



PRABHAT SECURITIES LIMITED



CONTENTS

<u>PARTICULARS.</u>	<u>PAGE NO.</u>
CORPORATE INFORMATION	(2)
MESSAGE FROM THE CHAIRMAN	(3)
NOTICE OF AGM	(4-11)
KEY HIGHLIGHTS DURING THE YEAR	(12)
STATUTORY REPORT	(13--35)
<ul style="list-style-type: none">• Directors' Report• General Shareholder Information• Management Discussion and Analysis	
FINANCIAL STATEMENTS	(36--84)
1. STANDALONE FINANCIAL STATEMENTS (36—61)	
<ul style="list-style-type: none">• Independent Auditor's Report• Balance Sheet• Statement of Profit And Loss Cash Flow Statement• Notes to the Financial Statement	
2. CONSOLIDATED FINANCIAL STATEMENTS (62—84)]	
<ul style="list-style-type: none">• Independent Auditor's Report• Balance Sheet• Statement of Profit And Loss Cash Flow Statement• Notes to the Financial Statement	
OTHERS	(85--88)
<ul style="list-style-type: none">• Attendance Sheet and Form of Proxy	

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
-Mrs. Rekha Kejriwal, 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 Website - 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
Email Id: 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 2016-17. 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 31st March 2017.

The global and local macroeconomic environment saw significant events in FY17. Events such as BREXIT and President Trump's election created an impact on global economic activity. In India the demonetization of ₹ 1,000 and ₹ 500 denomination currency notes, was a key initiative by the Government. Though this caused inconvenience and distress to many people, the general public accepted it stoically and even seemed to support the announcement. While it was claimed that demonetization had slowed down growth, it needs to be acknowledged that growth had begun to decelerate in the first two quarters of FY17. The Central Statistical Organization ("**CSO**") has put the advance estimate for real Gross Value Added growth in FY17 at 6.7%. This is lower than 7.8% achieved in FY16. The trajectory of headline CPI inflation remained southbound for most part of FY17. In April 2016, headline CPI was at 5.5% and it moderated to 3.7% in February 2017. Led by a surge in the low cost current and savings accounts with the banking sector on account of demonetization, monetary policy transmission was stronger in the second half of FY17

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

35th Annual Report
Financial Year 2016-2017

NOTICE

Notice is Hereby Given That the Thirty Fifth Annual General Meeting of **PRABHAT SECURITIES LIMITED** will be held at 'SATYAM', 4/276, Parwati Bagla Road, Kanpur 208002 on Friday, 29th September 2017 at 01:00 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, 2017 including the audited Balance Sheet as on 31st March, 2017 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 Mr. Guljhari Lal Sharma (DIN 00451143), Director of the Company who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT, pursuant to Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation made by the Audit Committee of the Board, **M/S R.P. Khandelwal & Associates, Chartered Accountants, FRN 001795C** be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors **M/S Kamal Gupta & Associates, Chartered Accountants, FRN 000752C**, who shall hold office from the conclusion of this Annual General Meeting for term of consecutive five years till conclusion of the 40th Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and that the Board be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

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

Sd/-
Rekha Kejriwal
(Company Secretary)

Date: 02-09-2017

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 22nd September, 2017 to 29th September, 2017 (both days inclusive) 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. SEBI has mandated the submission of permanent account number (PAN) by every participant in securities market. Members holdings 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.

12. 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.
13. 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 Participants(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.
14. Members may also note that the Notice of the 35th Annual General Meeting, Attendance Slip, Proxy Form, Route Map and the Annual Report for 2016-17 will also be available on the Company's website 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.
15. Members may visit the company's corporate website (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.
16. 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.
17. 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 29, 2017.

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.

18. Details of Directors seeking appointment/re-appointment at the Annual General Meeting of the Company to be held on September 29, 2017 are provided in **Annexure-1**

of this Notice. Requisite declarations have been received from the Directors for her reappointment.

19. Voting through electronic means

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 26.09.2017 from 09.00 A.M and ends on 28.09.2017 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 22.09.2017, 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 during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to www.evotingindia.com 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"> • 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. • 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.
DOB	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.

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"> 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).
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- (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-170902037 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.

- 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 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 under help section or write an email to 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 22nd September, 2017. 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 & Metropolitan Stock Exchange of India Ltd.
- (xxiii)** Any person who acquire shares of the company and become member after dispatch of the notice and holding shares as on the cut off date i.e. 22nd September 2017 may follow the same instructions as mentioned above for e-voting.

Explanatory Statement (Pursuant to section 102(1) of the Companies Act, 2013

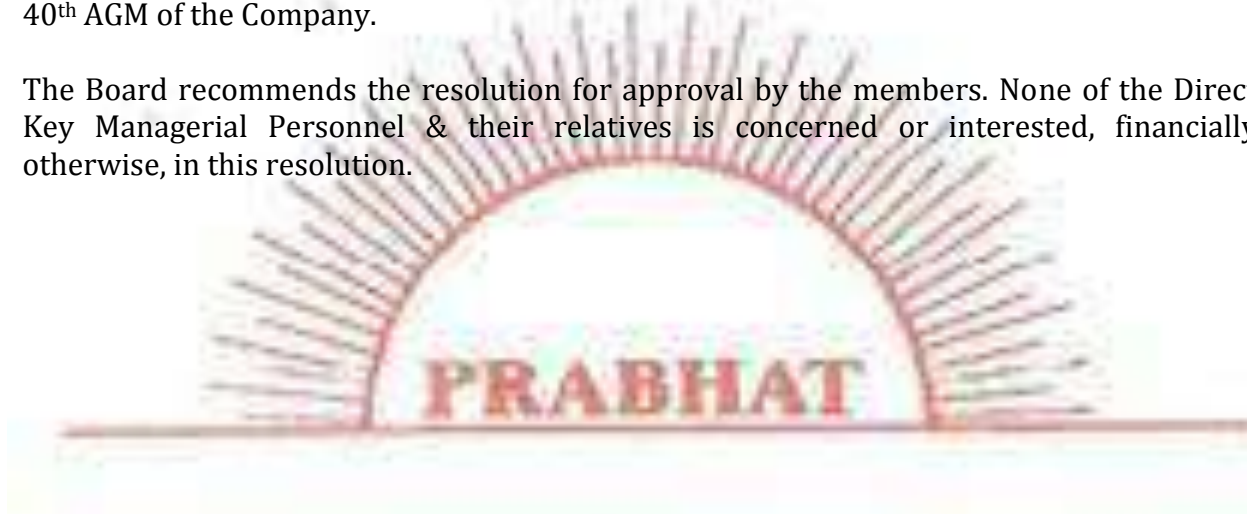
Item No. 3: Appointment of M/S R.P. Khandelwal & Associates (FRN: 001795C) as the Statutory Auditors of the Company

The members are hereby informed that Company approached to M/S R.P. Khandelwal & Associates having FRN: 001795C, who has expressed their willingness to act as Auditor of the Company, if appointed, and has provided the requisite documents as required under Companies Act, 2013.

Pursuant to the provisions of the Companies Act, 2013, the appointment of M/S R.P. Khandelwal & Associates (FRN: 001795C) is proposed for the first term of Five consecutive terms from the conclusion of 35th AGM until the conclusion of 40th AGM of the Company.

The Audit Committee and the Board in their respective meetings held on 02-08-2017 and 11-08-2017, have approved the appointment of M/S R.P. Khandelwal & Associates as Statutory Auditors of the Company, subject to the approval from the members of the company, for their 1st term of five consecutive years i.e. from the conclusion of 35th AGM until the conclusion of 40th AGM of the Company.

The Board recommends the resolution for approval by the members. None of the Directors, Key Managerial Personnel & their relatives is concerned or interested, financially or otherwise, in this resolution.



ANNEXURE- 1

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

Particulars	Re- Appointment
Name of Director	Mr. Guljhari Lal Sharma
DIN	00451143
Date of Birth	09-02-1944
Shareholding in the Company	1.5%
Date of Appointment/Re-appointment	12-01-1994
Qualification	Graduate
Expertise in specific functional Area	Mr. Guljhari Lal Sharma is an Executive Director of our Company. He has been associated with our Company since January 1994 and having the approximate 50 years of rich experience in the field of share market.
List of other Listed companies in which Directorship held	Nil
Memberships/Chairmanships of committees of the company	Nil

KEY HIGHLIGHTS DURING THE YEAR

1. TOTAL REVENUE (GROSS)

Current Year: Rs. 4,055,885.00

Previous Year: Rs. 3,020,908.00

2. EXPENSES

Current Year: Rs. 3,443,814.00

Previous Year: Rs. 1,692,397.00

3. DIRECT LISTING

The Equity Shares of the Company are listed on the Calcutta Stock Exchange Ltd. And Metropolitan Stock Exchange of India Limited (MSEI)

ANNUAL GENERAL MEETING DETAILS

Day: Monday

Date: 29th September 2017

Time: 1.00 P.M.

Venue: **PRABHAT SECURITIES LIMITED**

'SATYAM', 4/276,

Parwati Bagla Road,

Kanpur, Uttar Pradesh – 208002

DIRECTORS' REPORT

To
The Members,

Your Directors have the pleasure in presenting the 35TH Annual Report on the business and operations of the Company and Audited Statement of Accounts for the year ended 31st March 2017:

- **FINANCIAL RESULTS**

FINANCIAL HIGHLIGHTS:

Rs. In '000'

Particulars	2016-2017	2015-2016
	12 months	12 months
Total Revenue	4055.88	3020.91
Profit before Depreciation & Interest	612.07	1326.51
Less : depreciation and amortization	40.30	16.12
Less : Interest	12.19	1.82
Profit Before Tax	577.27	1310.56
Less : Current Tax	164.00	418.00
Less : Deferred Tax	8.34	5.17
Profit After Tax	404.93	887.38

- **OPERATIONAL RESULTS AND FINANCIAL PERFORMANCE**

During the year under review, the revenue of Company is Rs. 4055.88 (in '000) as compared to the previous year of Rs. 3020.00 (in '000). Due to favorable 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 31st March, 2017 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**

The Company has *Prabhat Financial Services Limited* as Associate of the Company holding 23.06% Shares.

- **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.

**35th Annual Report
Financial Year 2016-2017**

- **FIXED DEPOSIT**

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

- **INTERNAL FINANCIAL CONTROL**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed

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

Neither any Significant nor material order has been passed by any Regulator or Court or Tribunal during the financial year.

- **RELATED PARTY TRANSACTION**

All related party transactions that were entered into during the financial year ended 31st March, 2017 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted. Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required. However, the disclosure of transactions with related party for the year, as per Accounting Standard -18 Related Party Disclosures is given in Note no 22(k) to the Balance Sheet as on 31st March, 2017.

- **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 and 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 31st march 2017 and of the profit and loss of the Company for that period;

- ✓ Proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- ✓ The annual accounts had been prepared on a going concern basis;
- ✓ Internal financial controls, to be followed by the Company are duly laid down and these controls are adequate and were operating effectively; and
- ✓ The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively.

• **MEETING OF THE BOARD OF DIRECTORS**

During the year 2016-2017, Five 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. 25th April, 2016
2. 30th May, 2016
3. 12th August, 2016
4. 11th November, 2016
5. 30th January, 2017

• **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,(MD) ➤ 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. Amit Soni as Chairman Mr. Parshant Malani 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. 25/05/2016
2. 09/08/2016
3. 02/11/2015
4. 27/01/2017

• **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Brief Description of Terms of Reference:

The Committee comprises of Mr. Krishna Kamal Prasad as Chairman Mr. Parshant Malani, 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. 07/08/2016
2. 27/01/2017

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:

- Mrs. Rekha Kejriwal (Company Secretary) has been appointed as the Compliance Officer of the Company with effect from 21st June 2017 for complying with requirements of Securities Laws and Listing Agreements with Stock Exchanges.

