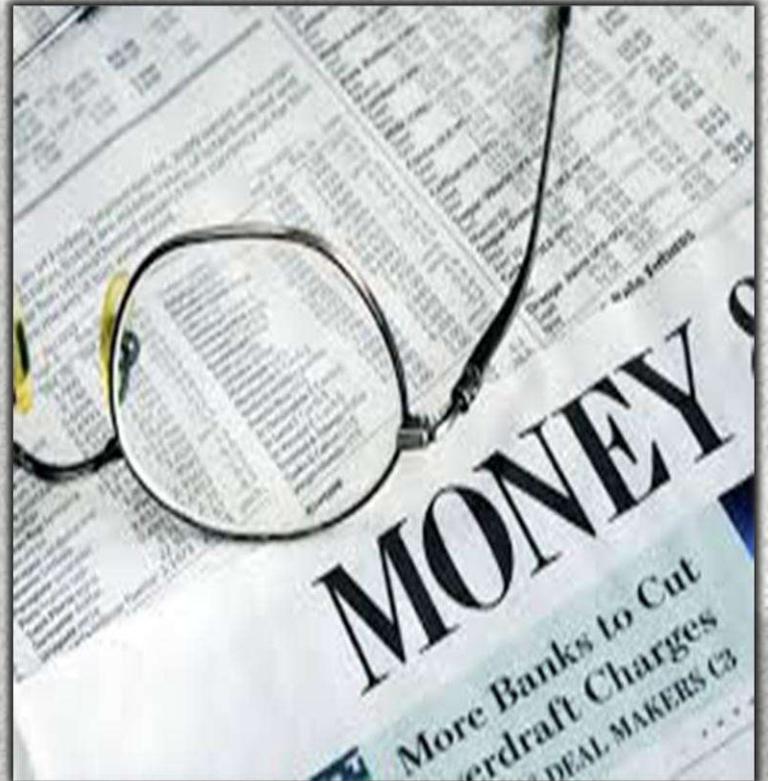
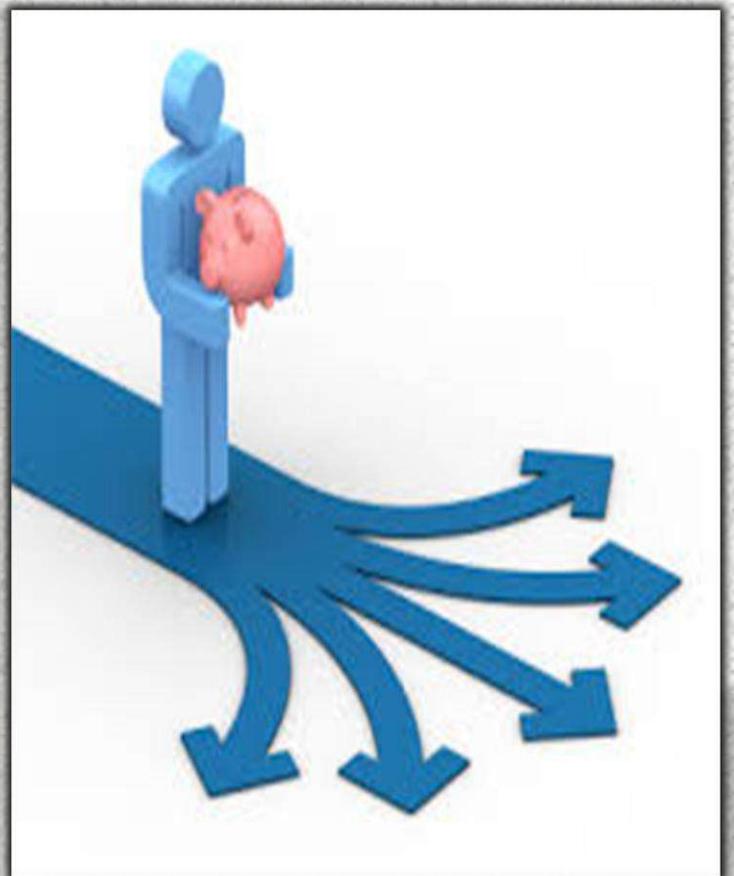


# PRABHAT SECURITIES LIMITED



## 37<sup>th</sup> ANNUAL REPORT 2018-19



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

-Mr. Vijay Jain, Chairman  
-Mr. Rama Kant Kushwaha, Managing Director  
-Mr. Guljhari Lal Sharma, Director  
-Mr. Amit Soni, 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

-R.P. Khandelwal & Associates (Jaipur) Raj.

### INTERNAL AUDITORS

-Mr. Dharmendra Kumar, Chief Financial Officer

### BANKERS

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

### REGISTRAR & SHARE TRANSFER AGENTS

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

### REGISTERED OFFICE

**PRABHAT SECURITIES LIMITED,**  
L22022UP1982PLC005759  
'Satyam', 4/276, Parwati Bagla Road, Kanpur  
208002, UP, IN  
Phone: 91-512-2526347  
Website: [www.prabhatsecuritiesltd.com](http://www.prabhatsecuritiesltd.com)  
Email Id: [prabhatsecurities@gmail.com](mailto:prabhatsecurities@gmail.com)

## **CHAIRMAN'S MESSAGE**

**Dear Shareholders,**

I have pleasure to get this opportunity to share with you the performance of your Company for the financial year 2018-19. Your Company has made untiring exertion to make a good profit, but due to adverse market conditions from the previous years, it was unable to meet out its desirable performance for the year ended 31<sup>st</sup> March 2019.

After averaging close to 8 per cent through Q3:2017- 18 to Q1:2018-19, domestic economic activity lost speed. Domestic economic activity lost pace in Q2 and Q3:FY2019, with coincident indicators suggesting a sharper deceleration in Q4. Aggregate demand weakened in Q2 by a large drag from net exports, which became entrenched in Q3 due to deceleration in public spending and private consumption.

Headline CPI inflation has declined sharply since mid- 2018, driven by the sustained fall in food inflation (even turning into deflation during October 2018-February 2019), the waning away of the direct impact of house rent allowances for central government employees, and more recently, by a sharp fall in fuel inflation.

During the end of second quarter, amid certain defaults in the NBFC sector, a credit freeze was witnessed in the bond market especially for NBFCs. The spread of 5-year AAA corporate bond yield over 5-year G-sec yield went up, further the spread for NBFCs/HFCs were even higher with availability of liquidity being limited. For NBFCs and HFCs combined, the share of participation in the issuance of Commercial Paper reduced from upwards of one-half to closer to one-third of the total issuances reflecting increased credit risk premia in the aftermath of the defaults.

### **Finance**

The NBFC sector experienced liquidity problems in the second half of the financial year 2018-19. The funding squeeze has contributed to higher funding costs and a slowdown in loan growth for non-banking financial companies. Your Company continued to focus on managing cash efficiently and ensured that it had adequate liquidity and back-up lines of credit.

During the year under review, the Reserve Bank of India ("RBI") held six Bi-monthly Monetary Policy Committee ("MPC") meetings. The Policy Repo rates under the Liquidity Adjustment Facility ("LAF") were at 6.00% at the beginning of the year. The MPC took the decision to increase the Policy Repo Rate under the LAF by 25 basis points each in the second and third meetings to 6.50% and maintained it at that level till the fifth meeting. Finally, in the sixth meeting, MPC took the decision to reduce the Policy Repo Rate under the LAF by 25 basis points from 6.50% to 6.25%. The MPC changed its stance from "neutral" to "calibrated tightening" in the fourth policy review and reverted back to "neutral" in the sixth policy review. The market continued to expect further reduction in the policy rate.

At the start of the fiscal year (April 2018), 10-year G-Sec benchmark yields (7.17% Gov Stock 2028), were trading at 7.40% levels which was at similar level by end of March 2019. However,

in the wake of rising trade tensions, concerns about a “no deal” Brexit and signs of slowing down of the global economy, financial markets sentiments turned cautious and 10-year G-Sec yield touched a peak of 8.18% (around September 2018). The spread of 5-year AAA corporate bond yield over 5-year G-Sec yield moved up, reflecting increased credit risk premia in the aftermath of certain defaults in the NBFC sector. The defaults also led to a liquidity crisis for several non-banking financial companies. The spread declined consequent to the Reserve Bank’s announcement to inject rupee liquidity through long-term foreign exchange buy/sell swap auction. Divergent movements were observed in various segments of the domestic financial market as they reacted differently to the evolving global and local developments during second half of the Financial Year 2018-19. Lower inflation prints, continuing fall in crude oil prices and buoyed sentiments after the announcement of multiple open market purchases by the RBI, resulted in a decline in yields.

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. Vijay Kumar Jain**  
Chairman

## **NOTICE OF AGM**

**Notice** is hereby given that the Thirty Seventh Annual General Meeting of **PRABHAT SECURITIES LIMITED** will be held at 'SATYAM', 4/276, Parwati Bagla Road, Kanpur 208002 on Monday, 30<sup>th</sup> September 2019 at 01:30 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, 2019 together with the Reports of the Directors and Auditors thereon.
2. To Re-appoint Mrs. Vandana Sharma (DIN 00954155), Director of the Company who retires by rotation at this meeting and being eligible, offers himself for re-appointment.

### • **SPECIAL BUSINESS**

1. Re-appointment of Mr. Krishna Kamal Prasad as an independent director of the Company for a second term of five consecutive years with effect from 21-03-2020

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

**'RESOLVED** that pursuant to provisions of sections 149, 152 and any other applicable provisions of the Companies Act, 2013(hereinafter referred to as the 'Act') the Rules made there under read with Schedule IV to the Act and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as 'SEBI Listing Regulations, 2015')(including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Krishna Kamal Prasad (DIN 07025841), born on 26 August 1956, who was appointed as an independent director of the Company for a term of five years up to 20-03-2020 and is eligible for being re-appointed as an independent director and in respect of whom a notice in writing pursuant to section 160 of the Act has been received in the prescribed manner and considering the report of his performance evaluation for the year 2018-19, be and is hereby re-appointed as an independent director on the Board of the Company for a second term of five consecutive years, effective from 21 March 2020 up to 20 March 2025.

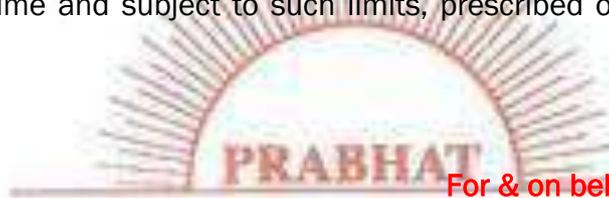
**'AND RESOLVED FURTHER** that pursuant to the provisions of sections 149, 197 and other applicable provisions of the Act and the Rules made there under, Krishna Kamal Prasad be paid such fees and remuneration and profit-related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.'

