Add: Service tax on Purchase	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
Less: Closing stock : Equity Shares	-	-
<b>Cost of Shares consumed/Sold</b>	<b>-</b>	<b>-</b>
Shares consumed/Sold comprises: Equity Shares	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 19 Employee benefits expense**

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
Staff Welfare	49,040.00	-
Salary to Employees	6,12,500.00	2,11,833.00
Salary to Directors	2,16,000.00	1,56,000.00
<b>Total</b>	<b>8,77,540.00</b>	<b>3,67,833.00</b>

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

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
Opening Stock of Shares	14730.00	14120.00
	<b>14730.00</b>	<b>14120.00</b>
Closing Stock of Shares	14730.00	14730.00
	<b>14730.00</b>	<b>14730.00</b>
<b>Changes in Inventories</b>	<b>0.00</b>	<b>610.00</b>

**Note 21 Other expenses**

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
Conveyance Charges	13,100.00	10,500.00
Computer Software Exp.	-	8,500.00
CIBIL Annual Fees	3,800.00	-
CDSL Expense	16,005.00	47,191.60
D.P. Charges	-	942.70
Expenses From Dealing in Shares	-	498.75
Electricity Expenses	50,945.00	62,456.00
Insurance	340.00	4,291.00
Listing Fee	28,625.00	43,270.00
Misc. Expenses	8,250.00	3,095.00
Membership Fees	11,400.00	-
NSDL Expense	10,305.00	10,677.00
Printing & Stationery	5,577.00	4,251.00
Professional Charges	2,48,000.00	4,07,080.00
Advertising Expense	1,19,243.00	23,548.00
ROC Filling Fees	8,500.00	35,600.00
Rent, Rates And Taxes	1,68,000.00	1,68,000.00
Repair & Maintenance	25,204.00	2,907.00
RTA Expense	26,955.00	33,708.00
Prefrential Share Allotment Processing Fee	-	1,12,360.00
Postage & Telegram	6,851.00	11,329.00
UPSE Expense	-	22,472.00
Website Expense	12,549.00	19,000.00
Telephone	26,562.00	21,042.00
Transaction Charges	-	-
Travelling & Conveyance	-	5,000.00
Payments to auditors (Refer Note (i) below)	29,972.00	29,972.00
Prior period items (net) (Refer Note (ii) below)	-5,326.00	9,155.00
<b>Total</b>	<b>8,14,857.00</b>	<b>10,96,846.05</b>

**Notes:**

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
(i) Payments to the auditors comprises		
As auditors - statutory audit	29,972.00	29,972.00
For taxation matters	-	
For Other Services	-	
<b>Total</b>	<b>29,972.00</b>	<b>29,972.00</b>
(ii) Details of Prior period items (net)		
Prior period expenses	-	-
Adjustment for Income Tax of Earlier Year	-5,326.00	9,155.00
<b>Total</b>	<b>-5,326.00</b>	<b>9,155.00</b>

**Note 22 Finance costs**

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
<b>(a)</b> Interest expense on:		
<b>(i)</b> Borrowings From Banks		
<b>(ii)</b> Others		
Interest paid	-	-
Interest paid on TDS	1,365.00	-
<b>(b)</b> Other borrowing costs		
Bank Charges and Commission	459.00	112.18
<b>Total</b>	<b>1,824.00</b>	<b>112.18</b>

**Note 23 Other income**

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
Dividend	2400.00	400.00
Interest on Loan	3018508.00	1310449.00
Interest on Income Tax Refund	0.00	11719.00
<b>Total</b>	<b>30,20,908.00</b>	<b>13,22,568.00</b>

**Note 24 Disclosures under Accounting Standards**

Particulars	
<b>Related party transactions Details of related parties:</b>	
Description of relationship	Names of related parties
Key Management Personnel (KMP)	<b>1)</b> Mr.Guljhari Lal Sharma <b>2)</b> Rama Kant Kushwaha <b>3)</b> Vandana Sharma <b>4)</b> Prashant Malani <b>5)</b> Amit Soni <b>6)</b> Krishna Kamal Prasad <b>7)</b> Dharmendra Kumar <b>8)</b> Divya Gupta
Relatives of KMP	<b>1)</b> Smt. Santosh Sharma (Wife of KMP) <b>2)</b> Vimal Kumar Sharma (Son of KMP)
Company in which KMP and relatives of KMP can exercise significant influence	<b>1)</b> Prabhat Financial Services Ltd. <b>2)</b> Prabhat Stock Share Brokers P. Ltd. <b>3)</b> G.L.Sharma Stock Share Brokers P. Ltd. <b>4)</b> Prabhat Commodity Brokers (P) Ltd. <b>5)</b> VKS Fincap Pvt. Ltd. <b>6)</b> Wollmine India (P). Ltd. <b>7)</b> Rodic Mining & Developers (P) Ltd. <b>8)</b> Rodic Coffee Estate (P) Ltd. <b>9)</b> Rodic Sikkim Project Pvt. Ltd.