Nature of Complaint	No. of complaints Received	No. of Complaints Redressed
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 31st March 2017.

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 ;

- 07/08/2016
- 25/01/2017.

ANNUAL GENERAL MEETINGS

Details of Last Three Annual General Meetings held:

Particulars	FY 2013-2014	FY 2014-2015	FY 2015-2016
Day	Tuesday	Saturday	Friday
Date	30-09-2014	26-09-2015	23-09-2016
Time	11.00 A.M.	11.00 A.M.	01:00 P.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 (Managing Director of the Company)
- Mr. Dharmendra Kumar (Chief Financial Officer of the Company)
- Ms. Rekha Kejriwal (Company Secretary)

The Remuneration and other details of the Key Managerial Personnel for the year ended March 31, 2017 are mentioned in the Extract to the Annual Return in Form MGT-9, which is attached as “**Annexure - 2**” 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, Mr. Ashish Gupta, CP No. 6859, Company Secretary, has issued Secretarial Audit Report for the Financial Year 2016-2017 pursuant to Section 204 of the Companies Act, 2013, which is annexed to Directors’ Report. **(Refer Annexure-1)** The Secretarial Audit Report for the

**35th Annual Report
Financial Year 2016-2017**

Year under review does not contain any qualification, reservation or adverse remark or disclaimer.

- **ANNUAL RETURN**

The extract of Annual Return in Form No.MGT-9 as required under Section 92 of the Companies Act, 2013 for the financial year ending March 31, 2017 is annexed hereto as **Annexure-2** and forms part of this report.

- **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

- **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**

“RESOLVED THAT, pursuant to Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation made by the Audit Committee of the Board, **M/S R.P. Khandelwal & Associates, Chartered Accountants, FRN 001795C** be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors **M/S Kamal Gupta & Associates, Chartered Accountants, FRN 000752C**, who shall hold office from the conclusion of this Annual General Meeting for term of consecutive five years till conclusion of the 40th Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and that the Board be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

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 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 Notes on account, the balances of Trade Receivables, Loans and advances and other personal accounts are subject to confirmation and reconciliation, if any.

- The Company has not complied the provisions relating to payment of Managerial Remuneration and has not submitted the requisite statutory forms before the appropriate authorities.

Company has fully complied with the provisions relating to payment of Managerial Remuneration (Rs. 20K per month) and need not to submit any statutory form to the appropriate authority as the appointment Resolution itself authorized to revise the remuneration by Board as may deem fit.

- The Company has no Compliance officer as on date.

Company has appointed the Company Secretary cum Compliance Officer to fill casual vacancy on 21/06/2017.

- As stated in Point no. (ii) of Annexure A of to Audit Report

Inventory of Shares of Rs. 8750.00 has been overstated in the books of account in comparison to the actual inventory of Shares in hand being missing

Steps are being taken from the management to locate the above referred shares.

- As stated in Point no. (iii)(a) of Annexure A of to Audit Report

The terms & conditions of the grant of loan were, in opinion, prima facie, not prejudicial to the Company's interest except in four cases where either no interest has been charged (in three cases) and in one case, interest charged during the year and reversed on the last date of financial year, in the loan given to three companies and a relative of director covered in the register maintained under section 189 of the Act.

The cases referred above: In one case the amount taken on the 30th March, 2017; in other case the advance was for the deal of purchase and non-materialization of same have refunded in thirteen days; in one case the interest charged was reversed as the opening balance as towards the interest and not the principal and there is no provision of charging of cumulative interest;

- **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.

- **CHANGE IN MANAGEMENT & TAKEOVER**

There is no change in the management of the company during the Financial Year except the resignation of Company secretary on 31st December, 2016.

- **CORPORATE GOVERNANCE**

The Company is exempted from compliance from Corporate Governance provisions as per SEBI

(Listing Obligations and disclosure requirements) Regulations, 2015.

- **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 investments made and loans & advanced by the Company have been given in notes to the Financial statement respectively. 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

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

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

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.

- **MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report

- **CONSOLIDATED FINANCIAL STATEMENTS**

Company has “Prabhat Financial Services Limited” as Associate Company holding 23.06% of its Share Capital and have prepared consolidated financial statement for the F. Y. 2016-17.

- **GENERAL**

Your Directors state that during the financial year 2016-17:

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: 2nd September, 2017

Mr. Parshant Malani
Chairman

Mr. Ramakant Kushwaha
Managing Director

ANNEXURE-1'
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

[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, 2017 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, 2017 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:

- 7.1) Secretarial Standards issued by The Institute of Company Secretaries of India.
- 7.2) We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with CSE Ltd. and MSEI 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: 02/09/2017

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: 02/09/2017

Sd/-
Ashish Kumar Gupta
Company Secretary
FCS: 6433
CP: 6859

'ANNEXURE -2'
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2017
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

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

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sr. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	PRABHAT FINANCIAL SERVICES LIMITED SATYAM,4/276PARVATI BAGLA ROAD KANPUR IN	U67190UP199 5PLC017537	ASSOCIATE	23.06%	2(6)

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			
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
A. Promoters								
(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/FI	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0
SUB TOTAL:(A) (1)	475000	20000	495000	17.07%	495000	0	495000	17.07%
(2) Foreign								
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/FI	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	475000	20000	495000	17.07%	495000	0	495000	17.07%

B. PUBLIC SHAREHOLDING

(1) Institutions								
a) Mutual Funds	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0
C) Cenntal 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
SUB TOTAL (B)(1):	0	0	0	0	0	0	0	0
(2) Non Institutions								
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
SUB TOTAL (B)(2):	1900000	505007	2405007	82.93%	1980000	425007	2405007	82.93%
Total Public Shareholding (B)= (B)(1)+(B)(2)	1900000	505007	2405007	82.93%	1980000	425007	2405007	82.93%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	2375000	525007	2900007	100.00%	2475000	425007	2900007	100.00 %

(ii) SHARE HOLDING OF PROMOTERS

Sl 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%
Total		495000	17.07	0	495000	17.07	0	0.00%

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

		(NO CHANGE)			
Sl. No.	Name of Shareholders	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company

(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	Siddarth Gupta				
	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	Anshuman Kapur				
	At the beginning of the year	200000	6.90	200000	6.90
	At the end of the year	200000	6.90	200000	6.90
3	Kamal Kishore Somani HUF				
	At the beginning of the year	200000	6.90	200000	6.90
	At the end of the year	200000	6.90	200000	6.90
4	Sonal Dimri				
	At the beginning of the year	200000	6.90	200000	6.90
	At the end of the year	200000	6.90	200000	6.90
5	Divya Agarwal				
	At the beginning of the year	200000	6.90	200000	6.90
	At the end of the year	200000	6.90	200000	6.90
6	Manoj Agarwal				
	At the beginning of the year	200000	6.90	200000	6.90
	At the end of the year	200000	6.90	200000	6.90
7	Deepak Kumar Agarwal				
	At the beginning of the year	100000	3.45	100000	3.45
	At the end of the year	100000	3.45	100000	3.45
8	Vinay Kumar Agarwal				
	At the beginning of the year	100000	3.45	100000	3.45
	At the end of the year	100000	3.45	100000	3.45
9	Shanti Lal Jain				
	At the beginning of the year	50000	1.72	50000	1.72
	At the end of the year	50000	1.72	50000	1.72
10	Bindu Pandey				
	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
1	Guljhari Lal Sharma				
	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
Indebtedness at the beginning of the financial year				
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
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
Additions	Nil	Nil	Nil	Nil
Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
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
Total (i+ii+iii)	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
1	Gross salary	Mr. R.K. Kushwaha (Managing Director)	Mr. Parshant Malani (Chairman)	

	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	260000.00	0	260000.00
	(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
	Total (A)	260000.00	0.00	260000.00
Overall Ceiling as per the Act		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
1	Independent Directors	Mr. Krishna Kamal Prasad	Mr. Amit Soni	
	(a) Fee for attending board /committee meetings	Nil	Nil	Nil
	(b) Commission	Nil	Nil	Nil
	(c) Others, please specify	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil
2	Other Non Executive Directors	Ms. Vandana Sharma	Mr. Guljhari Lal Sharma	Nil
	(a) Fee for attending board committee meetings	Nil	Nil	Nil
	(b) Commission	Nil	Nil	Nil
	(c) Others, please specify.	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil
Total Managerial Remuneration				260000.00
Overall Ceiling as per the Act.		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	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	360000	130000	490000
	(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, please specify	0.00	0.00	0.00
	Total	360000	130000	490000

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)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

MANAGEMENT DISCUSSION AND ANALYSIS

- ECONOMIC CONDITION

Amidst the global backdrop, Indian economy stood steadfast on its growth trajectory. In the framework of robust macro-economic stability, the year 2016-17 was marked by a few but robust policy developments such as passage of bankruptcy code, constitutional amendments paving way for GST and demonetization of notes in the pursuit of enhancing formalization of various segments of the economy. The GDP growth for the year 2016-17 at 7.1% was lower as compared to the previous year on account of weak investment sentiments even though Government enhanced spending and exports rose over the last few months of the year. Demonetization had a temporary adverse impact, as labour-intensive construction sector contracted. Growth in gross fixed capital formation slowed sharply in FY17 to 27.1% from 29.3% a year ago.

In the fiscal year 2017-18 India is expected to grow to around 7.2% provided macroeconomic parameters are favourable. There is an uptick in India's exports based on global economic activity. Consumption is also expected to witness traction as the economy catches up after demonetization.

- 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 2016-2017 has been satisfactory. The Company made a profit of Rs, 404.93 'thousands'.

- OUTLOOK

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

- RISK AND CONCERNS

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

- INTERNAL CONTROL SYSTEM

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

- HUMAN RESOURCES CAPITAL

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

- DISCLAIMER

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



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 31st March 2017, the Statement of Profit and Loss (including other comprehensive incomes), 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 "including other comprehensive incomes," cash flows and changes in equity of the company 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. In conducting 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 standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS 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.
- c) The company has not complies the provision relating to payment of managerial remuneration and has not submitted the requisite statutory forms before the appropriate authorities.
- d) The Company has no compliance officer as on date.

Opinion

In our opinion and to the best of our information and according to the explanations given to us except for the effects/possible effects of the matter described in the basis of Qualified Opinion in above paragraphs, the aforesaid Standalone Ind AS 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 31st March 2017,
- 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.
- d) In the case of comprehensive income 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 ("CARO") 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 including other comprehensive income, Cash Flow Statement and statement of changes in equity 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 standalone Ind AS 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, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, 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.
 - iv. The Company has provided requisite disclosure in the standalone Ind AS Financial Statements as to holding as well as dealing in specified Bank Note as defined in the notification serial order 3407"E" dated 8th November 2016 of MCA during the period from 8 November, 2016 to 31st December, 2016. Based on the Audit procedure and relying on the management representation the report that the disclosure are in accordance the books of Accounts maintained by the company and produced to us by the management "Refer Note No. 26"

For Kamal Gupta Associates

Chartered Accountants

FRN:000752C

Sd/-

CA. Pankaj Gupta

Partner

MembershipNo.076367

Place:Kanpur

Date: 31.05.2017

**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 which in our opinion this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets 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/Demat Accounts. Inventory of Shares of Rs. 8,750.00 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 31st March 2017 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 not 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
FRN:000752C

Sd/-

CA. Pankaj Gupta

Partner

MembershipNo.076367

Place:Kanpur

Date: 31.05.2017

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT:

Report on internal Financial controls under clause (i) of sub section (3) of section 143 of the Companies Act 2013, (The "Act")

We have audited the internal financial controls over financial reporting of **PRABHAT SECURITIES LIMITED** (the "Company") as on March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statement of the company for the year ended on that date.