2. Re-appointment of Amit Soni as an independent director of the Company for a second term of five consecutive years with effect from 21-03-2020

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

**'RESOLVED** that pursuant to provisions of sections 149, 152 and any other applicable provisions of the Companies Act, 2013(hereinafter referred to as the 'Act') the Rules made there under read with Schedule IV to the Act and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as 'SEBI Listing Regulations, 2015')(including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Amit Soni (DIN 06780882), born on 01 July 1976, who was appointed as an independent director of the Company for a term of five years up to 20-03-2020 and is eligible for being re-appointed as an independent director and in respect of whom a notice in writing pursuant to section 160 of the Act has been received in the prescribed manner and considering the report of his performance evaluation for the year 2018-19, be and is hereby re-appointed as an independent director on the Board of the Company for a second term of five consecutive years, effective from 21 March 2020 up to 20 March 2025.

**'AND RESOLVED FURTHER** that pursuant to the provisions of sections 149, 197 and other applicable provisions of the Act and the Rules made there under Amit Soni be paid such fees and remuneration and profit-related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.



**For & on behalf of the Board of  
Prabhat Securities Limited**

**Sd/-**

**Mr. Ramakant Kushwaha  
(Managing Director)**

**Dated: 04.09.2019**

**Place: Kanpur**

## 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 20<sup>th</sup> September, 2019 to 30<sup>th</sup> September, 2019 (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 amended regulation 40 of SEBI Listing Regulations, 2015. Pursuant to this amendment, with effect from 1 April 2019, transfer of securities (except transmission or transposition of shares) cannot be processed unless securities are in dematerialised form. Accordingly, the Company has sent letters to members holding shares in physical form advising them to dematerialise their holding. In addition to transferability, dematerialisation provides other benefits including easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of certificates and bad deliveries. 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 37<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of electronic voting ('e-voting') along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 37<sup>th</sup> 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 37<sup>th</sup> Annual General Meeting, Attendance Slip, Proxy Form, Route Map and the Annual Report for 2018-19 will also be available on the Company's website [www.prabhatsecuritiesltd.com](http://www.prabhatsecuritiesltd.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Kanpur for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [prabhatsecurities@gmail.com](mailto:prabhatsecurities@gmail.com).
15. Members may visit the company's corporate website ([prabhatsecuritiesltd.com](http://prabhatsecuritiesltd.com)) to view the financial statements or access information pertaining to the company. Queries if any should be sent at least ten days before the AGM to the company secretary at registered office of the company.
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 30, 2019.

The Company has appointed Mr. Vaibhav Agnihotri, Practising Company Secretary, to act as the Scrutinizer, to scrutinize the remote e-voting process and at the venue of AGM 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 30, 2019 are provided in **Annexure-1** of this Notice. Requisite declarations have been received from the Directors for their reappointment.

**Voting through electronic means**

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 27.09.2019 from 09.00 A.M and ends on 29.09.2019 till 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on Friday, 20.09.2019 (end of day), being the cut-off date fixed for determining voting rights of members may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN-180830039 or the PRABHAT SECURITIES LIMITED on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholder
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed o [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- (xx)** The shareholders shall have one vote per equity share held by them as on the cut-off date (record date) of 20<sup>th</sup> September, 2019. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
- (xxi)** Mr. Vaibhav Agnihotri, Practising Company Secretary, Kanpur, C.P. No. 21596 has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the venue of the AGM 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. 20<sup>th</sup> September 2019 may follow the same instructions as mentioned above for e-voting.



## **EXPLANATORY STATEMENT UNDER SECTION 102 OF THE ACT AND SEBI LISTING REGULATIONS, 2015**

### **Item No. 1 & 2 of Special Business**

Section 149 of the Act, which came into effect from 1 April 2014, requires every listed company to have one-third of the total number of directors as independent directors. Accordingly, with the recommendations of the Nomination and Remuneration Committee, the Board of Directors, appointed Krishna Kamal Prasad and Amit Soni as independent directors of the Company for a first term of five consecutive years from 20.03.2015 up to 20.03.2020.. These appointments were also approved by the shareholders at the extraordinary General Meeting of the Company held for said purpose.

Since the first term of these independent directors was due for expiry, based on the recommendation of the Nomination and Remuneration Committee, considering the skills, experience, knowledge they possess and the report of performance evaluation of these independent directors for the financial year 2018-19, the Board at its meeting held on 04<sup>th</sup> September 2019 recommended for the approval of the members, the re-appointment of Krishna Kamal Prasad and Amit Soni for a second term of consecutive five years with effect from 21.03.2020 up to 21.03.2025 in terms of section 149 read with Schedule IV to the Act, SEBI Listing Regulations, 2015 or any amendment thereto or modification thereof. In accordance with section 149(10) and (11) of the Companies Act, 2013, an independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Directors' Report. Krishna Kamal Prasad and Amit Soni fulfill the requirements of an independent director as laid down under section 149(6) of the Companies Act, 2013 and regulation 16 of SEBI Listing Regulations, 2015.

In respect of the appointments of the aforesaid directors, notices in writing in the prescribed manner as required by section 160 of the Companies Act, 2013 and Rules made thereunder, has been received by the Company, regarding candidature of each of these directors for the office of director. The independent directors have accorded their consent to act as directors and have also submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in section 149(6) and regulation 16 of SEBI Listing Regulations, 2015 and are not disqualified from being appointed as a director in terms of section 164 of the Act. The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the Company by any member during normal business hours and the same shall also be available at the Company's website. The Board is of the opinion that these directors possess requisite skills, experience and knowledge relevant to the Company's business and it would be of immense benefit to the Company to continue to have their association with the Company as independent directors.

According to section 152 of the Companies Act, 2013, read with Schedule IV to the Companies

Act, 2013, in the opinion of the Board, the proposed re-appointments fulfill the conditions specified in the Act and the Rules made there under as also the applicable provisions of SEBI Listing Regulations, 2015 and is independent of the management of the Company. Pursuant to regulation 17(1A) of SEBI Listing Regulations, 2015, as amended on 9 May 2018, with effect from 1 April 2019, consent of the shareholders by way of ordinary Resolution is required for continuation of directorship of the independent directors of the Company.

None of the Directors are interested in the above mentioned Business.

**For & on behalf of the Board of  
Prabhat Securities Limited**

**Sd/-  
Mr. Ramakant Kushwaha  
(Managing Director)**

**Dated: 04.09.2019**

**Place: Kanpur**



## KEY HIGHLIGHTS DURING THE YEAR

### **TOTAL REVENUE (GROSS)**

- Current Year: Rs. 30,82,870.00
- Previous Year: Rs. 30,66,977.00

### **EXPENSES**

- Current Year: Rs. 12,86,227.00
- Previous Year: Rs. 18,13,404.00

### **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: 30<sup>th</sup> September 2019  
Time: 1.00 P.M.  
Venue: **PRABHAT SECURITIES LIMITED**  
'SATYAM', 4/276,  
Parwati Bagla Road,  
Kanpur, Uttar Pradesh – 208002

## DIRECTORS' REPORT

To,

The Members,

**PRABHAT SECURITIES LIMITED**

Your Directors are pleased to present their Thirty Seventh Report together with the audited financial statements of your Company for the Financial Year ended 31st March, 2019.

The performance highlights and summarized financial results of the Company are given below:

### RESULTS OF OUR OPERATIONS AND STATE OF AFFAIRS

(Rs.)

Particulars	Current Financial Year (2019)	Previous Financial Year (2018)
Revenue from Operations	30,82,870	30,66,977
Other Income	-	-
Profit/Loss before Depreciation, Finance costs/Exceptional items and tax expense	8,96,643	12,53,573
<b>Less:</b> Depreciation/Amortization/Impairment	2,63,098	61,803
Profit/Loss before Finance costs/Exceptional items and tax expense	6,33,545	11,91,770
<b>Less:</b> Finance Cost	56,665	21,117
Profit/Loss before Exceptional items and tax expense	5,76,880	11,70,653
<b>Add/(less):</b> Exceptional Items	-	-
Profit/Loss before Tax Expense	5,76,880	11,70,653
<b>Less:</b> Tax Expense (Current and Deferred)	2,03,673	5,11,506
Profit/Loss for the year(1)	3,73,207	6,59,147
Total comprehensive Income/Loss(2)	-	-
Total(1+2)	3,73,207	6,59,147
Balance of profit/Loss of earlier years	-	-
<b>Less:</b> Transfer to Statutory Reserves	74,642	1,31,830
<b>Less:</b> Dividend paid on Equity Shares	-	-
DTT Paid	-	-
Balance carried forward	2,98,565	5,27,317

## **PERFORMANCE OF THE COMPANY**

Your Directors are continuously making endeavor to cope up with the financial distress, the company faced during the reporting period. Company's performance during the year has fallen down as compared to the earlier years. The Company's Profit for current year Before Depreciation and Tax decreased from Rs. 11, 91,770 to Rs. 6, 33,545.

## **OPERATIONS**

During the year under review, your Company completed thirty seven years of its business operations in markets. The Investors sentiments continued to be positive for the Company from the start of the year till November 2018. Elections in few States in November 2018 and the impending Lok Sabha Elections slowed down growth in the last few months of the year. However, even during this slowdown, your Company could maintain the asset growth as well as collections, by continuously engaging with customers.

## **TRANSFER TO RESERVES**

The Company transferred an amount of Rs.74,642 to the Statutory Reserve maintained as per Section 45-IA of Reserve Bank of India Act, 1934.

## **SHARE CAPITAL**

The Issued, subscribed and paid up capital of the company as on 31<sup>st</sup> March, 2019 was Rs/- 2,90,00,070.00 comprising of 29,00,007 shares of Rs/- 10 each, fully paid up.

The Company Borrowed auto loan in the Reporting year which is the debt outstanding at the end of period Rs 7,79,150/-.

Other than the above mentioned, there was no change in the Share Capital during the year under review. The Company has neither issued shares with differential rights as to dividend, voting or otherwise, nor has issued sweat equity, other than Employee Stock Options under the Employees' Stock Option Scheme referred to in this Report, during the year under review.

## **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.

## **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.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report, which forms part of Annual Report.

## **ECONOMY**

### **Global**

After strong growth in 2017 and early 2018, global economic activity slowed notably in the second half of

last year, reflecting a confluence of factors affecting major economies. From an accelerating economic activity almost across the world with projected growth in 2019 being at 3.9 percent, a lot have changed in the last year. China's growth declined following a combination of needed regulatory tightening to rein in shadow banking and an increase in trade tensions with the United States. The euro area economy lost more momentum than expected as consumer and business confidence weakened and car production in Germany was disrupted by the introduction of new emission standards; investment dropped in Italy as sovereign spreads widened; and external demand, especially from emerging Asia, softened. Elsewhere, natural disasters hurt activity in Japan.

Trade tensions increasingly took a toll on business confidence and, so, financial market sentiment worsened, with financial conditions tightening for vulnerable emerging markets and advanced economies, weighing on global demand. Conditions have eased in 2019 as the US Federal Reserve signaled a more accommodative monetary policy stance and markets became more optimistic about a US-China trade deal, but they remain slightly more restrictive than in the fall.