Note: Related parties have been identified by the Management.

**Details of related party transactions during the year ended 31 March, 2016 and balances outstanding as at 31 March, 2016:**

Particulars	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Remuneration Paid	216000.00			216000.00
Rent paid		168000.00		168000.00
Sales Made			NIL	0.00
Intt. Received			808379.00	808379.00
Balances outstanding at the end of the year			5609766 (Dr)	5609766 (Dr)
			23000 (Cr)	23000 (Cr)
Loans and advances Given			3059000.00	3059000.00
Repayment of Loans and advances Given			9476083.00	9476083.00
Borrowings: Loan Taken			285000.00	285000.00
Repaid			262000.00	262000.00

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

Note	Particulars	As at 31 March, 2016	As at 31 March, 2015
		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
		<b>As at 31 March, 2016</b>	<b>As at 31 March, 2015</b>
(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>	<b>For the year ended 31 March, 2016</b>	<b>For the year ended 31 March, 2015</b>
		<b>Rs.</b>	<b>Rs.</b>
	Raw materials	Nil	Nil
	Components	Nil	Nil
	Spare parts	Nil	Nil
23.4	<b>Expenditure in foreign currency :</b>	<b>For the year ended 31 March, 2016</b>	<b>For the year ended 31 March, 2015</b>
		<b>Rs.</b>	<b>Rs.</b>
	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>	<b>For the year ended 31 March, 2016</b>	
		<b>Rs.</b>	<b>%</b>
	<u>Imported (Rs. In Lacs)</u>		
	Raw materials	(Nil)	(Nil)
	Components	(Nil)	(Nil)
	Spare parts	Nil	NA
		Nil	NA
	(Nil)	(Nil)	
	<b>Total</b>	(Nil)	(Nil)
	<u>Indigenous</u>	<b>For the year ended 31 March, 2016</b>	
		<b>Rs.</b>	<b>%</b>
	Raw Materials (Rs. In Lacs)	0.00	0.00%
	Consumables	(0)	(0)
	Packing Materials	0	0%
		(NIL)	(NIL)
		0	0
		(NIL)	(NIL)
	<b>Total</b>	0.00	0.00%
		(0)	(0)
	Note: Figures / percentages in brackets relates to the previous year		
23.6	<b>Earnings in foreign exchange : (Rs. In Lacs)</b>	<b>For the year ended 31 March, 2016</b>	<b>For the year ended 31 March, 2015</b>
		<b>Rs.</b>	<b>Rs.</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 31.03.2016 except those mentioned in these notes on account		

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## NOTICE

**Notice** is Hereby Given That the Thirty Fourth Annual General Meeting of **PRABHAT SECURITIES LIMITED** will be held at 'SATYAM', 4/276, Parwati Bagla Road, Kanpur 208002 on Friday, 23<sup>rd</sup> September 2016 at 1:00 P.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, 2016 including the audited Balance Sheet as on 31st March, 2016 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.

2. To re-appoint Mrs. Vandana Sharma (DIN 00954155) 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 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 Annual general meeting until the conclusion of the 35th Annual General Meeting to be held for the financial year 2016-17 on such remuneration as may be determined by the Board of Directors.”

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

**Sd/-**  
**Divya Gupta**  
(Company Secretary)

Date: 12/08/2016

Registered Office  
**'SATYAM'**, 4/276, Parwati Bagla  
Road, Kanpur, Uttar Pradesh  
208002.

**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 bona-fide 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, 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 from 15<sup>th</sup> September, 2016 to 23<sup>rd</sup> September, 2016 (Book Closure Date) for the purpose of AGM.
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. As there is no any Special Business the statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is not required to annexed hereto.