Management Responsibility for internal financial controls

The company's Management is responsible for establishing and maintaining internal financial control over financial reporting criteria established by the company considering the essential components of the internal control stated in the Guidance note on Audit of internal financial controls over financial reporting issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the institute of Chartered Accountant of India. Those Standards and the Guidance Note require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedure to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exist, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risk of the material misstatement of the financial statement, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial

**35th Annual Report
Financial Year 2016-2017**

statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedure that (1) pertains to the maintenance records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the assets of the company. (2) Provide reasonable assurance that transaction are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipt and expenditure of the company are being made only in accordance with the authorisations of management and directors of the company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projection of any valuation of internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal controls over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

For Kamal Gupta Associates

Chartered Accountants
FRN:000752C

Sd/-

CA. Pankaj Gupta

Partner

MembershipNo.076367

Place:Kanpur

Date: 31.05.2017

Balance Sheet as at 31st March 2017:

Particulars		Note No.	As at 31 March, 2017	As at 31 March, 2016
			Rs.	Rs.
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	29000070.00	2,90,00,070.00
	(b) Reserves and surplus	4	28,59,316.68	24,54,386.68
			318,59,386.68	3,14,54,456.68
2	Share application money pending allotment		-	-
3	Non-current liabilities			
	(a) Long-term borrowings	5	-	-
	(b) Deferred tax liabilities (net)	6	-1,05,067.00	-1,13,408.00
			-1,05,067.00	-1,13,408.00
4	Current liabilities			
	(a) Short Term Borrowings	7	1,60,664.00	0.00
	(b) Trade payables	8	-	-
	(c) Other current liabilities	9	1,19,168.00	2,96,423.00
	(d) Short-term provisions	10	1,64,000.00	4,18,000.00
			4,43,832.00	7,14,423.00
	TOTAL		321,98,151.68	3,20,55,471.68
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets : Fixed Assets	11	1,20,040.00	66,133.00
	(ii) Investments	11A	36,30,000.00	36,30,000.00
	(b) Long-term loans and advances	12	-	-
			37,50,040.00	36,96,133.00
2	Current assets			
	(a) Inventories	13	13,230.00	14,730.00
	(b) Trade receivables	14	-	-
	(c) Cash and cash equivalents	15	32,431.68	19,858.68
	(d) Short-term loans and advances	16	284,02,450.00	2,83,24,750.00
			284,48,111.68	2,83,59,338.68
	TOTAL		321,98,151.68	3,20,55,471.68
	Accompanying notes are an integral part of the financial statements		-	-

In terms of our report of even date attached
FOR KAMAL GUPTA ASSOCIATES
CHARTERED ACCOUNTANTS
 FRN 000752C

Sd/-

CA. PANKAJ GUPTA (MRN 076367)

PARTNER

PLACE : KANPUR

Date : 31-05-2017

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

35th Annual Report
Financial Year 2016-2017

Statement of Profit and Loss for the year ended 31 March, 2017

Particulars		Note No.	For the year ended 31 March, 2017	For the year ended 31 March, 2016
			Rs.	Rs.
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)	17	40,55,884.70	30,18,508.00
	Less: Service Tax on Sales		-	-
	Revenue from operations (net)		40,55,884.70	30,18,508.00
2	Expenses			
	(a) Cost of Shares Sold	18	10,51,348.40	-
	(b) Employee benefits expense	19	9,87,500.00	8,77,540.00
	(c) Changes in Inventory	20	1,500	-
	(d) Other expenses	21	14,03,466.00	8,14,857.00
	Total		34,43,814.40	16,92,397.00
3	Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA) (1 - 2)			
			6,12,070.30	13,26,111.00
4	Finance costs	22	12,194.00	1,824.00
5	Depreciation and amortisation expense	11	40,302.00	16,125.00
6	Other income	23	17,696.70	2,400.00
7	Profit / (Loss) before exceptional and extraordinary items and tax (3-4-5+6)			
			5,77,271.00	13,10,562.00
8	Exceptional items			
			-	-
9	Profit / (Loss) before extraordinary items and tax (7 ± 8)			
			5,77,271.00	13,10,562.00
10	Extraordinary items			
			-	-
11	Profit / (Loss) before tax (9 ± 10)			
			5,77,271.00	13,10,562.00
12	Tax expense:			
	(a) Current tax expense for current year (M.A.T.)		1,64,000.00	4,18,000.00
	(b) Current tax expense relating to prior years		-	-
	(c) Net current tax expense		1,64,000.00	4,18,000.00
	(d) Deferred tax		8,341.00	5,176.00
			1,72,341.00	4,23,176.00
13	Profit / (Loss) from continuing operations (11 ± 12)			
			4,04,930.00	8,87,386.00
14	Profit / (Loss) for the year			
			4,04,930.00	8,87,386.00
15	Earnings per share (of Rs.10/- each):			
	Basic			
	(i) Net Profit From Continuing operations		4,04,930.00	8,87,386.00
	(ii) Weighted No. of Equity Shares (No.)		2900007	2900007
	(iii) Earning Per Share From Continuing Operations (i/ii)		0.14	0.31
	Accompanying notes are an integral part of the financial statements			

In terms of our report of even date attached

FOR KAMAL GUPTA ASSOCIATES

Chartered Accountants

FRN 000752C

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.)

**35th Annual Report
Financial Year 2016-2017**

FUND FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2017

PARTICULARS	FOR THE YEAR ENDED 31.03.2017	FOR THE YEAR ENDED 31.03.2016
A) CASH FLOW FROM OPERATING ACTIVITIES:		
PROFIT AFTER EXCEPTIONAL ITEMS AND BEFORE TAX	577271.00	1310562.00
Add: DEPRECIATION	40302.00	16125.00
Less: INTEREST INCOME	-2500.00	-2400.00
DIVIDEND		
Less: INCOME FROM DEALING IN SHARE	-15196.70	0.00
OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES	599876.30	1324287.00
ADJUSTMENT FOR: TRADE & OTHER RECEIVABLES		
CURRENT LIABILITY	-177255.00	-1683255.00
VARIATION IN INVENTORIES	1500.00	0.00
TAX PAID DURING THE YEAR	-418000.00	73333.00
	-593755.00	-1609922.00
CASH GENERATED FROM OPERATIONAL ACTIVITIES	6121.30	-285635.00
B) CASH FLOW FROM INVESTING ACTIVITIES		
ADVANCE MADE	-77700	00
INCOME FROM DEALING IN SHARE	15196.70	00
DIVIDEND RECEIVED	2500.00	2400.00
PURCHASE OF FIXED ASSETS	-94209.00	0.00
NET CASH FLOW FROM INVESTING ACTIVITIES	-154212.30	2400.00
C) CASH FLOW FROM FINANCING ACTIVITIES		
NET PROCEEDS FROM FIXED ASSETS	0.00	0.00
NET PROCEEDS FROM SHORT TERM BORROWINGS	160664.00	0.00
NET CASH FLOW FROM FINANCING ACTIVITIES	160664.00	0.00
INCREASE/(DECREASE) IN CASH AND CASH EQUIVILANTS	12573.00	-283235.00
CASH AND CASH EQUIVALANTS AT 1st APRIL 2016	19858.68	303093.68
CASH AND CASH EQUIVALANTS AT 31st MARCH 2017	32431.68	19858.68
FOR KAMAL GUPTA ASSOCIATES		
CHARTERED ACCOUNTANTS		
FRN 000752C		
Sd/-	Sd/- PRASHANT MALANI (CHAIRMAN)	Sd/- RAMA KANT KUSHWAHA (M. DIRECTOR)
CA. PANKAJ GUPTA (MRN 076367)		
PARTNER	Sd/-DHARMENRDA KUMAR	
PLACE : KANPUR	(C.F.O.)	
Date: 31.05.2017		

Notes forming part of the financial statements

Note	Particulars												
1	Corporate information 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.												
2	Significant accounting policies 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.												
2.1	Basis of accounting and preparation of financial statements 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.												
2.2	Use of estimates 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.												
2.3	Inventories 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.												
2.4	Depreciation and amortisation 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 style="margin-left: 20px;"> <thead> <tr> <th style="text-align: left;"><u>Fixed Assets</u></th> <th style="text-align: left;"><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												
2.5	Revenue recognition Interest income has been recognised on the basis accrual of interest.												
2.6	Tangible fixed assets 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.												
2.7	Earnings per share 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.												
2.8	Taxes on income 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.												

PRABHAT SECURITIES LIMITED			
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR			
Notes forming part of the financial statements			
S.N.	Particulars	Current Year	Previous Year
		As At 31.03.2017	As At 31.03.2016
1	Contingent Liabilities:-		
	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	260000.00	216000.00
3	AUDITOR'S REMUNERATION:-		
	Audit fees and fees for other Services	39675.00	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 year end, the company has Inventories of Shares, amounting to Rs.13230.00, comprising investment in Equity Shares of five companies, But out of five, the company has not in possession of equity shares of two companies, amounting to Rs. 8750.00 Still these Equity Shares are showing in Stock in Trade as held in Companys possession. There is 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 2017 stands at Rs. NIL as there is no rate available as on 31st March 2017. 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	The Deferred Tax Liability as at 31.03.2017 comprises of the following:-		
		As at 01.04.2016	Current Year charge
		As at 31.03.2017	
	Deferred Tax Assets:-		
	Related to Fixed Assets	-113408.00	8341.00
		-113408.00	-105067.00
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.		

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR
Notes forming part of the financial statements

Note 3 Share capital

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	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
Total	2900007	29000070.00	2900007	29000070.00

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, 2017			
- 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, 2016			
- Number of shares	2900007	-	29,00,007
- Amount (Rs.)	1,00,00,070.00	-	1,00,00,070.00

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

Class of shares / Name of shareholder	As at 31 March, 2017		As at 31 March, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
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, 2017	As at 31 March, 2016
	Rs.	Rs.
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	24,54,386.68	15,67,000.68
Add: Profit / (Loss) for the year	4,04,930.00	8,87,386.00
Less: Depreciation relating to previous year	-	-
Closing balance	28,59,316.68	24,54,386.68
Total	28,59,316.68	24,54,386.68

Note 5 Long-term borrowings

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
(a) Term loans		
From banks/FI		
Secured -	-	-
From other parties	-	-
Unsecured	-	-
Total	-	-

Notes forming part of the financial statements

Note 5 Long-term borrowings (contd.)

Particulars					
(i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:					
Particulars	Terms of repayment and security	As at 31 March, 2017		As at 31 March, 2016	
		Secured Rs.	Unsecured Rs.	Secured Rs.	Unsecured 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, 2017		As at 31 March, 2016	
	Period of default	Rs.	Period of default	Rs.
Term loans from other Parties				
Principal		-	-	-
Interest		-	-	-

Notes forming part of the financial statements

Note 6 Disclosures under Accounting Standards

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
Opening Deferred tax Liability/(Asset)	-1,13,408.00	-1,18,584.00
<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/ On Absorption of Unabsorbed Depreciation during the year and Due to Fixed Assets	8,341.00	5,176.00
Others	-	-
Tax effect of items constituting deferred tax liability	8,341.00	5,176.00
<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	-	-
Closing deferred tax liability/(Asset)	-1,05,067.00	-1,13,408.00

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.