### **Outlook**

As a result of these developments, global growth is now projected to slow from 3.6 percent in 2018 to 3.3 percent in 2019, before returning to 3.6 percent in 2020. The projected pickup in the second half of 2019 is predicated on an ongoing buildup of policy stimulus in China, recent improvements in global financial market sentiment, the waning of some temporary drags on growth in the euro area, and a gradual stabilization of conditions in stressed emerging market economies.

While global growth could surprise favorably if trade differences are resolved quickly so that business confidence rebounds and investor sentiment strengthens further, the balance of risks to the outlook remains on the downside. A further escalation of trade tensions and the associated increases in policy uncertainty could further weaken growth. Across all economies, the imperative is to take actions that boost potential output, improve inclusiveness, and strengthen resilience.

### **Domestic**

After averaging close to 8 per cent through Q3:2017- 18 to Q1:2018-19, domestic economic activity lost speed. Domestic economic activity lost pace in Q2 and Q3:FY2019, with coincident indicators suggesting a sharper deceleration in Q4. Aggregate demand weakened in Q2 by a large drag from net exports, which became entrenched in Q3 due to deceleration in public spending and private consumption.

Headline CPI inflation has declined sharply since mid- 2018, driven by the sustained fall in food inflation (even turning into deflation during October 2018-February 2019), the waning away of the direct impact of house rent allowances for central government employees, and more recently, by a sharp fall in fuel inflation.

During the end of second quarter, amid certain defaults in the NBFC sector, a credit freeze was witnessed in the bond market especially for NBFCs. The spread of 5-year AAA corporate bond yield over 5-year G-sec yield went up, further the spread for NBFCs/HFCs were even higher with availability of liquidity being limited. For NBFCs and HFCs combined, the share of participation in the issuance of Commercial Paper reduced from upwards of one-half to closer to one-third of the total issuances reflecting increased credit risk premia in the aftermath of the defaults.

### **Finance**

The NBFC sector experienced liquidity problems in the second half of the financial year 2018-19. The funding squeeze has contributed to higher funding costs and a slowdown in loan growth for non-banking financial companies. Your Company continued to focus on managing cash efficiently and ensured that it had adequate liquidity and back-up lines of credit.

During the year under review, the Reserve Bank of India ("RBI") held six Bi-monthly Monetary Policy Committee ("MPC") meetings. The Policy Repo rates under the Liquidity Adjustment Facility ("LAF") were at 6.00% at the beginning of the year. The MPC took the decision to increase the Policy Repo Rate under the LAF by 25 basis points each in the second and third meetings to 6.50% and maintained it at that

level till the fifth meeting. Finally, in the sixth meeting, MPC took the decision to reduce the Policy Repo Rate under the LAF by 25 basis points from 6.50% to 6.25%. The MPC changed its stance from “neutral” to “calibrated tightening” in the fourth policy review and reverted back to “neutral” in the sixth policy review. The market continued to expect further reduction in the policy rate.

At the start of the fiscal year (April 2018), 10-year G-Sec benchmark yields (7.17% Gov Stock 2028), were trading at 7.40% levels which was at similar level by end of March 2019. However, in the wake of rising trade tensions, concerns about a “no deal” Brexit and signs of slowing down of the global economy, financial markets sentiments turned cautious and 10-year G-Sec yield touched a peak of 8.18% (around September 2018). The spread of 5-year AAA corporate bond yield over 5-year G-Sec yield moved up, reflecting increased credit risk premia in the aftermath of certain defaults in the NBFC sector. The defaults also led to a liquidity crisis for several non-banking financial companies. The spread declined consequent to the Reserve Bank’s announcement to inject rupee liquidity through long-term foreign exchange buy/sell swap auction. Divergent movements were observed in various segments of the domestic financial market as they reacted differently to the evolving global and local developments during second half of the Financial Year 2018-19. Lower inflation prints, continuing fall in crude oil prices and buoyed sentiments after the announcement of multiple open market purchases by the RBI, resulted in a decline in yields.

### **CREDIT RATING**

The Company has got registered itself with the four credit rating agency as specified by RBI:

- a) TransUnion CIBIL Limited
- b) CRIF High Mark Credit Information Services Limited
- c) Experian Credit Information company of India Limited
- d) Equifax Inc.

### **CORPORATE GOVERNANCE**

Your Company practices a culture that is built on core values and ethical governance practices. Your Company is committed to transparency in all its dealings and places high emphasis on business ethics.

### **INVESTOR RELATIONS**

Your Company has taken all measures steps required to communicate with its investors to keep various stakeholders informed about the past performance and future outlook of the industry, especially those having a bearing on the Company.

### **RBI GUIDELINES**

The Company continues to comply with all the applicable regulations prescribed by the Reserve Bank of India (“RBI”), from time to time.

### **EXTRACT OF ANNUAL RETURN**

The Extract of Annual Return required under Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is available

on the company's website [www.prabhatsecuritiesltd.com](http://www.prabhatsecuritiesltd.com)

### **BOARD MEETINGS DURING THE FINANCIAL YEAR**

During the financial year 2018-19, the Board of Directors of the Company duly met seven (07) times as under on

09.04.2018; 28.05.2018; 14.08.2018; 03.09.2018; 14.11.2018; 31.12.2018; 11.02.2019

the intervening gap between the two meetings was within the period as prescribed under the Companies Act, 2013.

Further, the status of attendance of Board Meeting by each of Director is as follow:

Name of Director	No. of Board Meeting Held	No. of Board Meeting Attended
Vandana Sharma	7	7
R.K. Kushwaha	7	7
Guljhari Lal Sharma	7	7
Amit Soni	7	7
K.K. Prasad	7	7
Vijay Kumar Jain	4	4

### **CHANGE IN THE DIRECTORS OF THE COMPANY**

There are changes in the Board of Directors of the Company during the Financial Year 2018-19.

- Resignation of Mr. Parshant Malani (Director of the company) w.e.f. 12.09.2018.
- Appointment of Mr. Vijay Kumar Jain (Director & Chairman of the company) w.e.f. 29.09.2018.

### **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 or 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, 2019 are mentioned in the Extract to the Annual Return in Form MGT-9, is available on the company's website [www.prabhatsecuritiesltd.com](http://www.prabhatsecuritiesltd.com)

### **PARTICULARS OF EMPLOYEES**

None of the employees who have worked throughout the year or a part of the financial year were getting remuneration in excess of the threshold mentioned under Section 197(12) of the Act read with rule 5(2) of Companies (Appointment and Remuneration) Rules, 2014

The information required pursuant to Section 197 read with Rule 5 (1) (i) of The Companies (Appointment and Remuneration) Rules, 2014 in respect of ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year, will be made available for inspection at its registered office of the Company during the working hours for a period of twenty one days before the date of annual general meeting of the company pursuant to Section 136 of the Companies Act, 2013 and members, if any interested in obtaining the details thereof, shall make specific request to the Company Secretary and Compliance officer of the Company in this regard

### **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 Section 134 of the Companies Act, 2013 the Directors, to the best of their knowledge and belief, confirm that:

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The Directors had selected such accounting policies and applied them 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 and of the profit and loss of the company for that period;

(c) The Directors had taken proper and sufficient care 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;

(d) The Directors had prepared the annual accounts on a going concern basis; and

(e) Clause (e) of section 134(5) is not applicable as the Company is not a listed Company

(f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There has been no material changes and Commitment affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and date of the Report.

## **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

Vijay Kumar Jain (Independent Director)

Amit Soni (Independent Director)

Krishna Kamal Prasad (Independent Director)

Rama Kant Kushwaha (Executive non independent Director)

Guljhari Lal Sharma (Executive promoter Director)

Vandana Sharma (Non-Executive Woman Director)

## **COMMITTEES OF BOARD OF DIRECTORS**

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

AUDIT COMMITTEE AND RISK MANAGEMENT COMMITTEE  
STAKEHOLDERS RELATIONSHIP COMMITTEE  
NOMINATION AND REMUNERATION COMMITTEE

## **AUDIT COMMITTEE AND RISK MANAGEMENT COMMITTEE**

- **Brief description of Terms of Reference:**

The Audit Committee comprises of Mr. Vijay Kumar Jain as Chairman; Mr. Amit Soni; 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

Constitution of Audit committee changed on account of resignation of Mr. Parshant Malani, thereby appointing Mr. Vijay Kumar Jain as member and chairman of Committee.

The Audit Committee met Four Times in the year as follows

1. 27/05/2018
2. 11/08/2018
3. 13/11/2018
4. 30/12/2018

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

- **Brief Description of Terms of Reference:**

The Committee comprises of Mr. Krishna Kamal Prasad as Chairman Mr. Vijay Kumar Jain 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. The Constitution of Stakeholders Relationship committee changed on account of resignation of Mr. Parshant Malani, thereby appointing Mr. Vijay Kumar Jain as member of Committee.

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

- 1) 27.05.2018
- 2) 11.08.2018

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) is designated as the Compliance Officer of the Company for complying with requirements of Securities Laws and Listing Agreements with Stock Exchanges.

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

There are no outstanding complaints as on 31<sup>st</sup> March 2019.

## **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. Vijay Kumar Jain 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 three times as follows;

1. 27.05.2018
2. 12.08.2018
3. 11.09.2018

## **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out an annual evaluation of its Independent Directors and Independent Directors also evaluated the performance of the Non Independent Directors. The Board of Directors also expressed their satisfaction with the evaluation process. The Board of Directors also evaluated the functioning of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and expressed the satisfaction with their functioning.

## **ANNUAL GENERAL MEETINGS**

Details of Last Three Annual General Meetings held:

Particulars	FY 2015-2016	FY 2016-2017	FY 2018-2019
Day	Friday	Friday	Saturday
Date	23-09-2016	29-09-2017	29-09-2018
Time	01:00 P.M.	01:00 P.M	01:30 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 Financial Years 2015-16 and 2016-17.
- Appointment of Mr. Vijay Kumar Jain (DIN 08208856) as an independent Director of the

company was done by Special Resolution of Members at 2018-19 AGM.

- No resolution passed through postal ballot process preceding three Annual General Meetings.

#### **DETAIL OF FRAUD AS PER AUDITORS REPORT**

There is no fraud in the Company during the F.Y. ended 31st March,2019 This is also being supported by the report of the auditors of the Company as no fraud has been reported in their audit report for the F.Y. ended 31st March,2019.

#### **PARTICULARS OF RELATED PARTY TRANSACTIONS**

Related party transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company.

There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis and hence there is no information to be provided as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

#### **BOARD'S COMMENTS ON QUALIFICATION, RESERVATION & ADVERSE REMARKS OR DISCLAIMER MADE BY:**

- **Statutory Auditors**

There is No Change in Statutory Auditors M/s. R.P. Khandelwal & Associates ,Chartered Accountants (Firm Registration No.001795C),will continue as Statutory Auditors of the company as appointed for a term of the consecutive years in the last Annual General Meeting of the company pursuant to Section 139 of the Companies Act ,2013.The report given by the Statutory Auditors M/s. R.P. Khandelwal & Associates ,Chartered Accountants (Firm Registration No.001795C)on the financial statement of the company for the F.Y. 2018-19 is part of the Annual report .The Report of the Auditors on the Financial Statements including notes thereto for the F.Y. ended 31st March,2019 are self –explanatory and therefore do not call for any further comments.