12. SEBI has mandated the submission of permanent account number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company.
13. SEBI has also mandated that for registration of transfer of securities the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
14. Electronic copy of the Notice of the 35th Annual General Meeting of the Company inter alia indicating the process and manner of electronic voting ('e-voting') along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 35th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent by the permitted mode.
15. Members may also note that the Notice of the 35th Annual General Meeting, Attendance Slip, Proxy Form, Route Map and the Annual Report for 2015-16 will also be available on the Company's website [www.prabhatsecuritiesltd.com](http://www.prabhatsecuritiesltd.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Kanpur for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [prabhatsecurities@gmail.com](mailto:prabhatsecurities@gmail.com).
16. Members may visit the company's corporate website ([prabhatsecuritiesltd.com](http://prabhatsecuritiesltd.com)) to view the financial statements or access information pertaining to the company. Queries if any should be sent at least ten days before the AGM to the company secretary at registered office of the company.
17. 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.
18. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Clause 44 of the Listing Regulation, 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 23, 2016.  
  
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.
19. Details of Directors seeking appointment/re-appointment at the Annual General Meeting of the Company to be held on September 23, 2016 are provided in **Annexure A** of this Notice. Requisite declarations have been received from the Directors for her reappointment.

## 20. Voting through electronic means

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 20.09.2016 from 09.00 A.M and ends on 22.09.2016 till 5.00 P.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 16.09.2016, 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
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - 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>

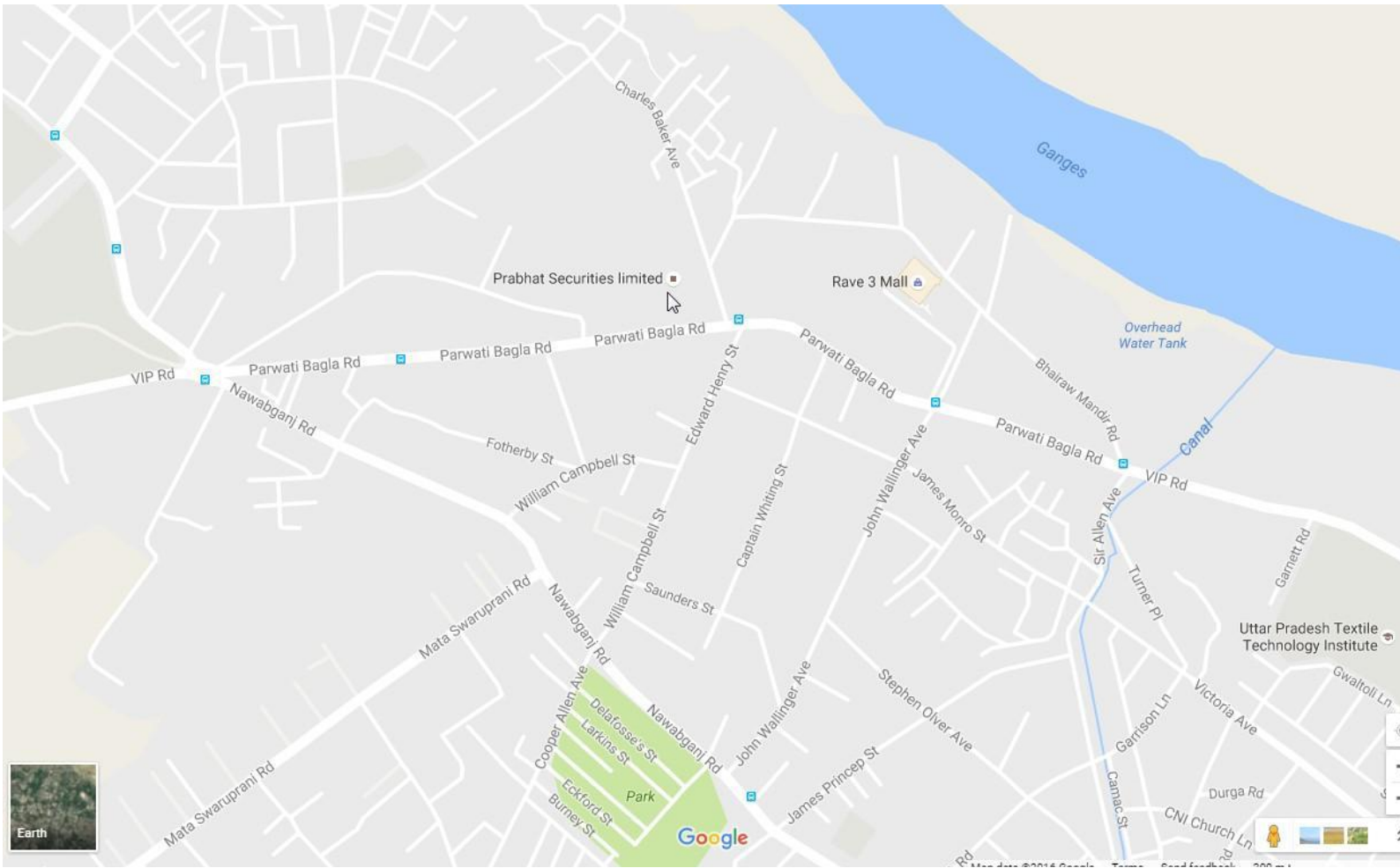
- (viii)** After entering these details appropriately, click on "SUBMIT" tab.
- (ix)** Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily 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 o [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).
- (xx)** The shareholders shall have one vote per equity share held by them as on the cut-off date (record date) of 16<sup>th</sup> September, 2016. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
- (xxi)** Mr. Anurag Fatehpuria, Practising Company Secretary, Kolkata, C.P. No. 3447 has 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.
- (xxii)** 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 along with 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.