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR
Notes forming part of the financial statements

Note 7 of Short-term borrowings

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Unsecured	Secured
i) Loan Repayable on demand from Banks		
ii) Other Loan and Advances : From Body Corporates	-	-
Prabhat Stock Sh. Brokers (P) Ltd.	1,60,664.00	0.00
Total	1,60,664.00	0.00

Note 8 Trade payables

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
<u>Trade payables:</u>		
Acceptances	-	-
Other than Acceptances : Sundry Creditors for shares	-	-
Total	-	-

Note 9 Other current liabilities

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
(a) Current maturities of long-term debt (Refer Note (i) below)	-	23,000.00
(b) Book Overdraft (Corporation Bank SCRW A/c)	-	-
(c) Security Received		
(d) Other payables		
(i) Deposit from Employees	-	-
(ii) Advances from customers	-	-
(iii) <u>Other Sundry Liabilities</u>	-	-
Audit Fee Payable	36,225.00	29,972.00
Electricity Payable	2,145.00	1,458.00
Telephone Expenses	1,472.00	1,993.00
Professional Charges	-	55,800.00
Salary Payable	-	10,000.00
RTA Fees	23,000.00	-
T.D.S Payable	14,326.00	6,200.00
Santosh Devi Sharma (Rent)	42,000.00	1,68,000.00
Total	1,19,168.00	2,96,423.00

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

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
(a) Term loans		
From banks /Fis		
<u>Secured</u>		
From Other Parties :- G. L. Sharma Stock Brokers (P) Ltd.	0.00	23,000.00
<u>Unsecured</u>		
Total	-	23,000.00

Note 10 Short-term provisions

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
(a) Provision for tax : for the A.Y. 2017-18	1,64,000.00	
(b) Provision for tax : for the A.Y. 2016-17	-	4,18,000.00
Total	1,64,000.00	4,18,000.00

PRABHAT SECURITIES LIMITED

"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR

Notes forming part of the financial statements

Note 11 Fixed assets

A.	Tangible assets	Useful Life Of Assets	Gross block			Accumulated depreciation and impairment			Net block			
			Balance as at 1 April, 2016	Additions	Other adjustments/S ale	Balance as at 31 March, 2017	Balance as at 1 April, 2016	Depreciation / amortisation expense for the year	Adjustments	Balance as at 31 March, 2017	Balance as at 31 March, 2016	
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		
1	AIR CONDITIONER	10	58,000.00	-	-	58,000.00	51,044.00	2,137.00	-	53,181.00	4,819.00	6,956.00
2	EPABX	10	19,500.00	-	-	19,500.00	18,525.00	-	-	18,525.00	975.00	975.00
3	UPS 5KV	5	-	33,000.00	-	33,000.00	-	9,780.00	-	9,780.00	23,220.00	-
4	SCOOTER	10	45,051.00	-	-	45,051.00	35,685.00	3,182.00	-	38,867.00	6,184.00	9,366.00
6	VEHICLE (CAR)	8	9,99,339.00	-	-	9,99,339.00	9,55,736.00	-	-	9,55,736.00	43,603.00	43,603.00
6	COMPUTER	3	2,13,800.00	61,209.00 17/08/2016	-	2,75,009.00	2,08,567.00	25,203.00	-	2,33,770.00	41,239.00	5,233.00
Total			13,35,690.00	94,209.00	-	14,29,899.00	12,69,557.00	40,302.00	-	13,09,859.00	1,20,040.00	66,133.00
Previous year			13,35,690.00	-	-	13,35,690.00	12,53,432.00	16,125.00	-	12,69,557.00	66,133.00	82,258.00

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR
Notes forming part of the financial statements

Note 11A INVESTMENTS

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
QUOTED SHARES:		
50000 EQ. SHARES OF RAJENDRA FISCAL SERVICES LTD.	500000.00	500000.00
500 EQ. SHARES OF SUSHILA PULP & PAPERS LIMITED	5000.00	5000.00
UNQUOTED SHARES		
12500 EQ. SHARES OF SANTOSH HOLDINGS PVT. LTD.	125000.00	125000.00
300000 EQ. SHARES OF PRABHAT FINANCIAL SERV. LTD.	3000000.00	3000000.00
	3630000.00	3630000.00

Note 12 Long-term loans and advances

Particulars	As at 31 March, 2017	As at 31 March, 2016
	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, 2017	As at 31 March, 2016
	Rs.	Rs.
Directors	0.00	0.00
Other officers of the Company	Nil	Nil
Firms in which any director is a partner	Nil	Nil
Private companies in which any director is a director or member	Nil	Nil
	-	-

Note 13 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
(a) Shares in Trade	13,230.00	14,730.00
Total	13,230.00	14,730.00

Note 14 Trade receivables

Particulars	As at 31 March, 2017	As at 31 March, 2016
	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	-	-
Total	-	-

Note 15 Cash and cash equivalents

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
(a) Cash on hand:	18,874.00	11,134.00
(b) Balances with banks (i) In current accounts: with HDFC Bank	13,557.68	8,724.68
Total	32,431.68	19,858.68

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR

Notes forming part of the financial statements

Note 16 Short-term loans and advances

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
(a) Loans and advances to related parties		
<u>Unsecured, considered good</u>		
Prabhat Financial Services Ltd.		
(Interest Receivable)	-	13,123.00
	-	13,123.00
(b) Prepaid expenses - Unsecured, considered good		
Prepaid CIBIL Anual Exp.	1,917.00	1,900.00
Prepaid Insurance	473.00	424.00
	2,390.00	2,324.00
(d) Balances with government authorities		
<u>Unsecured, considered good</u>		
Advance Income Tax (2015-16)	-	1,00,000.00
Tax Deducted at Sources F.Y. 15-16	-	2,46,855.00
Tax Deducted at Sources F.Y. 16-17	3,01,016.00	-
(g) Others (specify nature)		
<u>Unsecured, considered good</u>		
Loan to Others :		
Arrow Granites Industries	-	-
CMK Developers Pvt. Ltd.	-	13,22,525.00
Jawan Minning & Construction Eq. Pvt. Ltd	57,18,791.00	87,52,032.00
Rodoc Coffe Estates Private Limited	74,16,322.00	67,26,534.00
Neo Exotic Granite LLP	-	17,63,347.00
Vimal Exports International Gems	40,00,000.00	-
Northmidland Construction Pvt. Ltd.	11,00,000.00	-
Wollmine India Private Limited	55,52,365.00	55,42,727.00
VKS Fincap Pvt. Ltd.	2,00,000.00	-
	41,11,566.00	38,55,283.00
	2,80,99,044.00	2,79,62,448.00
Total	2,84,02,450.00	2,83,24,750.00

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

Particulars

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

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
Directors	-	0.00

Notes forming part of the financial statements

Note 17 Revenue from operations

	Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
		Rs.	Rs.
(a)	Sale of products (Refer Note (i) below)	10,45,726.70	-
(b)	Income From Financing Activities (Refer Note (ii) below)	30,10,158.00	30,18,508.00
		40,55,884.70	30,18,508.00
(c)	<u>Less:</u>	-	-
	Total	40,55,884.70	30,18,508.00

Note	Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
		Rs.	Rs.
(i)	Sale of products comprises : Equity Shares & Securities	10,45,726.70	-
	Total - Sale of Products	10,45,726.70	-
(ii)	Income From Financing Activities comprises : Interest received from Loans & Advances given	30,10,158.00	30,18,508.00
	Total - Sale of services	30,10,158.00	30,18,508.00

Note 18 Cost of materials consumed

	Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
		Rs.	Rs.
	Opening stock; Equity & Shares	-	-
	Add: Purchases: Equity & Shares	10,51,348.40	-
	Add: Service tax on Purchase	-	-
	Total	10,51,348.40	-
	Less: Closing stock : Equity Shares	-	-
	Cost of Shares consumed/Sold	10,51,348.40	-
	Shares consumed/Sold comprises: Equity Shares	10,51,348.40	-
	Total	10,51,348.40	-

Note 19 Employee benefits expense

	Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
		Rs.	Rs.
	Staff Welfare	44,000.00	49,040.00
	Salary to Staff	6,83,500.00	6,12,500.00
	Salary to Managing Director	2,60,000.00	2,16,000.00
	Total	9,87,500.00	8,77,540.00

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

	Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
		Rs.	Rs.
	Opening Stock of Shares	14730.00	14730.00
		14730.00	14730.00
	Closing Stock of Shares	13230.00	14730.00
		13230.00	14730.00
	Changes in Inventories	-1500.00	0.00

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR
Notes forming part of the financial statements

Note 21 Other expenses

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Advertising Expense	53,913.00	1,19,243.00
Computer Software Exp.	86,245.00	-
Electricity Expenses	62,379.00	50,945.00
Fees & Subscription (Annexure "A")	6,56,219.00	70,135.00
Insurance	806.00	340.00
Misc. Expenses	-	8,250.00
Postage & Telegram	6,819.00	6,851.00
Printing & Stationery	4,118.00	5,577.00
Professional Charges	2,78,521.00	2,48,000.00
Rent, Rates And Taxes	1,68,000.00	1,68,000.00
Repair & Maintenance	5,618.00	25,204.00
ROC Filling Fees	6,600.00	8,500.00
RTA Expense	23,000.00	26,955.00
Telephone Expense	23,484.00	26,562.00
Travelling & Conveyance	6,250.00	13,100.00
Website Expense	-	12,549.00
Payments to auditors (Refer Note (i) below)	39,675.00	29,972.00
Prior period items (net) (Refer Note (ii) below)	-18,181.00	-5,326.00
Total	14,03,466.00	8,14,857.00

Notes:

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
(i) Payments to the auditors comprises		
As auditors - statutory audit	27,175.00	22,472.00
For Other Services (Quarterly Audit)	12,500.00	7,500.00
Total	39,675.00	29,972.00
(ii) Details of Prior period items (net)		
Prior period expenses	-	-
Adjustment for Income Tax of Earlier Year	-18,181.00	-5,326.00
Total	-18,181.00	-5,326.00

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR

Notes forming part of the financial statements

Note 22 Finance costs

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
(a) Interest expense on:		
(i) Borrowings From Banks		
(ii) Others		
Interest paid	11,849.00	-
Interest paid on TDS	-	1,365.00
(b) Other borrowing costs		
Bank Charges and Commission	345.00	459.00
Total	12,194.00	1,824.00

Note 23 Other income

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Income from Dealing in Shares	15196.70	0.00
Dividend	2500.00	2400.00
Total	17,696.70	2,400.00

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR

Notes forming part of the financial statements

Note 24 Disclosures under Accounting Standards

Particulars

Related party transactions

Details of related parties:

Description of relationship	Names of related parties
Key Management Personnel (KMP)	1) Mr.Guljhari Lal Sharma 2) Rama Kant Kushwaha 3) Vandana Sharma 4) Prashant Malani 5) Amit Soni 6) Krishna Kamal Prasad 7) Dharmendra Kumar 8) Divya Gupta
Relatives of KMP	1) Smt. Santosh Sharma (Wife of KMP) 2) Vimal Kumar Sharma (Son of KMP)
Company in which KMP and relatives of KMP can exercise significant influence	1) Prabhat Financial Services Ltd. 2) Prabhat Stock Share Brokers P. Ltd. 3) G.L.Sharma Stock Share Brokers P. Ltd. 4) Prabhat Commodity Brokers (P) Ltd. 5) VKS Fincap Pvt. Ltd. 6) Wollmine India (P). Ltd. 7) Rodic Mining & Developers (P) Ltd. 8) Rodic Coffee Estate (P) Ltd. 9) 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, 2017 and balances outstanding as at 31 March, 2017:

Particulars	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Remuneration Paid	480000.00			480000.00
Interest Paid			11849.00	11849.00
Rent Paid		168000.00		168000.00
Purchase Made			1047371.35	1047371.35
Sales Made			1045726.70	1045726.70
Intt. Received			395872.00	395872.00
Balances outstanding at the end of the year		42000 (Cr.)	4311566 (Dr.) 160664 (Cr.)	4311566 (Dr.) 202664 (Cr.)
Loans and advances Given			3230000.00	3230000.00
Repayment of Loans and advances Given			4893347.00	4893347.00
Borrowings: Loan Taken			260000.00	260000.00
Repaid			133000.00	133000.00

Notes forming part of the financial statements

Note 25 Additional information to the financial statements

Note	Particulars	As at 31 March, 2017 Rs.	As at 31 March, 2016 Rs.
25.1	Contingent liabilities and commitments (to the extent not provided for)		
(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
(ii)	Commitments		
	(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

25.2 **Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**
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.