- **Cost Auditor**

The Cost audit of the Company has not been conducted for the financial year 2018-19 as provisions of Section 148 of the Companies Act, 2013 are not applicable on the Company.

- **Secretarial Auditors**

The Board has re-appointed, Mr. Ashish Gupta, CP No. 6859, Company Secretary as the Secretarial Auditor for the Financial Year 2018-2019, who issued Secretarial Audit Report pursuant to Section 204 of the Companies Act, 2013, which is annexed to Annual Report. (**Refer Annexure-1**) The Secretarial Audit Report for the Year under review does not contain any qualification, reservation or adverse remark.

#### **PARTICULARS OF INTER-CORPORATE LOANS & INVESTMENT**

The Company has not made any investment during the financial year 2018-19, and loan and advances made during the F.Y. 2018-2019 is detailed as per Note no. 16 (d) of the

Financials.

Further the Company has not given any guarantee or security to any person or body corporate

### **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.

### **MEETINGS OF INDEPENDENT DIRECTORS:**

The independent directors of the company hold at least one meeting in a year, without the attendance of non-independent directors and members of management and all the independent directors of the company shall strive to be present at such meeting to:

- (a) review the performance of non-independent directors and the Board as a Whole
- (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During the year under review, the independent Directors of the Company met on March 13, 2019 without the presence of Non Independent Directors And management personnel to discuss the aforesaid issue.

### **MEANS OF COMMUNICATION**

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

### **STATE OF COMPANY'S AFFAIRS**

It is imperative that affair of our Company are managed in a fair and transparent manner. This is

vital to gain and retain the trust of our stakeholders.

### **AMOUNT WHICH IT PROPOSES TO CARRY TO RESERVES**

Amount of Rs.74,642 is being transferred to a statutory reserve created according to Section 45 IC of Reserve Bank Of India Act,1934.

### **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

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

Foreign Exchange earnings Outgo is NIL

### **DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY**

The management of the Company has duly adopted the Risk Management Policy as per the requirement of the Companies Act, 2013. Further, they had taken adequate care in its implementation by identifying various elements of risk which may cause serious threat to the existence of the Company.

### **DETAILS OF COMPANY'S CORPORATE SOCIAL RESPONSIBILITY (CSR)**

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 required to spend any amount for Corporate Social Responsibility. But the Company through its initiatives trying its level best to contribute to society.

### **JOINT VENTURE/ ASSOCIATE OR SUBSIDIARY COMPANIES**

Details of an associate company of the company are as follows:-

S. No.	Name of the Company	% of Shareholding	No. of Shares held
1.	Prabhat Financial Services Limited	23.06%	3,00,000 Equity Shares of 10 each are directly held by company

### **REPORT ON PERFORMANCE OF SUBSIDIARIES**

The Company has no subsidiary company.

In accordance with Section 129(3) of the Companies Act, 2013, we have prepared Consolidated Financial Statements of the Company and its associate company, which form part of the Annual Report. The Board's Report has been prepared based on **"STAND-ALONE FINANCIAL STATEMENT OF THE COMPANY"**

Associate – There is an associate company named Prabhat Financial Services Limited

Joint venture companies-There is no joint venture company

## **DEPOSITS**

The Board states that no disclosure or reporting was required in respect of the details relating to deposits covered under Chapter V of the Act as there were no deposits during the financial year 2018-19.

## **DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and rules made there under, your Company has adopted a Sexual Harassment Policy for women to ensure healthy working environment without fear of prejudice gender bias and sexual harassment.

The Board states that there were no cases or complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **ORDERS PASSED BY REGULATORS/COURTS/TRIBUNALS**

There is no such order passed by the Regulators/Courts/Tribunals in respect to the Company during the financial year.

## **INTERNAL FINANCIAL CONTROLS**

The Company has maintained adequate financial control system, commensurate with the size, scale and complexity of its operations and ensures compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations.

## **NO CHANGES IN THE BUSINESS**

Your Directors would like to inform that Company is doing its regular business without any deviation to other objects.

## **WHISTLE BLOWER POLICY**

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the best standards of professionalism, honesty, integrity and ethical conduct. The Company has a Whistle Blower Policy under which the employees are free to report violations of the applicable laws and regulations and the code of conduct. Whistle Blower Policy is available on the website of the Company at [www.prabhatsecuritiesltd.com](http://www.prabhatsecuritiesltd.com)

## **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. 2018-19.

The Statement as required under Section 129 of the Companies Act, 2013 are annexed and forms an integral part of this report .Consolidated Financial Statements prepared in accordance with relevant Accounting Standards s issued by the Institute of Chartered Accountants of India form part of the Annual Report and Accounts of the company.

## **COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has duly complied with the applicable Secretarial Standards (SS) issued by Institute of Company Secretaries of India while calling, convening and maintaining records of all the Board Meetings, committee meetings and General Meeting held during the Financial Year.

## **GENERAL**

Your Directors state that during the financial year 2018-19:

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.

## **ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation for the co-operation and support extended by the Share Holders, various authorities, banks, dealers and vendors.

The Directors also acknowledge with gratitude the dedicated efforts and valuable contribution made by all the employees of the Company.

For & on behalf of the Board of  
**Prabhat Securities Limited**

**Sd/-**  
Mr. Vijay Kumar Jain  
Chairman)

**Sd/-**  
Mr. Ramakant Kushwaha  
(Managing Director)

**Dated:** 04.09.2019

**Place:** Kanpur

**'ANNEXURE'**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**

[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, 2019 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
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:** 04.09.2019

For **AKG & CO.**  
Company Secretaries  
**Sd/-**  
**Ashish Kumar Gupta**  
Company Secretary  
FCS: 6433  
CP: 6859

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

**ANNEXURE-A**

To  
The Members  
**PRABHAT SECURITIES LIMITED**

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

1. 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.
2. 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.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. 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.
6. 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.

**AKG & CO.**  
Company Secretaries

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

Place: New Delhi  
Date: 04.09.2019

**ANNEXURE-2**  
**Form No. AOC-2**

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

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

**A) Details of contracts or arrangements or transactions not at arm's length basis:**

PRABHAT SECURITIES LIMITED (the Company) has not entered into any contract/arrangement/transaction with its related parties which are not in ordinary course of business or at arm's length during FY 2018-19. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 ("Act") and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

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

**B) Details of material contracts or arrangement or transactions at arm's length basis:**

- a) Name(s) of the related party and nature of relationship: Refer **Note No. 24** of the financial statements
- b) Nature of contracts / arrangements / transactions: As above
- c) Duration of the contracts / arrangements / transactions: As above
- d) Salient terms of the contracts or arrangements or transactions including the value, if any: As above
- e) Date(s) of approval by the Board, if any: As above
- f) Amount paid as advances, if any: As above

Date-04.09.2019  
Place- Kanpur

On behalf of the board of directors

**Sd/-**  
**Vijay Kumar jain**  
**Chairman**

### ANNEXURE -3

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

##### 1. Vandana Sharma

Particulars	Re- Appointment
Name of Director	Mrs. Vandana Sharma
DIN	00954155
Date of Birth	09-07-1968
Date of Appointment/Re-appointment	20.03.2015
Qualification	Graduate
Expertise in specific functional Area	Mrs. Vandana Sharma is Non-Executive women Director of our Company. He has been associated with our Company since March 2015.
List of other public/Private limited companies in which Directorship held	Rajasthan Colonisers Private Limited

##### 2. Krishna kamal Prasad

Particulars	Re- Appointment
Name of Director	Mr. Krishna Kamal Prasad
DIN	07025841
Date of Birth	26-08-1956
Date of Appointment/Re-appointment	20.03.2015
Qualification	Graduate
Expertise in specific functional Area	Mr. Krishan Kamal Prasad is an Independent Director of our Company. He has been associated with our Company since March 2015.
List of other public/Private limited companies in which Directorship held	Rodic Mining and Developers Private Limited

### 3. Amit Soni

Particulars	Re- Appointment
Name of Director	Mr. Amit Soni
DIN	06780882
Date of Birth	01-07-1956
Date of Appointment/Re-appointment	20.03.2015
Qualification	Chartered Accountant
Expertise in specific functional Area	Mr. Amit Soni is an Independent Director of our Company. He has been associated with our Company since March 2015.
List of other public/private limited companies in which Directorship held	Shree Maya Consultants Private Limited



#### ANNEXURE - 4

**INFORMATION RELATING TO ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO FORMING PART OF DIRECTORS' REPORT IN TERMS OF SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014**

**(a) Conservation of energy**

(i)	the steps taken or impact on conservation of energy	N.A.
(ii)	the steps taken by the company for utilizing alternate sources of energy	N.A.
(iii)	the capital investment on energy conservation equipments	N.A.

**(b) Technology absorption**

(i)	the efforts made towards technology absorption	The Company has not absorbed any technology from any source.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	N.A.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	N.A.
	(a) the details of technology imported	N.A.
	(b) the year of import;	N.A.
	(c) whether the technology been fully absorbed	N.A.
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A.

(iv)	the expenditure incurred on Research and Development	N.A.
------	--	------

**(c) Foreign exchange earnings and Outgo**

The Foreign Exchange earned in terms of actual inflows during the year: NA

The Foreign Exchange outgo during the year in terms of actual outflows: NA.

For & on behalf of the Board of  
**Prabhat Securities Limited**

**Dated:** 04.09.2019  
**Place:** Kanpur

**Sd/.**  
Mr. Vijay Kumar Jain  
(Chairman)

**Sd/.**  
Mr. Ramakant Kushwaha  
(Managing Director)



## MANAGEMENT DISCUSSION AND ANALYSIS

The Indian economy retained its tag of the fastest growing major economy in the world in 2018-19. However, overall growth for 2018-19 slumped to a five-year low of 6.8% compared with 7% projected in the second advance estimates released in February. A few factors that have helped India in maintaining its status quo as the fastest growing nation are:

**Policy reforms:** Reforms such as increased FDI limits, Goods and Services Tax (GST), etc led to creation of jobs and bringing more businesses into the organized sector. It also improved the ease of doing business, thus benefitting the economy in a major way.

- **Improvement in infrastructure:** Recognized as a key driver for the economy of any nation, the infrastructure sector has enjoyed a lot of focus from the government. Measures such as construction of smart cities, industrial corridors, new railway lines, improving sea connectivity to stimulate trade and building roads to improve rural connectivity have all contributed to the nation's economic growth.

- **Development campaigns:** The government has been campaigning actively for showcasing the nation as a sensible investment destination and improve trade cooperation. Government campaigns such as 'Make in India' and 'Start-up India' have been helping India to position itself as a manufacturing hub and promoting entrepreneurship.