## ANNEXURE 1

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

Particulars	Re- Appointment
Name of Director	Mrs. Vandana Sharma
DIN	954155
Date of Birth	9th July 1968
Date of Appointment/Re-appointment	20th March 2015
Qualification	Matriculation
Expertise in specific functional Area	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.
<b>List of other public limited companies in which</b>	
Directorship held	NIL



**PRABHAT SECURITIES LIMITED**  
**Regd Off- 'SATYAM' 4/276 PARWATI BAGLA ROAD, KANPUR – 208002**

**ATTENDANCE SLIP**

DP ID.	
CLIENT ID	

FOLIO NO.	
NO. OF SHARES	

Name & Address of Shareholder / Proxy holder

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I certify that I am a registered Shareholder / Proxy for the registered Shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company held on Friday, the 23<sup>rd</sup> September 2016, at the Registered Office of the Company at "Satyam' 4/276 Parwati Bagla Road, Kanpur – 208002".

Member's / Proxy's Signature

(Shareholder attending the meeting in person or by proxy is requested to complete the attendance slip and handover at the entrance of the Meeting Hall)

**FORM NO. MGT-11**  
**PROXY FORM**

I / We \_\_\_\_\_

Being a Member / Members of PRABHAT SECURITIES LIMITED hereby appoint Mr. / Ms.

\_\_\_\_\_  
 \_\_\_\_\_

as my / our Proxy to attend and vote for me / us and on my / our behalf at the ANNUAL GENERAL MEETING of the Company to be held on Friday, the 23<sup>rd</sup> September 2016, at the Registered Office of the Company at "Satyam' 4/276 Parwati Bagla Road, Kanpur 208002", and at any adjournment(s) thereof in respect of such resolutions as are indicated below.

Resolution No.	Resolution	Optional (Please mention no. of shares)	
		For	Against
Ordinary Business:			
1	To receive, consider and adopt the financial statements of the Company for the year ended on 31st March, 2016 including the audited Balance Sheet as on 31st March, 2016 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon		
2	To re-appoint Mrs. Vandana Sharma (DIN 00954155) Director of the Company who retires by rotation at this meeting and being eligible, offers himself for re-appointment.		
3	To ratify the appointment of M/s. Kamal Gupta Associates, Chartered Accountants (Firm Registration No. 000752C), as the Statutory Auditors of the Company		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016.

Signature of shareholder.....

Signature of Proxy holder(s).....

Affix  
Re.1/-  
Revenue  
Stamp

FOR OFFICE USE ONLY

DATE OF RECEIPT

Notes:

1. This form 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.
2. It is optional to indicate your preference. If you leave the for or against column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

**IF UNDELIVERED, PLEASE RETURN TO:-**

**PRABHAT SECURITIES LIMITED**

**Regd. Off:** `Satyam`, 4/276, Parwati Bagla Road,  
Kanpur-208002, Uttar Pradesh, India

**Phone No.:** 91-512-3073793

**E-mail:** [prabhatsecurities@gmail.com](mailto:prabhatsecurities@gmail.com)  
**Website :** [www.prabhatsecuritiesltd.com](http://www.prabhatsecuritiesltd.com)