25.3	Value of imports calculated on CIF basis :	For the year ended 31 March, 2017 Rs.	For the year ended 31 March, 2016 Rs.
	Raw materials	Nil	Nil
	Components	Nil	Nil
	Spare parts	Nil	Nil
	Capital goods	Nil	Nil

25.4	Expenditure in foreign currency :	For the year ended 31 March, 2017 Rs.	For the year ended 31 March, 2016 Rs.
	Royalty	Nil	Nil
	Know-how	Nil	Nil
	Professional and consultation fees	Nil	Nil
	Interest	Nil	Nil
	Other matters	Nil	Nil

25.5	Details of consumption of imported and indigenous items	For the year ended 31 March, 2017	
		Rs.	%
	<u>Imported (Rs. In Lacs)</u>		
	Raw materials	(Nil)	(Nil)
		(Nil)	(Nil)
	Components	Nil	NA
		(Nil)	
	Spare parts	Nil	NA
		(Nil)	
	Total	(Nil)	(Nil)
		(Nil)	(Nil)

Note 25 continued

	Indigenous	For the year ended 31 March, 2017	
		Rs.	%
	Raw Materials (Rs. In Lacs)	0.00	0.00%
		(0)	(0)
	Consumables	0	0%
		(NIL)	(NIL)
	Packing Materials	0	
		(NIL)	
	Total	0.00	0.00%
		(0)	(0)

Note: Figures / percentages in brackets relates to the previous year

25.6	Earnings in foreign exchange : (Rs. In Lacs)	For the year ended 31 March, 2017 Rs.	For the year ended 31 March, 2016 Rs.
	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

25.7 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 31.03.2017 except those mentioned in these notes on account

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR
CIN: L22022UP1982PLC005759

Note 26 Details of Specified Bank Notes (value in rupees)

Particulars	Specified bank notes (i.e. old 500/1000 notes)	Other denomination	Total
Closing cash in hand as on 8.11.2016	0.00	32340.00	32340.00
(+) Permitted receipts	0.00	0.00	0.00
(-) Permitted payments	0.00	1450.00	1450.00
(-) Amount deposited in Banks	0.00	0.00	0.00
Closing cash in hand as on 30.12.2016	0.00	30890.00	30890.00

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR

ANNEXURES: -

ANNEXURE "A" FEES & SUBSCRIPTION

PARTICULARS	As at 31 March, 2017	As at 31 March, 2016
CIBIL Annual Fees	3833.00	3800.00
CDSL Expenses	16100.00	16005.00
CIBIL Membership Fees	1900.00	0.00
MSEIL Processing Fees	575000.00	0.00
Listing Fees (CSE)	20125.00	28625.00
Listing Fees (MSEIL)	28750.00	0.00
Membership Fees	0.00	11400.00
NSDL Custody Fees	10511.00	10305.00
Total	656219.00	70135.00

INDEPENDENT AUDITORS' REPORT

To the members of **Prabhat Securities Limited**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **PRABHAT SECURITIES LIMITED** ("the company"), which comprise the Balance Sheet as at 31st March 2017, the Consolidated Statement of Profit and Loss (including other comprehensive incomes), the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Group Company's Board of Directors is responsible for the preparation of these Consolidated financial statements, In terms of the requirements of the companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group including its associates, 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.

The respective Board of Directors of group companies and its associates are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the group Companies and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of **adequate** internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. Which have been used for the purpose of preparation of consolidated financial statements by the Directors of the Holding company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting 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 there under. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation and presentation of the consolidated 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 the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained by us and audit evidence obtained by other auditor in term of their report referred to in sub paragraph (a) of the other matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Basis for Qualified Opinion:

- a) As stated in NOTE NO. 6 to the notes on accounts, the company has not made provision in the books of accounts regarding diminution in market value of investment, in compliance with the accounting standard specified under section 133 of the Act.
- b) As stated in NOTE NO. 4 to the note on account, the balances of loan and advances, current liabilities and provisions and other personal accounts are subject to confirmation and reconciliation, if any.
- c) The company has not complied the provision relating to payment of managerial remuneration and has not submit the requisite statutory forms/documents before the appropriate authorities

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects/possible effect of the matter described in the basis of qualified opinion in above paragraphs, the aforesaid consolidated Ind AS 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 Balance sheet, of the state of affairs of the Company as at 31st March 2017,
- b) In the case of the statement of profit and loss, of the profit for the year ended on that date, and
- c) In the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

Other Matters:

We did not audit the financial statement of one associate which reflects total assets of Rs 149869529.00.as at 31st March 2017, Total revenue of Rs 30836591.00 and net cash out flow of Rs 5942274.00 for the year then ended on that date, as considered in the consolidated financial statement, this financial statement have been audited by the other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statement, in so far as it related to the amounts and disclosure included in respect of this associated and our report in terms of sub section (3) and (11) of the section 143 of the Act, in so far as relates to the aforesaid associate is based solely in the reports of other auditor of the associates company.

Our opinion on the consolidated financial statements and our report on other legal and regulatory requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the report of other auditor and the financial statement certified by the management.

Report on other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report to the extent applicable 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 of the aforesaid consolidated financial statement,
 - b) In our opinion, proper books of account as required by law relating to the preparation

of the consolidated financial statement have been kept so far as it appears from our examination of those books and the report of other auditor.

- c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated cash flow statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the accounting standard specified under section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors of the Holding company as on 31 March, 2017 and taken on record by the Board of Directors of Holding company and report of the statutory auditors of its associates company, incorporated in India, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters 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 and based on the consideration of the report of the other auditor on separate financial statements of this associate company as noted in the paragraph 8 (a) of "other matter".
 - a. We have been informed that the the Group company and its associates does not have any pending litigations which would impact its financial position.
 - b. We have been informed that the Group and associate did not have any long term contracts including derivative contracts.
 - c. We have been informed that there were no amounts which were required to be transferred to the investor education and protection fund by the company.
 - d. The Group Company has provided requisite disclosures in the financial statements as to holding as well as dealing in Specified Bank Notes as defined in the Notification S.O.3407 (E) dated 8th November, 2016 of the ministry of Finance in respect of the Group company and its associate company, incorporated in India, during the period from 8th November, 2016 to 30th December, 2016. Based on the audit procedures and relying on management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management (refer Note No. 26)

For Kamal Gupta Associates

Chartered Accountants

FRN:000752C

Sd/-

CA. Pankaj Gupta

Partner

MembershipNo.076367

Place:Kanpur

Date: 02.09.2017

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PRABHAT SECURITIES LIMITED AS ON 31/03/2017

Report on internal Financial controls under clause (i) of sub section (3) of section 143 of the Companies Act 2013, (The "Act")

In conjunction with our audit of the consolidated financial statement of the company as and for the year ended 31st March 2017, we have audited the internal financial controls over financial reporting of Prabhat Securities Limited and We have relied on the audit report of the associates not audited by us, which is company incorporated in India, as of that date.

Management Responsibility for internal financial controls

The respective Board of Director of the Group company and its associates, which are companies incorporated in India, or responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance note on audit of the internal financial controls over financial reporting issued by the Institute of Chartered Accountant of India. these responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the institute of Chartered Accountant of India. Those Standards and the Guidance Note require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedure to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exist, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risk of the material misstatement of the financial statement, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the other matter paragraph below, is

sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedure that (1) pertains to the maintenance records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the assets of the company. (2) Provide reasonable assurance that transaction are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipt and expenditure of the company are being made only in accordance with the authorisations of management and directors of the company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projection of any valuation of internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group company and its associates, which are company incorporated in India, have, in all material respect, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal controls over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid reports in the section 143 (3)(i) of the Act, on the adequacy and operating effectiveness of the Internal financial controls over financial reporting is so far as it relates to associate company which is a company incorporated in India, based on the corresponding reports of the auditors of such company incorporated in India.

For Kamal Gupta Associates

Chartered Accountants
FRN:000752C

Sd/-

CA. Pankaj Gupta

Partner

MembershipNo.076367

Place:Kanpur

Date: 02.09.2017

**35th Annual Report
Financial Year 2016-2017**

Consolidated Balance Sheet as at 31st March 2017:

Particulars		Note No.	As at 31 March, 2017	As at 31 March, 2016
			Rs.	Rs.
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	4,20,09,070.00	4,20,09,070.00
	(b) Reserves and surplus	4	8,51,62,543.45	7,94,20,329.82
	(c) Minority Interest		15,52,110.23	15,41,601.86
			12,87,23,723.68	12,29,71,001.68
2	Share application money pending allotment		-	-
3	Non-current liabilities			
	(a) Long-term borrowings	5	12,01,829.00	15,67,896.00
	(b) Deferred tax liabilities (net)	6	-6,52,382.00	-5,50,069.00
			5,49,447.00	10,17,827.00
4	Current liabilities			
	(a) Short Term Borrowings	7	1,34,10,664.00	1,80,00,000.00
	(b) Trade payables	8	3,24,37,507.00	2,49,56,028.00
	(c) Other current liabilities	9	45,31,024.00	49,82,448.00
	(d) Short-term provisions	10	18,68,000.00	18,43,000.00
			5,22,47,195.00	4,97,81,476.00
	TOTAL		18,15,20,365.68	17,37,70,304.68
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets : Fixed Assets	11	38,96,515.00	49,48,564.00
	(ii) Investments	11A	2,83,42,963.00	2,23,62,865.00
	(b) Long-term loans and advances	12	1,10,53,000.00	1,08,53,000.00
			4,32,92,478.00	3,81,64,429.00
2	Current assets			
	(a) Inventories	13	13,230.00	14,730.00
	(b) Trade receivables	14	2,95,06,699.00	1,89,35,031.00
	(c) Cash and cash equivalents	15	4,83,29,340.68	5,42,59,041.68
	(d) Short-term loans and advances	16	6,03,78,618.00	6,23,97,073.00
			13,82,27,887.68	13,56,05,875.68
	TOTAL		18,15,20,365.68	17,37,70,304.68
	Accompanying notes are an integral part of the financial statements		-	-

In terms of our report of even date attached

FOR KAMAL GUPTA ASSOCIATES

CHARTERED ACCOUNTANTS

FRN 000752C

Sd/-

CA. PANKAJ GUPTA (MRN 076367)