### **Outlook**

The Indian economy is expected to grow at 7.4% in 2019-20 on account of steady improvement in major sectors as government and private consumption remains robust and investment is steadily picking up. One of the main factors - domestic consumption, which drives 60% of the GDP growth is expected to grow up to USD 6 trillion by 2030, supported by a 1.4 billion population. In the longer term, however, India's growth is expected to reflect the benefits of its structural reforms and its growing workforce. But to unlock India's massive economic potential, the nation will need to accelerate and sustain its continuing upward trajectory on key human development indicators and aim for a more inclusive growth.

India has a diversified financial sector undergoing rapid expansion with many new entities entering the market along with the existing financial services firms. The sector comprises commercial banks, insurance companies, NBFCs, Housing Finance Companies, Co-operatives, Pension Funds, Mutual Funds and other smaller financial entities. Another vital element of the nation's financial sector is the rapidly growing insurance industry. The Reserve Bank of India (RBI) recently allowed new entities such as payment banks and small finance banks to commence operations, focusing on specific segments of transactional banking and small-ticket lending, respectively.

In recent times, we have seen tremendous expansion in digital channels owing to evolving needs of customers, greater accessibility of internet services and a marked change in regulatory environment. This has led to proliferation of Fintech Companies.

Some recent developments that have happened in this sector are:

- Launch of India Post Payments Bank (IPPB) for better rural penetration of banks.

Under the Union Budget 2018-19, there has been an allocation of Rs. 3 trillion (USD 46.3 billion) towards the Mudra (Micro-Units Development & Refinance Agency Ltd.) Scheme.

- The Securities and Exchange Board of India (SEBI) has limited the Total Expense Ratio (TER) charged by mutual fund houses having equity assets up to Rs. 500 billion (USD 7.1 billion) to 1.05%.

- NBFCs are gaining eminence in retail finance by financing more than 80% of the equipment leasing and hire purchase activities in India.
- The government's focus on the infrastructure sector is providing an impetus to NBFCs engaged in the infrastructure financing space.

- 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 2018-2019 has not been satisfactory or as expected. The Company made a profit of Rs, 298.57 '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 Auditor's Report**

To the Members of **PRABHAT SECURITIES LIMITED**

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

#### **Opinion**

We have audited the accompanying Standalone Financial Statements of **PRABHAT SECURITIES LIMITED** (“the company”), which comprise the Balance Sheet as at 31<sup>st</sup> March 2019, the Statement of Profit and Loss and the Statement of Cash Flow for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Financial Statements give the information required by the companies act, 2013 (“the act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2019 and its Profit/Loss, (Change in equity) and its cash flows for the year ended on that date.

#### **Basis of Opinion**

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the act (SAs). Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Responsibility of Management for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 controls, 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.

In preparing the Standalone Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individual or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:



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

- (a) 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;
- (b) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (c) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (d) In pursuance to the Notification No. G.S.R 463(E) dated 05-06-2015 issued by the Ministry of Corporate affairs, Section 164(2) of the Companies Act, 2013 pertaining to disqualification of Directors, is not applicable to the Government Company.
- (e) 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 "A"**
- (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:

- a. The Company does not have any pending litigations that would impact its financial position.
- b. The Company did not have any long - term contracts including derivative contracts for which there were any material force able losses.
- c. There are no amounts which were required to be transferred to yhe Investor Education and protection Fund by the Company.

**FOR: R.P.Khandelwal & Associates**  
**Chartered Accountants**  
**FRN No. 001795C**

**Sd/-**  
**R.P. Khandelwal**  
**(Partner)**  
**M. no.:- 071002**

**Place: Jaipur**  
**Date: 28.05.2019**



**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 31<sup>st</sup> March 2019 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: R.P.Khandelwal & Associates**  
**Chartered Accountants**  
**FRN No. 001795C**

**Sd/-**  
**R.P. Khandelwal**  
**(Partner)**  
**M. no.:- 071002**

**Place: Jaipur**  
**Date: 28.05.2019**

## **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, 2019 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.

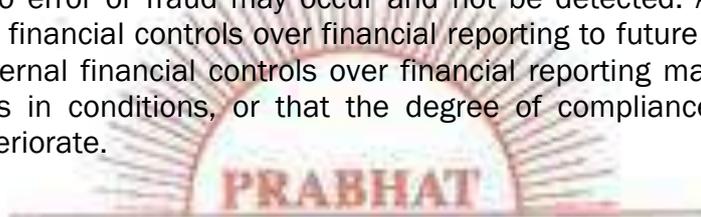
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

### **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 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 31<sup>st</sup> March 2019, 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: R.P.Khandelwal & Associates**  
**Chartered Accountants**  
**FRN No. 001795C**

**Sd/-**  
**R.P. Khandelwal**  
**(Partner)**  
**M. no.:- 071002**

**Place: Jaipur**  
**Date: 28.05.2019**

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

Balance Sheet as at 31 March, 2019

Particulars	Note No.	As at 31 March, 2019	As at 31 March, 2018
		Rs.	Rs.
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	29,000,070	29,000,070
(b) Reserves and surplus	4	3,891,671	3,518,464
		32,891,741	32,518,534
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	5	779,150	-
(b) Deferred tax liabilities (net)	6	(68,623)	(92,309)
		710,527	(92,309)
<b>4 Current liabilities</b>			
(a) Short Term Borrowings	7	-	-
(b) Trade payables	8	260,000	-
(c) Other current liabilities	9	171,037	331,274
(d) Short-term provisions	10	375,671	361,732
		806,708	693,006
<b>TOTAL</b>		<b>34,408,976</b>	<b>33,119,231</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets : Fixed Assets	11	863,189	120,237
(ii) Investments	11A	3,630,000	3,630,000
(b) Long-term loans and advances	12	-	-
		4,493,189	3,750,237
<b>2 Current assets</b>			
(a) Inventories	13	11,600	13,100
(b) Trade receivables	14	-	-
(c) Cash and cash equivalents	15	116,251	1,753,164
(d) Short-term loans and advances	16	29,787,936	27,602,730
		29,915,787	29,368,994
<b>TOTAL</b>		<b>34,408,976</b>	<b>33,119,231</b>
Accompanying notes are an integral part of the financial statements		-	0.35

In terms of our report of even date attached

**FOR R.P KHANDELWAL & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**FRN 001795C**

Sd/-  
**R.P.Khandelwal (M.NO 071002)**  
**PARTNER**

For and on behalf of the Board of Directors

Sd/-  
**VIJAY KUMAR JAIN**  
**(CHAIRMAN)**  
**DIN:- 08208856**

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

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

PLACE: Kanpur  
DATE: 28.05.2019

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

**Statement of Profit and Loss for the year ended 31 March, 2019**

Particulars	Note No.	For the year ended 31 March, 2019	For the year ended 31 March, 2018
		Rs.	Rs.
<b>A CONTINUING OPERATIONS</b>			
<b>1</b> Revenue from operations (gross)	17	3,082,870	3,066,977
<b>Revenue from operations (net)</b>		3,082,870	3,066,977
<b>2 Expenses</b>			
(a) Cost of Shares Purchased	18	-	-
(b) Employee benefits expense	19	1,376,000	1,066,600
(c) Changes in Inventory	20	1,500	130
(d) Other expenses	21	808,727	746,674
<b>Total</b>		<b>2,186,227</b>	<b>1,813,404</b>
<b>3 Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA) (1 - 2)</b>		896,643	1,253,573
<b>4</b> Finance costs	22	56,665	21,117
<b>5</b> Depreciation and amortisation expense	11	263,098	61,803
<b>6</b> Other income		-	-
<b>7 Profit / (Loss) before exceptional and extraordinary</b>		576,880	1,170,653
<b>8</b> Exceptional items		-	-
<b>9 Profit / (Loss) before extraordinary items and tax (7 ± 8)</b>		576,880	1,170,653
<b>10</b> Extraordinary items		-	-
<b>11 Profit / (Loss) before tax (9 ± 10)</b>		576,880	1,170,653
<b>12 Tax expense:</b>			
(a) Current tax expense for current year (M.A.T.)		179,987	361,732
(b) Current tax expense relating to prior years		-	137,016
(c) Net current tax expense		179,987	498,748
(d) Deferred tax		23,686	12,758
		<b>203,673</b>	<b>511,506</b>
<b>13 Profit / (Loss) from continuing operations (11 ± 12)</b>		373,207	659,147
<b>14</b> Transfer to Statutory reserve		74,642	131,830
<b>15 Profit / (Loss) for the year</b>		298,566	527,317
<b>16 Earnings per share (of Rs.10/- each):</b>			
Basic			
(i) Net Profit From Continuing operations		298,566	527,317
(ii) Weighted No. of Equity Shares (No.)		2,900,007	2,900,007
(iii) Earning Per Share From Continuing Operations (i/ii)		0.10	0.18
<b>Accompanying notes are an integral part of the financial statements</b>			

In terms of our report of even date attached

**FOR R.P KHANDELWAL & ASSOCIATES**

Chartered Accountants

FRN 001795C

For and on behalf of the Board of Directors

Sd/-  
VIJAY KUMAR JAIN  
(CHAIRMAN)  
DIN:- 08208856

Sd/-  
RAMA KANT KUSHWAHA  
(MANAGING DIRECTOR)  
DIN:- 02237714

Sd/-  
R.P.Khandelwal (M.NO 071002)  
PARTNER

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

PLACE: Kanpur  
DATE: 28.05.2019

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

**FUND FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2019**

PARTICULARS	FOR THE YEAR ENDED 31.03.2019	FOR THE YEAR ENDED 31.03.2018
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
PROFIT AFTER EXCEPTIONAL ITEMS AND BEFORE TAX	576880	1170653
Add: DEPRECIATION	263098	61803
OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES	<b>839978</b>	<b>1232456</b>
ADJUSTMENT FOR: TRADE & OTHER RECEIVABLES	0	0
VARIATION IN INVENTORIES	1500	130
CURRENT LIABILITIES	54285	249176
TAX PAID DURING THE YEAR		0
	55785	249306
<b>CASH GENERATED FROM OPERATIONAL ACTIVITIES</b>	<b>784193</b>	<b>983150</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
ADVANCES MADE	-2185206	799582
PURCHASE OF FIXED ASSETS	-1006050	-62000
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-3191256</b>	<b>737582</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
NET PROCEEDS FROM FIXED ASSETS	0	0
NET PROCEEDS FROM SHORT TERM BORROWINGS	779150	0
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	779150	0
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALANTS</b>	<b>-1627913</b>	<b>1720732</b>
CASH AND CASH EQUIVALANTS AT 1st APRIL 2018	1753164	32432
CASH AND CASH EQUIVALANTS AT 31st MARCH 2019	<b>125251</b>	<b>1753164</b>

FOR R.P KHANDELWAL & ASSOCIATES  
 CHARTERED ACCOUNTANTS  
 FRN 001795C

For and on behalf of the Board of Directors

Sd/-  
 R.P.Khandelwal (M.NO 071002)  
 PARTNER

Sd/-  
 VIJAY KUMAR JAIN  
 (CHAIRMAN)  
 DIN: 8208856

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

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

PLACE: Kanpur  
 DATE: 28.05.2019

**Notes forming part of the financial statements**

Note	Particulars														
<b>1</b>	<p><b>Corporate information</b></p> <p>The Company is working as Non-Banking Financial Company (NBFC) and the Company has Interest Income alongwith Income from dealing in shares. The registered office of the company is situated at "Satyam", 4/276, Parwati Bagla Road, Kanpur.</p>														
<b>2</b>	<p><b>Significant accounting policies</b></p> <p>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.</p>														
<b>2.1</b>	<p><b>Basis of accounting and preparation of financial statements</b></p> <p>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.</p>														
<b>2.2</b>	<p><b>Use of estimates</b></p> <p>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.</p>														
<b>2.3</b>	<p><b>Inventories</b></p> <p>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.</p>														
<b>2.4</b>	<p><b>Depreciation and amortisation</b></p> <p>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:-</p> <table border="1" 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> <tr> <td>6) Mobile</td> <td>5 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	6) Mobile	5 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														
6) Mobile	5 years														
<b>2.5</b>	<p><b>Revenue recognition</b></p> <p>Interest income has been recognised on the basis accrual of interest.</p>														
<b>2.6</b>	<p><b>Tangible fixed assets</b></p> <p>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.</p>														
<b>2.7</b>	<p><b>Earnings per share</b></p> <p>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.</p>														
<b>2.8</b>	<p><b>Taxes on Income</b></p> <p>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.</p> <p>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.</p>														
<b>2.9</b>	<p><b>Impairment of assets</b></p> <p>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.</p>														
<b>3</b>	<p><b>Provisions and contingencies</b></p> <p>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.</p>														

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

**Notes forming part of the financial statements**

S.N.	Particulars	Current Year As At 31.03.2019	Previous Year As At 31.03.2018
<b>1</b>	<b>Contingent Liabilities:-</b>		
	i) Estimated Amount of Contract on Capital Account remaining to be executed and provided for	NIL	NIL
	ii) Other Contingent Liabilities	NIL	NIL
<b>2</b>	Director's Remuneration	260,000.00	260,000.00
<b>3</b>	<b>AUDITOR'S REMUNERATION:-</b>		
	Audit fees and fees for other Services	29,500.00	29,500.00
<b>4</b>	The balances of Loans and Advances, Current Liabilities & Provisions and other personal accounts are subject to confirmation and reconciliation, if any		
<b>5</b>	At the year end, the company has Inventories of Shares, amounting to Rs.11600.00, comprising investment in Equity Shares of Four companies, But out of Four, 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.		
<b>6</b>	Quoted investments of Rs. 505000.00 held by the company are stated at cost. The market value of these investments as at 31st March 2019 stands at Rs. NIL as there is no rate available as on 31st March 2019. Provision for decline in the market value has not been made as there was no market rate available.		
<b>7</b>	None of the employees has completed the qualifying years of services for entitlement of gratuity and hence no provision has been made for Gratuity		
<b>8</b>	<b>The Deferred Tax Liability as at 31.03.2019 comprises of the following:-</b>		
		<b>As at 01.04.2018</b>	<b>Current Year charge</b>
		<b>As at 31.03.2018</b>	
	<b>Deferred Tax Assets:-</b>		
	Related to Fixed Assets	-68623.00	23686.00
		-68623.00	-92309.00
<b>9</b>	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.		
<b>10</b>	Figures of the Previous Year have been regrouped/ rearranged wherever found necessary.		

**Note 3 Share capital**

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
(a) Authorised Equity shares of Rs.10 each with voting rights	5500000	55,000,000.00	5500000	55,000,000.00
(b) Issued, Subscribed and Fully Paid up Equity shares of Rs. 10 each with voting rights	2900007	29,000,070.00	2900007	29,000,070.00
<b>Total</b>	<b>2900007</b>	<b>29,000,070.00</b>	<b>2900007</b>	<b>29,000,070.00</b>

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

**Particulars**

(i) Terms/rights attached to equity shares

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

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

Particulars	Opening Balance	Fresh issue	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2019			
- Number of shares	2,900,007	-	2,900,007
- Amount (Rs.)	29,000,070.00	-	29,000,070.00
Year ended 31 March, 2018			
- Number of shares	2900007	-	2,900,007
- Amount (Rs.)	29,000,070.00	-	29,000,070.00

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

Class of shares / Name of shareholder	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
MANOJ AGARWAL	200000	6.89	200000	6.89
DIVYA AGARWAL	200000	6.89	200000	6.89
ANHUMAN KAPUR	200000	6.89	200000	6.89
SONALI DIMRI	200000	6.89	200000	6.89
SIDDARTH GUPTA	450000	15.52	450000	15.52
RAJSHREE GATTANI	Nil	Nil	205000	7.06

**Note 4 Reserves and surplus**

Particulars	As at 31 March, 2019	As at 31 March, 2018
	Rs.	Rs.
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	3,518,463.64	2,859,316.68
Add: Profit / (Loss) for the year	298,565.75	527,317.58
Less: Depreciation relating to previous year	<b>3,817,029.39</b>	<b>3,386,634.26</b>
Closing balance		
(d) General Reserve	0.00	-
statutory reserve as per RBI Norms	74,641.69	131,829.64
<b>Total</b>	<b>3,891,671.08</b>	<b>3,518,463.90</b>

**Note 5 Long-term borrowings**

Particulars	As at 31 March, 2019	As at 31 March, 2018
	Rs.	Rs.
(a) Term loans		
From banks/Fl	779,150.00	-
Secured -		
From other parties	-	-
Unsecured		
<b>Total</b>	<b>779,150.00</b>	<b>-</b>

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, 2019		As at 31 March, 2018	
		Secured Rs.	Unsecured Rs.	Secured Rs.	Unsecured Rs.
Term loans from banks/FI:					
Auto loan from ICICI Bank		779150.00	0.00	0.00	0.00
Total - Term loans from banks/Fis		779150.00	0.00	0.00	0.00
Term loans from other parties:					
Unsecured Loas:					
From Body Corporate		0.00	0.00		0.00
Total - Term loans from other parties		-	-	-	-
(ii) The Company has not defaulted in repayment of loans and 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, 2019	As at 31 March, 2018
	Rs.	Rs.
<b>Opening Deferred tax Liability/(Asset)</b>	92,309	105,067
<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/	23,686	12,758
On Absorption of Unabsorbed Depreciation during the year and Due to Fixed Assets	-	-
Others		
Tax effect of items constituting deferred tax liability	23,686	12,758
<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	23,686	12,758
<b>Closing deferred tax liability/(Asset)</b>	<b>68,623</b>	<b>92,309</b>

The Company has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax (or) The Company has recognised deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits considering the non-cancellable customer orders received by the Company.

**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, 2019	As at 31 March, 2018
	Unsecured	Secured
i) Loan Repayable on demand from Banks	0	
ii) Other Loan and Advances : From Body Corporates Prabhat Stock Sh. Brokers (P) Ltd.	- -	- 0
	-	0.00

**Note 8 Trade payables**

Particulars	As at 31 March, 2019	As at 31 March, 2018
	Rs.	Rs.
<u>Trade payables:</u>		
Acceptances	-	-
Other than Acceptances : Sundry Creditors for shares	260,000.00	-
<b>Total</b>	<b>260,000.00</b>	<b>-</b>

**Note 9 Other current liabilities**

Particulars	As at 31 March, 2019	As at 31 March, 2018
	Rs.	Rs.
(a) Current maturities of long-term debt (Refer Note (i) below)	-	-
(b) Book Overdraft (Corporation Bank SCRW A/c)	-	-
(d) Other payables		
(i) Deposit from Employees	-	-
(ii) Advances from customers	-	-
<u>(iii) Other Sundry Liabilities</u>	-	-
Audit Fee Payable	58,659	51,160
Electricity Payable	2,025	4,092
Telephone Expenses	353	1,056
Salary Payable	110,000	90,000
T.D.S Payable	-	4,966
Ashok Kumar Sharma ( Rent)	-	174,000
Santosh Devi Sharma (Rent)	-	6,000
<b>Total</b>	<b>171,037</b>	<b>331,274</b>

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, 2019	As at 31 March, 2018
	Rs.	Rs.
(a) Term loans		
From banks /Fis		
<u>Secured</u>	-	-
From Other Parties	-	-
<u>Unsecured</u>		
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 10 Short-term provisions**

Particulars	As at 31 March, 2019	As at 31 March, 2018
	Rs.	Rs.
(a) Provision for tax : for the A.Y. 2018-19 & 2019-20	375,671	361,732
<b>Total</b>	<b>375,671</b>	<b>361,732</b>

**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, 2018	Additions	Other adjustments/Sale	Balance as at 31 March, 2019	Balance as at 1 April, 2018	Depreciation / amortisation expense for the year	Adjustments	Balance as at 31 March, 2019	Balance as at 31 March, 2019	Balance as at 31 March, 2018
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.
1	AIR CONDITIONER	10	58,000	-	-	58,000	54,561	539	-	55,100	2,900	3,439
2	EPABX	10	19,500	-	-	19,500	18,525	177	-	18,702	798	975
3	UPS 5KV	5	33,000	-	-	33,000	20,370	2,286	-	22,656	10,344	12,630
4	SCOOTER	10	45,051	-	-	45,051	40,968	1,275	-	42,243	2,808	4,083
6	VEHICLE (CAR)	8	999,339	1,006,050	-	2,005,389	955,736	248,769	-	1,204,505	800,884	43,603
6	COMPUTER	3	275,009	-	-	275,009	257,998	3,261	-	261,259	13,750	17,011
7	MOBILE	3.00	62,000	-	-	62,000	23,504	6,791	-	30,295	31,705	38,496
Total			<b>1,491,899</b>	<b>1,006,050</b>	-	<b>2,497,949</b>	<b>1,371,662</b>	<b>263,098</b>		<b>1,634,760</b>	<b>863,189</b>	<b>120,237</b>
Previous year			<b>1,429,899</b>	<b>62,000</b>	-	<b>1,491,899</b>	<b>1,309,858</b>	<b>61,803</b>		<b>1,371,661</b>	<b>120,237</b>	<b>120,040</b>

**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, 2019	As at 31 March, 2018
	Rs.	Rs.
<b>QUOTED SHARES:</b>		
50000 EQ. SHARES OF RAJENDRA FISCAL SERVICES LTD.	500000	500000
500 EQ. SHARES OF SUSHILA PULP & PAPERS LIMITED	5000	5000
<b>UNQUOTED SHARES</b>		
12500 EQ. SHARES OF SANTOSH HOLDINGS PVT. LTD.	125000	125000
300000 EQ. SHARES OF PRABHAT FINANCIAL SERV. LTD.	3000000	3000000
	<b>3630000</b>	<b>3630000</b>

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

Particulars	As at 31 March, 2019	As at 31 March, 2018
	Rs.	Rs.
(a) Security deposits With : Unsecured, considered good :		
(b) Due from Director	-	-
	-	-