PARTNER

PLACE : KANPUR

Date : 02-09-2017

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

Consolidated Statement of Profit and Loss for the year ended 31 March, 2017

Particulars		Note No.	For the year ended 31 March, 2017	For the year ended 31 March, 2016
			Rs.	Rs.
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)	17	2,70,76,331.70	2,66,52,136.00
	Less: Service Tax on Sales		-	-
	Revenue from operations (net)		2,70,76,331.70	2,66,52,136.00
2	Expenses			
	(a) Cost of Shares Sold		10,51,348.40	-
	(b) Employee benefits expense	18	85,65,013.00	80,99,251.00
	(c) Changes in Inventory	19	1,500	-
	(d) Other expenses	20	1,39,35,432.00	1,63,82,276.00
	Total		2,35,53,293.40	2,44,81,527.00
3	Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA) (1 - 2)		35,23,038.30	21,70,609.00
4	Finance costs	21	21,66,874.00	28,67,852.00
5	Depreciation and amortisation expense	11	16,65,116.00	11,31,290.00
6	Other income	22	78,33,840.70	76,52,216.00
7	Profit / (Loss) before exceptional and extraordinary items and tax (3-4-5+6)		75,24,889.00	58,23,683.00
8	Exceptional items		-	-
9	Profit / (Loss) before extraordinary items and tax (7 ± 8)		75,24,889.00	58,23,683.00
10	Extraordinary items		-	-
11	Profit / (Loss) before tax (9 ± 10)		75,24,889.00	58,23,683.00
12	Tax expense:			
	(a) Current tax expense for current year (M.A.T.)		18,68,000.00	18,43,000.00
	(b) Current tax expense relating to prior years		6,480.00	35,068.00
	(c) Net current tax expense		18,74,480.00	18,78,068.00
	(d) Deferred tax		-1,02,313.00	-1,26,227.00
			17,72,167.00	17,51,841.00
13	Profit / (Loss) from continuing operations (11 ± 12)		57,52,722.00	40,71,842.00
14	Less: share of profit/(loss) attributable to minority share holders		10,508.37	40,629.53
15	Profit / (Loss) for the year		57,42,213.63	41,12,471.53
16	Earnings per share (of Rs.10/- each):			
	Basic			
	(i) Net Profit From Continuing operations		57,42,213.63	41,12,471.53
	(ii) Weighted No. of Equity Shares (No.)		4200907	4200907
	(iii) Earning Per Share From Continuing Operations (i/ii)		1.37	0.98
	Accompanying notes are an integral part of the financial statements			

In terms of our report of even date attached

FOR KAMAL GUPTA ASSOCIATES
Chartered Accountants

FRN 000752C

Sd/-

CA. PANKAJ GUPTA (MRN 076367)

PARTNER

PLACE : KANPUR

DATE : 02.09.2017

For and on behalf of the Board of Directors

Sd/-

PARSHANT MALANI

(CHAIRMAN)

DIN:- 06368140

Sd/-

DHARMENRDA KUMAR

Sd/-

RAMA KANT USHWAHA

(M. DIRECTOR)

DIN:- 02237714

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR
CIN: L22022UP1982PLC005759

CONSOLIDATED FUND FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2017

PARTICULARS	FOR THE YEAR ENDED 31.03.2017	FOR THE YEAR ENDED 31.03.2016
A) CASH FLOW FROM OPERATING ACTIVITIES:		
PROFIT AFTER EXCEPTIONAL ITEMS AND BEFORE TAX	7524889.00	5823683.00
ADJUSTMENT FOR		
Add: DEPRECIATION	1665116.00	1131290.00
Add: FINANCE COST	2166874.00	2867852.00
Less: INCOME FROM DEALING IN SHARES	-15196.70	0.00
Less: INCOME FROM SALE OF MUTUAL FUNDS	-1578685.00	0.00
Less: INCOME FROM SALE OF SHARES & SECURITIES	-150293.00	0.00
Less: INTEREST INCOME	-5819398.00	-7133150.00
Less: DIVIDEND	-269761.00	-44900.00
OTHER NON OPERATING INCOME	-507.00	0.00
Less: PROFIT ON SALE OF FIXED ASSETS	0.00	-474166.00
OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES	3523038.30	2170609.00
ADJUSTMENT FOR: TRADE & OTHER RECEIVABLES	-10571668.00	9802777.00
VARIATION IN INVENTORIES	1500.00	0.00
TRADE PAYABLE	7481479.00	-12125495.00
OTHER CURRENT LIABILITIES	-451424.00	118495.00
	-3540113.00	-2204223.00
CASH GENERATED FROM OPERATIONAL ACTIVITIES	-17074.70	-33614.00
Less: TAX PAID	-1849480.00	-4236500.00
NET CASH GENERATED FROM OPERATIONAL ACTIVITIES	-1866554.70	-4270114.00
B) CASH FLOW FROM INVESTING ACTIVITIES		
PURCHASE OF FIXED ASSETS	-613067.00	-3783636.00
INVESTMENT PURCHASED	-5980098.00	-5450000.00
INCOME FROM DEALING IN SHARES	15196.70	0.00
INCOME FROM SALE OF MUTUAL FUNDS	1578685.00	0.00
INCOME FROM SALE OF SHARES & SECURITIES	150293.00	0.00
INTEREST RECEIVED	5819398.00	7133150.00
OTHER NON OPERATING INCOME	507.00	0.00
DIVIDEND RECEIVED	269761.00	44900.00
SALE OF FIXED ASSETS	0.00	115834.00
PROFIT ON SALE OF FIXED ASSETS	0.00	474166.00
NET CASH FLOW FROM INVESTING ACTIVITIES	1240675.70	-1465586.00
C) CASH FLOW FROM FINANCING ACTIVITIES		
FINANCE COST	-2166874.00	-2867852.00
NET PROCEEDS FROM LONG TERM BORROWINGS	0.00	1567896.00
REPAYMENT OF LONG TERM BORROWINGS	-366067.00	0.00
REPAYMENT OF SHORT TERM BORROWINGS	-4589336.00	0.00
NET PROCEEDS FROM SHORT TERM LOANS AND ADVANCES GIVEN	2018455.00	0.00
LONG TERM LOANS AND ADVANCES GIVEN	-200000.00	0.00
NET CASH FLOW FROM FINANCING ACTIVITIES	-5303822.00	-1299956.00
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALANTS	-5929701.00	-7035656.00
CASH AND CASH EQUIVALANTS AT 1st APRIL 2016	54259041.68	59076980.68
CASH AND CASH EQUIVALANTS AT 31st MARCH 2017	48329340.68	52041324.68
		54259041.68 (22,17,717.00)
FOR KAMAL GUPTA ASSOCIATES CHARTERED ACCOUNTANTS FRN 000752C	For and on behalf of the Board of Directors	
	PARSHANT MALANI (CHAIRMAN)	RAMA KANT KUSHWAHA (M. DIRECTOR)
CA. PANKAJ GUPTA (MRN 076367) PARTNER		
PLACE : KANPUR Date :	DHARMENDRA KUMAR (C.F.O.)	

Notes forming part of the financial statements

Note	Particulars												
1	Corporate information 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.												
2	Significant accounting policies 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.												
2.1	Basis of accounting and preparation of financial statements 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.												
2.2	Use of estimates 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.												
2.3	Inventories 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.												
2.4	Depreciation and amortisation 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 style="margin-left: 20px;"> <thead> <tr> <th style="text-align: left;"><u>Fixed Assets</u></th> <th style="text-align: left;"><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												
2.5	Revenue recognition Interest income has been recognised on the basis accrual of interest.												
2.6	Tangible fixed assets 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.												
2.7	Earnings per share 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.												
2.8	Taxes on income 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.												

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR

Notes forming part of the financial statements

S.N.	Particulars	<u>Current Year</u> As At 31.03.2017	<u>Previous Year</u> As At 31.03.2016
1	<u>Contingent Liabilities:-</u>		
	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	2392400.00	2164000.00
3	<u>AUDITOR'S REMUNERATION:-</u>		
	Audit fees	77935.00	63022.00
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 year end, the company has Inventories of Shares, amounting to Rs.13230.00, comprising investment in Equity Shares of five companies, But out of five, the company has not in possession of equity shares of two companies, amounting to Rs. 8750.00 Still these Equity Shares are showing in Stock in Trade as held in Companys possession. There		
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 2017 stands at Rs. NIL as there is no rate available as on 31st March 2017. 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	<u>The Deferred Tax Liability as at 31.03.2017 comprises of the following:-</u>		
		As at 01.04.2016	Current Year charge
		As at 31.03.2017	
	<u>Deferred Tax Assets:-</u>		
	Related to Fixed Assets	-550069.00	-102313.00
		-550069.00	-652382.00
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		
10	Figures of the Previous Year have been regrouped/ rearranged wherever found necessary.		

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR
Notes forming part of the financial statements

Note 3 Share capital

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	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
Equity shares of Rs.10 each with voting rights	15,10,000	1,51,00,000.00	15,10,000	1,51,00,000.00
(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
Equity shares of Rs.10 each with voting rights	13,00,900.00	1,30,09,000.00	13,00,900.00	1,30,09,000.00
Total	4200907	42009070.00	4200907	42009070.00

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, 2017			
- Number of shares	42,00,907	-	42,00,907
- Amount (Rs.)	4,20,09,070.00	-	4,20,09,070.00
Year ended 31 March, 2016			
- Number of shares	2300907	19,00,000	42,00,907
- Amount (Rs.)	2,30,09,070.00	1,90,00,000.00	4,20,09,070.00

(iii) Shares held by Holding/Ultimate Holding/Associates of Holding Company at the end of the year

Name of the Shareholder	Class of Shares	As at 31 March, 2017		As at 31 March, 2016	
		No. of Shares held	% of Shareholding	No. of Shares held	% of Shareholding
Prabhat Securities Ltd.	EQUITY	3,00,000.00	7.14%	3,00,000.00	7.14%

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

Class of shares / Name of shareholder	As at 31 March, 2017		As at 31 March, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
SIDDARTH GUPTA	450000	10.71	450000	10.71

Note 4 Reserves and surplus

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
Capital Reserve	8,16,764.28	8,16,764.28
General Reserve	11,04,599.33	11,04,599.33
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	7,74,98,966.21	7,33,86,494.68
Add: Profit / (Loss) for the year	57,42,213.63	41,12,471.53
Less: Depreciation relating to previous year	-	-
Closing balance	8,32,41,179.84	7,74,98,966.21
Total	8,51,62,543.45	7,94,20,329.82

Note 5 Long-term borrowings

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
(a) Term loans		
<u>From banks/FL</u>		
Secured -		
From other parties	12,01,829.00	15,67,896.00
Unsecured	-	-
Total	12,01,829.00	15,67,896.00

Notes forming part of the financial statements

Note 5 Long-term borrowings (contd.)

Particulars					
(i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:					
Particulars	Terms of repayment and security	As at 31 March, 2017		As at 31 March, 2016	
		Secured Rs.	Unsecured Rs.	Secured Rs.	Unsecured Rs.
<u>Term loans from banks/FI:</u>					
		1201829.00		1567896.00	
Total - Term loans from banks/Fis		1201829.00	0.00	1567896.00	0.00
<u>Term loans from other parties:</u>					
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, 2017		As at 31 March, 2016	
	Period of default	Rs.	Period of default	Rs.
Term loans from other Parties				
Principal		-	-	-
Interest		-	-	-

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR

Notes forming part of the financial statements

Note 6 Disclosures under Accounting Standards

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
Opening Deferred tax Liability/(Asset) (NET)	-6,52,382.00	-5,50,069.00
Closing deferred tax liability/(Asset) (NET)	-6,52,382.00	-5,50,069.00

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.