**Note 13 Inventories**

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2019	As at 31 March, 2018
	Rs.	Rs.
(a) Shares in Trade	11,600	13,100
<b>Total</b>	<b>11,600</b>	<b>13,100</b>

**Note 14 Trade receivables**

Particulars	As at 31 March, 2019	As at 31 March, 2018
	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	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 15 Cash and cash equivalents**

Particulars	As at 31 March, 2019	As at 31 March, 2018
	Rs.	Rs.
(a) Cash on hand:	25,596	4,175
(b) Balances with banks	-	-
(i) In current accounts: with HDFC Bank	90,655	1,748,989
<b>Total</b>	<b>116,251</b>	<b>1,753,164</b>

**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, 2019	As at 31 March, 2018
	Rs.	Rs.
(a) Loans and advances to related parties		
<u>Unsecured, considered good</u>	-	-
(b) Prepaid expenses - Unsecured, considered good		
Prepaid CIBIL Annual Exp.	1,972	2,473
Prepaid Insurance	7,275	682
	9,247	3,155
(c) Balances with government authorities -sd with electricity	11,727	-
<u>Unsecured, considered good</u>		
Tax Deducted at Sources F.Y. 18-19	307,219	292,128
(d) Others (specify nature)		
<u>Unsecured, considered good</u>		
Loan to Others :		
CMK Developers Pvt. Ltd.	5,768,791	5,768,791
Jawan Minning & Construction Eq. Pvt. Ltd	8,955,762	8,082,818
Neo Exotic Granite LLP	5,061,200	4,000,000
Wollmine India Private Limited	160,818	487,460
Govind Mercantile Pvt. Ltd.	5,463,442	5,012,329
VKS Fincap Pvt. Ltd.	4,049,730	3,956,049
	29,459,743	27,307,447
<b>Total</b>	<b>29,787,936</b>	<b>27,602,730</b>

Notes forming part of the financial statements

**Note 17 Revenue from operations**

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
		Rs.	Rs.
(a)	Sale of products (Refer Note (i) below)	-	145,712
(b)	Income From Financing Activities (Refer Note (ii) below)	3,082,870	2,921,265
	<b>Total</b>	<b>3,082,870</b>	<b>3,066,977</b>

Note	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
		Rs.	Rs.
(i)	Sale of products comprises : Equity Shares & Securities	-	145,712
	<b>Total - Sale of Products</b>	<b>-</b>	<b>145,712</b>
(ii)	Income From Financing Activities comprises : Interest on I T Refund	10,650	-
	Interest received from Loans & Advances given	3,072,220	2,921,265
	<b>Total - Sale of services</b>	<b>3,082,870</b>	<b>2,921,265</b>

**Note 18 Cost of materials consumed**

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
		Rs.	Rs.
	Opening stock; Equity & Shares	-	-
	Add: Purchases: Equity & Shares	-	-
	Add: Service tax on Purchase	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>
	Less: Closing stock : Equity Shares	-	-
	<b>Cost of Shares consumed/Sold</b>	<b>-</b>	<b>-</b>
	Shares consumed/Sold comprises: Equity Shares	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

**Note 19 Employee benefits expense**

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
		Rs.	Rs.
	Staff Welfare	-	18,100
	Salary to Staff	1,116,000	788,500
	Salary to Managing Director	260,000	260,000
	<b>Total</b>	<b>1,376,000</b>	<b>1,066,600</b>

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

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
		Rs.	Rs.
	Opening Stock of Shares	13,100	13,230
		<b>13,100</b>	<b>13,230</b>
	Closing Stock of Shares	11,600	13,100
		<b>11,600</b>	<b>13,100</b>
	<b>Changes in Inventories</b>	<b>-1,500</b>	<b>-130</b>

**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, 2019	For the year ended 31 March, 2018
	Rs.	Rs.
Advertising Expense	56257	47608
Computer Software Exp.	-	12744
Electricicity Expenses	68746	71296
Fees & Subscription (Annexure "A")	188416	95794
Insurance	24849	855
Misc. Expenses	-	342
Postage & Telegram	8370	7034
Printing & Stationery	3382	6213
Professional Charges	6225	51455
Rent, Rates And Taxes	384000	348000
Repair & Maintainence	11253	14171
ROC Filling Fees	4700	7800
Telephone Expense	4519	16007
Travelling & Conveyance	11010	16195
Payments to auditors (Refer Note (i) below)	37000	51160
<b>Total</b>	<b>808727</b>	<b>746674</b>

**Notes:**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
	Rs.	Rs.
(i) Payments to the auditors comprises		
As auditors - statutory audit	29500	29500
For Other Services (Quarterly Audit)	-	14160
For Secterial Audit	7500	7500
<b>Total</b>	<b>37000</b>	<b>51160</b>
(ii) Details of Prior period items (net)		
Prior period expenses	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Notes forming part of the financial statements**

**Note 22 Finance costs**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
	Rs.	Rs.
(a) Interest expense on:		
(i) Borrowings From Banks	-	-
(ii) Others		
Interest paid	56,429	20,169
Interest paid on TDS	-	771
(b) Other borrowing costs		
Bank Charges and Commission	236	177
<b>Total</b>	<b>56,665</b>	<b>21,117</b>

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) Guljhari Lal Sharma 2) Rama Kant Kushwaha 3) Vandana Sharma 4) Dharmendra Kumar
Relatives of KMP Company in which KMP and relatives of KMP can exercise significant influence	1) Smt. Santosh Sharma (Wife of KMP) 2) Vimal Kumar Sharma (Son of KMP) 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.

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2019 and balances outstanding as at 31 March, 2019

Particulars	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Remuneration Paid	260000			260000
Rent Paid		384000		384000
Intt. Received *			456170	456170
Loans and advances Given**			425000	425000
Repayment of Loans and advances Given***			612344	612344
*Intrest Recd:Wollmine India(P)Ltd Rs. 48747.00, VKS Fincap Pvt.Ltd. Rs. 407423.00 ** Loan & Advance Given:VKS Fincap Pvt.Ltd. Rs. 425000.00 ***Repayment of Loan & Advance Given : Wollmine India(P)Ltd Rs. 321767.00, VKS Fincap Pvt.Ltd. Rs. 290577.00				

**PRABHAT SECURITIES LIMITED**

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

Notes forming part of the financial statements

Note 25 Additional information to the financial statements

Note	Particulars			
25.1	<b>Contingent liabilities and commitments (to the extent not provided for)</b>	<b>As at 31 March, 2019</b>	<b>As at 31 March, 2018</b>	
		<b>Rs.</b>	<b>Rs.</b>	
		(i) <b>Contingent liabilities</b>		
		(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) <b>Commitments</b>	<b>As at 31 March, 2019</b>	<b>As at 31 March, 2018</b>
			<b>Rs.</b>	<b>Rs.</b>
		(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	<b>Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b> The company has not received information from vendors regarding their status under the Micro, Small & Medium enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid / payable under this Act has not been given.			
25.3	<b>Value of imports calculated on CIF basis :</b>	<b>For the year ended 31 March, 2019</b>	<b>For the year ended 31 March, 2018</b>	
		<b>Rs.</b>	<b>Rs.</b>	
	Raw materials	Nil	Nil	
	Components	Nil	Nil	
	Spare parts	Nil	Nil	
Capital goods	Nil	Nil		
25.4	<b>Expenditure in foreign currency :</b>	<b>For the year ended 31 March, 2019</b>	<b>For the year ended 31 March, 2018</b>	
		<b>Rs.</b>	<b>Rs.</b>	
	Royalty	Nil	Nil	
	Know-how	Nil	Nil	
	Professional and consultation fees	Nil	Nil	
	Interest	Nil	Nil	
Other matters	Nil	Nil		
25.5	<b>Details of consumption of imported and indigenous items</b>	<b>For the year ended 31 March, 2019</b>		
		<b>Rs.</b>	<b>%</b>	
	<u>Imported (Rs. In Lacs)</u>			
	Raw materials	Nil	Nil	
Components	Nil	Nil		

	Spare parts	Nil	Nil
	<b>Total</b>	Nil	Nil
<b>PRABHAT SECURITIES LIMITED</b> <b>"SATYAM", 4/276, PARWATI BAGLA ROAD, KANPUR</b> Note 25 continued			
	<u>Indigenous</u>	<b>For the year ended 31 March, 2019</b>	
	-	<b>Rs.</b>	<b>%</b>
	Raw Materials (Rs. In Lacs)	Nil	Nil
	Consumables	Nil	Nil
	Packing Materials	Nil	Nil
	<b>Total</b>	Nil	Nil
	Note: Figures / percentages in brackets relates to the previous year		
		<b>For the year ended 31 March, 2019</b>	<b>For the year ended 31 March, 2018</b>
		<b>Rs.</b>	<b>Rs.</b>
25.6	<b>Earnings in foreign exchange : (Rs. In Lacs)</b>		
	Export of goods calculated on FOB basis	Nil	Nil
	Royalty, know-how, professional and consultation fees	Nil	Nil
	Interest and dividend	Nil	Nil
	Other income	Nil	Nil
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 31.03.2018 except those mentioned in these notes on account		

## **Independent Auditor's Report**

To the Members of **PRABHAT SECURITIES LIMITED**

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

We have audited the accompanying Consolidated Financial Statements of **PRABHAT SECURITIES LIMITED** (“the company”), which comprise the Balance Sheet as at 31<sup>st</sup> March 2019, the Statement of Profit and Loss and the Statement of Cash Flow for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the companies act, 2013 (“the act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2019 and its Profits and its cash flows for the year ended on that date.

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the act (SAs). Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Information other than the Financial Statements and Auditors' Report Thereon**

The company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report, Management Discussion and Analysis, Report on Corporate Governance and other Annexure to the Directors' report but does not include the Consolidated Financial Statements and our auditors' report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. The other information is not available

as on date of signing the report, and hence we do not report on the information other than the Consolidated Financial Statements and auditor's report thereon.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 controls, 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.

In preparing the Consolidated Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individual or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the financial statements represent the underlying transaction and events in a manner that achieves fair presentation.'

Materiality is the magnitude of misstatement in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with statement that we have compiled with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure "A"** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the

Company so far as it appears from our examination of those books;

- (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) In pursuance to the Notification No. G.S.R 463(E) dated 05-06-2015 issued by the Ministry of Corporate affairs, Section 164(2) of the Companies Act, 2013 pertaining to disqualification of Directors, is not applicable to the Government Company.
- (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"**
- (g) In pursuance to the Notification No. G.S.R 463(E) dated 05-06-2015 issued by the Ministry of Corporate affairs, Section 197(16) of the Companies Act, 2013 pertaining to Managerial Remuneration, is not applicable to the Company.
- (h) 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:
  - a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements for the year ended 31<sup>st</sup> March, 2019 under Notes on Accounts .
  - b. The Company did not have any long - term contracts including derivative contracts for which there were any material force able losses.
  - c. The Company is not required to transfer any amount to the Investor Education and Protection Fund.