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR
Notes forming part of the financial statements

Note 7 of Short-term borrowings

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Secured	Secured
i) Loan Repayable on demand from Banks	13250000.00	18000000.00
ii) Other Loan and Advances : From Body Corporates Prabhat Stock Sh. Brokers (P) Ltd.	- 160664.00	- 0.00
Total	13410664.00	18000000.00

Note 8 Trade payables

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
Trade payables:		
Acceptances	3,24,37,507.00	2,49,56,028.00
Other than Acceptances :	-	-
Total	3,24,37,507.00	2,49,56,028.00

Note 9 Other current liabilities

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
(a) Current maturities of long-term debt (Refer Note (i) below)	3,66,067.00	3,56,480.00
(b) Book Overdraft (Corporation Bank SCRW A/c)	-	-
(c) Security (Deposit) Margin	14,94,190.00	16,52,109.00
(d) Other payables		
(i) Deposit from Employees	-	-
(ii) Advances from customers	-	-
(iii) <u>Other Sundry Liabilities</u>	-	-
Audit Fee Payable	36,225.00	29,972.00
Electricity Payable	2,145.00	1,458.00
Telephone Expenses	1,472.00	1,993.00
Professional Charges	-	55,800.00
Salary Payable	-	10,000.00
NSDL Expense	-	-
RTA Fees	23,000.00	-
Interest accrued and due on secured loan	1,01,247.00	1,44,681.00
Other Liability	3,36,915.00	6,62,921.00
Liability for Expenses	21,13,437.00	18,92,834.00
T.D.S Payable	14,326.00	6,200.00
Santosh Devi Sharma (Rent)	42,000.00	1,68,000.00
Total	45,31,024.00	49,82,448.00

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

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
(a) Term loans		
From banks /Fis		
<u>Secured</u>		
From Other Parties :-		
<u>Unsecured</u>	366067.00	-
Total	3,66,067.00	3,56,480.00

Note 10 Short-term provisions

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
(a) Provision for tax : for the A.Y. 2017-18	18,68,000.00	-
(b) Provision for tax : for the A.Y. 2016-17	-	18,43,000.00
Total	18,68,000.00	18,43,000.00

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR
Notes forming part of the financial statements

Note 11A INVESTMENTS

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
QUOTED SHARES:		
50000 EQ. SHARES OF RAJENDRA FISCAL SERVICES LTD.	500000.00	500000.00
500 EQ. SHARES OF SUSHILA PULP & PAPERS LIMITED	5000.00	5000.00
UNQUOTED SHARES		
12500 EQ. SHARES OF SANTOSH HOTELS PVT. LTD.	125000.00	125000.00
300000 EQ. SHARES OF PRABHAT FINANCIAL SERV. LTD.	3000000.00	3000000.00
Investment in Equity Shares:		
-12000 Equity Shares of 10 Rs each of Prabhat Securities	360750.00	360750.00
-4000 Equity Shares of 10 Rs each of Dart limited	40000.00	40000.00
Non Trade (Quoted)	185000.00	185000.00
Other Equity Securities Long Term	288115.00	288115.00
Investment in MUTUAL FUNDS (QUOTED)	23839098.00	17859000.00
	28342963.00	22362865.00

Note 12 Long-term loans and advances

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
(a) Security deposits With :		
Unsecured, considered good :		
For Membership of NSE	61,00,000.00	61,00,000.00
For VSAT-NSE	1,00,000.00	1,00,000.00
Misc Deposit	19,000.00	19,000.00
CDSL Deposit	9,50,000.00	15,00,000.00
Membership-BSE	1,25,000.00	1,25,000.00
Capital Adequacy Fund BSE	10,00,000.00	10,00,000.00
Security Deposit	27,59,000.00	20,09,000.00
(b) Due from Director	-	-
	1,10,53,000.00	1,08,53,000.00

Note 13 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
(a) Shares in Trade	13,230.00	14,730.00
Total	13,230.00	14,730.00

Note 14 Trade receivables

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
(i) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	37,70,798.00	37,37,356.00
(ii) Other Trade receivables		
Unsecured, considered good	2,57,35,901.00	1,51,97,675.00
Total	2,95,06,699.00	1,89,35,031.00

Note 15 Cash and cash equivalents

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
(a) Cash on hand:	58,523.00	67,577.00
(b) Balances with banks		
(i) In current accounts:	69,70,817.68	66,91,464.68
(ii) In STDR Accounts	4,13,00,000.00	4,75,00,000.00
Total	4,83,29,340.68	5,42,59,041.68

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR

Notes forming part of the financial statements

Note 16 Short-term loans and advances

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
(a) Loans and advances to related parties		
<u>Unsecured, considered good</u>		
Interest Accrued on STDRs	34,79,311.00	40,07,839.00
Prabhat Financial Services Ltd. (Interest Receivable)	-	13,123.00
	34,79,311.00	40,20,962.00
(b) Prepaid expenses - Unsecured, considered good	1,71,195.00	2,08,757.00
Prepaid CIBIL ANNUAL EXP.	1,917.00	1,900.00
Prepaid Insurance	473.00	424.00
	1,73,585.00	2,11,081.00
(d) Balances with government authorities		
<u>Unsecured, considered good</u>		
Advance Income Tax (2015-16)	-	1,00,000.00
Tax Deducted at Sources F.Y. 15-16	-	25,84,688.00
Tax Deducted at Sources F.Y. 16-17	20,01,196.00	-
Income Tax Receivable	7,75,492.00	-
(g) Others (specify nature)		
<u>Unsecured, considered good</u>		
Loan to Others :	-	-
Arrow Granites Industries	-	13,22,525.00
Arrow Granites Private Limited	-	-
CMK Developers Pvt. Ltd.	57,18,791.00	87,52,032.00
Jawan Minning & Construction Eq. Pvt. Ltd	74,16,322.00	67,26,534.00
Rodice Coffe Estates Private Limited	-	17,63,347.00
Other Advances	2,49,990.00	5,17,894.00
Margin with IL & FS (F&O Clearing Member)	2,56,00,000.00	2,70,00,000.00
Neo Exotic Granite LLP	40,00,000.00	-
Vimal Exports International Gems	11,00,000.00	-
Rodice Sikkim Project PVT. LTd.	-	-
Neelkanth Granites	-	-
Northmidland Construction Pvt. Ltd.	55,52,365.00	55,42,727.00
Wollmine India Private Limited	2,00,000.00	-
Seema Jajodia	-	-
VKS Fincap Pvt. Ltd.	41,11,566.00	38,55,283.00
	5,39,49,034.00	5,54,80,342.00
Total	6,03,78,618.00	6,23,97,073.00

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

Particulars		
Note: Short-term loans and advances include amounts due from:		
Particulars	As at 31 March, 2017	As at 31 March, 2016
	Rs.	Rs.
<u>Directors</u>	-	0.00

Notes forming part of the financial statements

Note 17 Revenue from operations

Note	Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
		Rs.	Rs.
(a)	Sale of products (Refer Note (i) below)	10,45,726.70	-
(b)	Income From Financing Activities (Refer Note (ii) below)	2,60,30,605.00	2,66,52,136.00
		2,70,76,331.70	2,66,52,136.00
	<u>Less:</u>		
(c)	Service Tax on Sales	-	-
	Total	2,70,76,331.70	2,66,52,136.00

Note	Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
		Rs.	Rs.
(i)	Sale of products comprises : Equity Shares & Securities	10,45,726.70	-
	Total - Sale of Products	10,45,726.70	-
(ii)	Income From Financing Activities comprises : From Brokerage	20897782.00	22212727.00
	From Depository Srevicees	2069594.00	1297355.00
	From Revenue Other Services	53071.00	123546.00
	From Interest received from Loans & Advances given	3010158.00	3018508.00
	Total - Sale of services	2,60,30,605.00	2,66,52,136.00

Note 18 Cost of materials consumed

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Opening stock; Equity & Shares	-	-
Add: Purchases: Equity & Shares	10,51,348.40	-
Add: Service tax on Purchase	-	-
Total	10,51,348.40	-
Less: Closing stock : Equity Shares	-	-
Cost of Shares consumed/Sold	10,51,348.40	-
Shares consumed/Sold comprises: Equity Shares	10,51,348.40	-
Total	10,51,348.40	-

Note 18 Employee benefits expense

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Employees Remuneration & Benefits	61,72,613.00	59,35,251.00
Salary to Directors	23,92,400.00	21,64,000.00
Total	85,65,013.00	80,99,251.00

Note 19 Changes in Inventories of Finished Goods, WIP and Stock In Trade

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Opening Stock of Shares	14730.00	14730.00
	14730.00	14730.00
Closing Stock of Shares	13230.00	14730.00
	13230.00	14730.00
Changes in Inventories	-1500.00	0.00

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR
Notes forming part of the financial statements

Note 20 Other expenses		
Particulars	For the year ended	For the year ended
	31 March, 2017	31 March, 2016
	Rs.	Rs.
Advertising Expense	53,913.00	1,19,243.00
Bank Charges	3,793.00	12,545.00
Books and Periodicals	16,918.00	16,396.00
Brokerage Commission	74,40,676.00	99,26,859.00
Business Promotion	2,70,065.00	2,32,146.00
Fees & Subscription	7,30,854.00	4,93,742.00
Computer Software Exp.	10,07,792.00	7,67,943.00
Conveyance Charges	-	13,100.00
D.P. Charges	-	-
Depository transaction Charges	5,13,022.00	4,66,490.00
Donation	1,28,100.00	1,60,200.00
Electricicity Expenses	4,45,944.00	3,90,654.00
Expenses From Dealing in Shares	-	-
General Expenses	1,83,439.00	1,44,758.00
Insurance	1,10,852.00	79,082.00
KYC KRA Expenses	37,920.00	17,473.00
Legal Charges	94,965.00	1,02,948.00
Misc. Expenses	-	8,250.00
NSE/BSE Transaction Charges	4,725.00	68,110.00
Postage & Telegram	1,06,771.00	1,09,366.00
Prefrential Share Allotment Processing Fee	-	-
Printing & Stationery	2,32,220.00	2,75,076.00
Professional Charges	2,85,021.00	2,53,708.00
Rent	7,84,321.00	7,32,350.00
Rates & Taxes	1,794.00	248.00
Repair & Maintainence	2,27,976.00	5,13,628.00
ROC Filling Fees	6,600.00	8,500.00
RTA Expense	23,000.00	26,955.00
Staff Food & Beverages	6,172.00	9,272.00
Staff Training Expenses	-	-
Stipend to Trainees	-	66,700.00
Telephone	5,51,052.00	5,42,488.00
Travelling & Conveyance	1,19,978.00	1,64,884.00
Transaction Fee Control	-	37,994.00
UPSE Expense	-	-
Vehicles Running & Maintenance Expenses	2,28,962.00	2,79,202.00
VSAT and Leased Line Expenses	2,58,833.00	2,71,721.00
Website Expense	-	12,549.00
Payments to auditors (Refer Note (i) below)	77,935.00	63,022.00
Prior period items (net) (Refer Note (ii) below)	-18,181.00	-5,326.00
Total	1,39,35,432.00	1,63,82,276.00
Notes:		
Particulars	For the year ended	For the year ended
	31 March, 2017	31 March, 2016
	Rs.	Rs.
(i) Payments to the auditors comprises		
As auditors - statutory audit	65,435.00	55,522.00
For Other Services (Quarterly Audit)	12,500.00	7,500.00
Total	77,935.00	63,022.00
(ii) Details of Prior period items (net)		
Prior period expenses	-	-
Adjustment for Income Tax of Earlier Year	-18,181.00	-5,326.00
Total	-18,181.00	-5,326.00

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR

Notes forming part of the financial statements

Note 21 Finance costs

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
(a) Interest expense on:		
(i) Borrowings From Banks	18,02,220.00	20,15,881.00
(ii) Others		
Interest paid	1,48,411.00	5,15,513.00
Interest paid on TDS	-	1,365.00
(b) Other borrowing costs		
Bank Charges and Commission	2,16,243.00	3,35,093.00
Total	21,66,874.00	28,67,852.00

Note 22 Other income

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Dividend	2500.00	2400.00
Interest on STDR	5557705.00	6883813.00
Dividend on Mutual Fund	267261.00	42500.00
Interest from other	261693.00	249337.00
Profit on Sale of Car	0.00	474166.00
Income from Dealing in Shares	15196.70	0.00
Income from Sale of Shares/Securities	150293.00	0.00
Income on Sale of Mutual funds	1578685.00	0.00
Other Non Operating Income	507.00	0.00
Total	78,33,840.70	76,52,216.00

PRABHAT SECURITIES LIMITED "SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR Notes forming part of the financial statements Note 23 Additional information to the financial statements			
Note	Particulars	As at 31 March, 2017 Rs.	As at 31 March, 2016 Rs.
23.1	Contingent liabilities and commitments (to the extent not provided for)		
(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
(ii)	Commitments		
	(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	Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 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	Value of imports calculated on CIF basis :	For the year ended 31 March, 2017	For the year ended 31 March, 2016
		Rs.	Rs.
	Raw materials	Nil	Nil
	Components	Nil	Nil
	Spare parts	Nil	Nil
	Capital goods	Nil	Nil
23.4	Expenditure in foreign currency :	For the year ended 31 March, 2017	For the year ended 31 March, 2016
		Rs.	Rs.
	Royalty	Nil	Nil
	Know-how	Nil	Nil
	Professional and consultation fees	Nil	Nil
	Interest	Nil	Nil
	Other matters	Nil	Nil
23.5	Details of consumption of imported and indigenous items	For the year ended 31 March, 2017	
		Rs.	%
	<u>Imported (Rs. In Lacs)</u>		
	Raw materials	(Nil)	(Nil)
		(Nil)	(Nil)
	Components	Nil	NA
		(Nil)	
	Spare parts	Nil	NA
		(Nil)	
	Total	(Nil)	(Nil)
		(Nil)	(Nil)
PRABHAT SECURITIES LIMITED "SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR Note 23 continued			
	<u>Indigenous</u>	For the year ended 31 March, 2017	
		Rs.	%
	Raw Materials (Rs. In Lacs)	0.00	0.00%
		(0)	(0)
	Consumables	0	0%
		(NIL)	(NIL)
	Packing Materials	0	
		(NIL)	
	Total	0.00	0.00%
		(0)	(0)
Note: Figures / percentages in brackets relates to the previous year			
23.6	Earnings in foreign exchange : (Rs. In Lacs)	For the year ended 31 March, 2017	For the year ended 31 March, 2016
		Rs.	Rs.
	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		

Note No. 11 Depreciation on Fixed Assets

Tangible assets		Gross block					Accumulated depreciation and impairment					Net block	
		Useful Life Of Assets	SHIFT	Balance as at 1 April, 2015	Additions	Other adjustments	Balance as at 31 March, 2016	Balance as at 1 April, 2015	Depreciation / amortisation expense for the year	Adjustment with Retained Earning	Balance as at 31 March, 2016	Balance as at 31 March, 2016	Balance as at 31 March, 2015
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
FURNITURE	10	Single	7,47,914.00	-	-	7,47,914.00	7,20,722.00	3,151.00	-	7,23,873.00	24,041.00	27,192.00	
UPS	5	Single	8,42,046.00	1,91,340.00	-	10,33,386.00	8,36,496.00	43,215.00	-	8,79,711.00	1,53,675.00	5,550.00	
OFFICE EQUIPMENTS	5	Single	2,35,612.00	-	-	2,35,612.00	2,01,555.00	15,348.00	-	2,16,903.00	18,709.00	34,057.00	
GENERATOR	5	Single	76,498.00	-	-	76,498.00	76,498.00	-	-	76,498.00	-	-	
AIR CONDITIONER	5	Single	9,57,823.00	62,100.00	-	10,19,923.00	8,24,170.00	79,049.00	-	9,03,219.00	1,16,704.00	1,33,653.00	
FAX MACHINE	5	Single	1,08,747.00	-	-	1,08,747.00	1,08,747.00	-	-	1,08,747.00	-	-	
CAR	8	Single	40,17,628.00	-	-	40,17,628.00	11,93,563.00	8,73,091.00	-	20,66,654.00	19,50,974.00	28,24,065.00	
MOTOR CYCLE	10	Single	44,636.00	58,868.00	-	1,03,504.00	26,182.00	14,092.00	-	40,274.00	63,230.00	18,454.00	
OFFICE PREMISES	60	Single	22,94,120.00	-	-	22,94,120.00	11,76,955.00	48,102.00	-	12,25,057.00	10,69,063.00	11,17,165.00	
COMPUTER	3	Single	71,34,072.00	3,00,759.00	-	74,34,831.00	63,99,588.00	5,85,886.00	-	69,85,474.00	4,49,357.00	7,34,484.00	
ELECTRIC EQUIPMENT	10	Single	19,500.00	-	-	19,500.00	18,525.00	-	-	18,525.00	975.00	975.00	
VEHICLES	8	Single	9,99,339.00	-	-	9,99,339.00	9,55,736.00	-	-	9,55,736.00	43,603.00	43,603.00	
SCOOTER	10	Single	45,051.00	-	-	45,051.00	35,685.00	3,182.00	-	38,867.00	6,184.00	9,366.00	
Total			1,75,22,986.00	6,13,067.00	-	1,81,36,053.00	1,25,74,422.00	16,65,116.00	-	1,42,39,538.00	38,96,515.00	49,48,564.00	
Previous year			1,61,67,707.00	37,83,636.00	24,28,357.00	1,75,22,986.00	1,37,55,655.00	11,31,290.00	-23,12,523.00	1,25,74,422.00	49,48,564.00	24,12,052.00	

PRABHAT SECURITIES LIMITED
"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR

ANNEXURES: -

ANNEXURE "A" FEES & SUBSCRIPTION

PARTICULARS	As at 31 March, 2017	As at 31 March, 2016
CIBIL Annual Fees	3833.00	3800.00
CDSL Expenses	16100.00	16005.00
CIBIL Membership Fees	1900.00	0.00
MCX/NCDEX Membership Fees	0.00	201000.00
MSEIL Processing Fees	575000.00	0.00
Listing Fees (CSE)	20125.00	28625.00
Listing Fees (MSEIL)	28750.00	0.00
Membership Fees	0.00	11400.00
SEBI Fees	1000.00	51000.00
NSDL Custody Fees	10511.00	10305.00
Annual Subscription to NSE/BSE/ANMI	73635.00	171607.00
Total	730854.00	493742.00

PRABHAT SECURITIES LIMITED
 "SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR
 CIN: L22022UP1982PLC005759

Note 26 Details of Specified Bank Notes

(value in rupees)

Particulars	Specified bank notes (i.e. old 500/1000 notes)		Other denomination		Total	
	PRABHAT SECURITIES LIMITED	PRABHAT FINANCIAL SERVICES LIMITED	PRABHAT SECURITIES LIMITED	PRABHAT FINANCIAL SERVICES LIMITED	PRABHAT SECURITIES LIMITED	PRABHAT FINANCIAL SERVICES LIMITED
Closing cash in hand as on 8.11.2016	0.00	66000.00	32340.00	3114.00	32340.00	69114.00
(+) Permitted receipts	0.00	0.00	0.00	23360.00	0.00	23360.00
(-) Permitted payments	0.00	0.00	1450.00	74270.00	1450.00	74270.00
(-) Amount deposited in Banks	0.00	66000.00	0.00	-78071.00	0.00	-12071.00
Closing cash in hand as on 30.12.2016	0.00	0.00	30890.00	30275.00	30890.00	30275.00

PRABHAT SECURITIES LIMITED
Reg. 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

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 29th September 2017, at 01:00 P.M. 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 29th September 2017, 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, 2017 including the audited Balance Sheet as on 31st March, 2017 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 Mr. Guljhari Lal Sharma (DIN 00451143) Director of the Company who retires by rotation at this meeting and being eligible, offers himself for re-appointment.		
3	To Appoint M/s. R.P. Khandelwal & Associates , Chartered Accountants (Firm Registration No. 001795C), as the Statutory Auditors of the Company		

Signed this _____ day of _____ 2017.

Signature of shareholder.....

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

Affix Re.1/- Revenue Stamp

FOR OFFICE USE ONLY

DATE OF RECEIPT

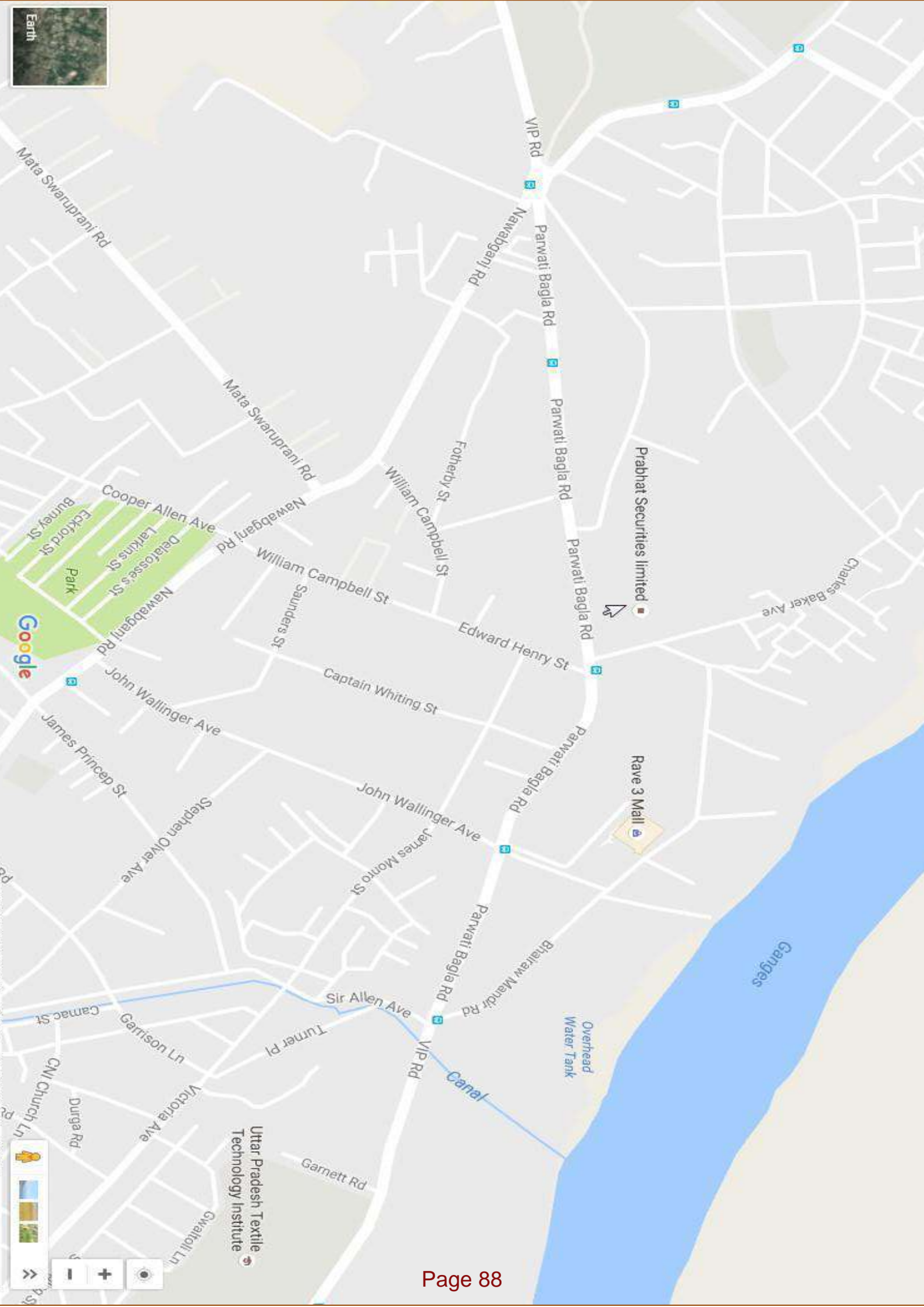
Notes:

1. This form in order to be effective should be duly completed and deposited at the Registered

35th Annual Report
Financial Year 2016-2017

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

Website : www.prabhatsecuritiesltd.com