FOR: R.P.Khandelwal & Associates  
Chartered Accountants  
FRN No. 001795C

Sd/-  
(R.P.Khandelwal, Partner)  
M. no.:- 071002  
[UDIN:19071002AAAABA3913](#)  
Place: Jaipur  
Date: 04-09-2019

## Annexure 'A'

The Annexure referred to in paragraph 1 of Our Report on “Other Legal and Regulatory Requirements”.

We report that:

- i. **In respect of Company’s Fixed Asset**
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
  - b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
  - c. The title deeds of immovable properties are held in the name of the Company.
- ii. In respect of loans, secured or unsecured granted by the Company to companies, firms or other parties in the register maintained under section 189 of the companies Act.
  - a. According to the information and explanations given to us, the Company has not granted any loan to the parties listed in the register maintained under section 189 of the Act,
  - b. The Company has also given advances in the nature of loans of its employees which are recovered regularly together with interest if applicable as per Company policy.
- iii. In respect of loans, investments, guarantees, and security, provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.
- iv. The Company has not accepted any deposits from the public covered under Sections 73 to 76 of the Companies Act, 2013.
- v. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.
- vi.
  - a. According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees’ State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2019 for a period of more than six months from the date they became payable.
  - b. According to the information and explanations given to us, there is no amount payable in respect of income tax, service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes.
- vii. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the Company.

- viii. Based on our audit procedures and according to the information given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.
- ix. According to the information and explanations given to us, we report that no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- x. According to the information and explanations given to us ,we report that managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act.
- xi. According to the information and explanations given to us,all transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xii. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xiii. Company has not entered into non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.

**FOR: R.P.Khandelwal & Associates**  
**Chartered Accountants**  
**FRN No. 001795C**

Sd/-  
(R.P.Khandelwal, Partner)  
M. no.- 071002  
**UDIN:19071002AAAABA3913**  
Place: Jaipur  
Date: 04-09-2019



## Annexure 'B'

### **Report on Internal Financial Controls Over Financial Reporting**

#### **Report on the 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 of March 31, 2019 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is 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 Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants 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 the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ 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 Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements 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 procedures to obtain audit evidence about the adequacy of the internal financial controls 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 exists, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, 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 the 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 procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Qualified Opinion**

In our opinion, on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2019 , 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. We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31,2019 financial statements of the Company, and these material weaknesses does not affect our opinion on the financial statements of the Company.

**FOR: R.P.Khandelwal & Associates**  
**Chartered Accountants**  
**FRN No. 001795C**

**Sd/-**  
**(R.P.Khandelwal, Partner)**  
**M. no.:- 071002**  
**UDIN:19071002AAAABA3913**  
**Place: Jaipur**  
**Date: 04-09-2019**

**PRABHAT SECURITIES LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2019**

(Figures in Rs.)

PARTICULARS	As at 31.03.2019		As at 31.03.2018
<b>I EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Fund:</b>			
(a) Share Capital	42,009,070.00		42,009,070.00
(b) Reserve & Surplus	94,991,954.67	137,001,024.67	94,692,321.58
<b>(2) Minority Interest</b>		1,565,204.42	1,578,692.33
<b>(3) Non Current Liabilities:</b>			
Long Term Borrowings		1,138,037.00	799,991.00
<b>(4) Current Liabilities</b>			
(a.) Short Term Borrowings		28,050,000.00	17,750,000.00
(b.) Trade Payable		23,746,694.00	28,519,455.00
(c) Other Current Liabilities		3,979,395.00	5,335,244.00
(d) Short Term Provision		462,871.00	2,505,032.00
<b>TOTAL (Rs.)</b>		<b>195,943,226.00</b>	<b>193,189,806.00</b>
<b>II ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets:			
-Tangible Assets		3,153,725.00	3,056,473.00
(b) Non Current Investment		46,366,491.00	39,881,717.00
(c) Deferred Tax Assets		639,679.00	677,052.00
(d) Long Term Loans & Advances		11,303,000.00	11,053,000.00
<b>2. Current Assets</b>			
(a) Trade Receivable		23,765,888.00	24,147,626.00
(b) Cash and Cash equivalents		73,241,074.00	66,226,476.00
(c) Short Term Loans and Advances		34,981,664.00	46,238,676.00
(d) Other Current Assets		2,480,105.00	1,895,686.00
(e) Inventories		11,600.00	13,100.00
<b>TOTAL (Rs.)</b>		<b>195,943,226.00</b>	<b>193,189,806.00</b>

As per our Separate report of even date attached

For R.P KHANDELWAL & ASSOCIATES

CHARTERED ACCOUNTANTS

UDIN:19071002AAAABA3913

Sd/-

R.P KHANDELWAL

PARTNER

M. No. 071002

FRN 001795C

Sd/-

(Vijay Kumar Jain)

Director

DIN:-8208856

Sd/-

(Rama Kant Kushwaha)

Director

DIN:-02237714

PLACE: Kanpur

DATE:04.09.2019

**PRABHAT SECURITIES LIMITED**

**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019**

(Figures in Rs.)

Particulars	For the Year ended 31.03.2019	For the Year ended 31.03.2018
<b>INCOME:</b>		
Revenue From Operations	20,906,641.00	31,823,903.00
Other Income	5,274,755.00	8,936,808.00
<b>Total Revenue</b>	<b>26,181,396.00</b>	<b>40,760,711.00</b>
<b>EXPENSES:</b>		
Employee benefits Expenses	9,846,846.00	8,956,256.00
Finance cost	2,740,662.00	2,324,337.00
Depreciation and Amortisation Expense	987,798.00	1,133,903.00
Other Expenses	12,031,176.00	16,151,354.00
Change in inventory	1,500.00	130.00
<b>Total Expenses</b>	<b>25,607,982.00</b>	<b>28,565,980.00</b>
<b>Net Profit Before Tax and Minority Interest</b>	<b>573,414.00</b>	<b>12,194,731.00</b>
Less:- Income Tax of earlier year	19,976.00	123,523.00
<b>Tax Expenses</b>		
-Current Tax	267,187.00	2,501,532.00
-Deferred Tax	9,999.00	50,186.00
-Excess/Short provision relating to earlier year tax	2,685.00	-
Less Transferred to Statutory Reserve	(74,642.00)	(131,830.00)
<b>Profit After Tax but before Minority Interest</b>	<b>333,517.00</b>	<b>9,866,908.00</b>
<b>Less:- Share of Profit/(Loss) attributable to Minority Shareholders</b>	<b>13,487.91</b>	<b>26,582.09</b>
<b>Profit For the year</b>	<b>320,029.09</b>	<b>9,840,325.91</b>
<b>Earning Per Share</b>	0.08	2.35
Basic and Diluted( In Rs.)	0.08	2.35
As per our Separate report of even date attached <b>For R.P KHANDELWAL &amp; ASSOCIATES</b> <b>CHARTERED ACCOUNTANTS</b>	Sd/- <b>(Rama Kant Kushwaha)</b> <b>Managing Director</b>	Sd/- <b>(Vijay Kumar Jain)</b> <b>Director</b>
Sd/- R.P. Khandelwal (Partner) <b>UDIN:19071002AAAAABA3913</b>		
M. No. 071002 FRN: 001795C		<b>PLACE: Kanpur</b> <b>DATE: 04.09.2019</b>

<b>PRABHAT SECURITIES LIMITED</b>		
<b>CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019</b>		
PARTICULARS	2018-19	2017-18
	Amount (Rs.)	Amount (Rs.)
<b>A. CASH FLOW FROM OPERATION ACTIVITIES :</b>		
Net Profit before tax & extraordinary items	19,976.00	12,194,731.00
Adjustments for :-		
Depreciation	12,031,176.00	1,133,903.00
Income from sale of Mutual fund units	-	(3,256,157.00)
Finance Cost	21,022.00	34,653.00
Interest Received	(160,829.00)	(179,296.00)
Dividend Income	-	-
Dividend From Mutual Funds	-	(396,858.00)
<b>Operating Profit before Working Capital Changes</b>	<b>11,911,345.00</b>	<b>9,530,976.00</b>
Adjustments for :-		
Trade and other receivables	11,897,242.00	16,764,416.00
Trade and other Payables	(6,282,658.00)	(3,571,614.00)
<b>Cash generated from Operations</b>	<b>5,614,584.00</b>	<b>13,192,802.00</b>
Wealth Tax Paid	-	-
Direct tax paid/refund	(785,214.00)	(1,689,430.00)
<b>Cash Flow before extraordinary items</b>	<b>16,740,715.00</b>	<b>21,034,348.00</b>
Extra ordinary items:-	-	-
<b>Net cash from operating activities</b>	<b>16,740,715.00</b>	<b>21,034,348.00</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(1,085,050.00)	(293,861.00)
Income From Sale of Mutual fund Units	-	3,256,157.00
Interest Received	160,829.00	179,296.00
Income From Sale of Car	-	-
Dividend Received	-	-
Dividend From Mutual Funds	-	396,858.00
Cash Advance and loans made to other parties	(2,435,206.00)	799,582.00
Cash Advance and loans received back		
Investment purchased	(1.00)	(11,538,754.00)
<b>Net cash used in investing activities</b>	<b>(3,359,428.00)</b>	<b>(7,200,722.00)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Refund against Membership Fee (BSE/NSE)	-	-
Finance cost	(21,022.00)	(34,653.00)
Unsecured Loans from Companies	10,638,046.00	4,098,162.00
Other Inflows /(Outflows) of cash	-	-
<b>Net cash used in financing activities</b>	<b>10,617,024.00</b>	<b>4,063,509.00</b>
Net increase in cash and cash equivalents(A+B+C)	23,998,311.00	17,897,135.00
Cash and cash equivalents(Opening balance)	66,226,476.00	48,328,909.00
Cash and cash equivalents(Closing balance)	90,224,787.00	66,226,476.00
For R.P. KHANDELWAL & ASSOCIATES (FRN 001795C)	Sd/-	Sd/-
CHARTERED ACCOUNTANTS	(Vijay Kumar Jain)	(Rama Kant Kushwaha)
Sd/-	Director	Director
R.P. Khandelwal	DIN:-8208856	DIN:-02237714
PARTNER		
UDIN:19071002AAAABA3913		Place: Kanpur
M. No. 071002		Date: 04.09.2019

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

**ATTENDANCE SLIP**

DP ID.	
CLIENT ID	

FOLIO NO.	
NO. OF SHARES	

Name & Address of Shareholder / Proxy holder

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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 Monday, the 30<sup>th</sup> September 2019, 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 Monday, the 30<sup>th</sup> September 2019, 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, 2019 including the audited Balance Sheet as on 31st March, 2019 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon		
2	To re-appoint Mrs. Vandana Sharma (DIN 00954155) Director of the Company who retires by rotation at this meeting and being eligible, offers herself for re-appointment.		
3	To reappoint for second term, Mr. K.K. Prasad (DIN: 07025841) Independent Director of the company, whose term will end on 20.03.2020.		
4.	To reappoint for second term, Mr. Amit Soni (DIN: Amit Soni) Independent Director of the company, whose term will end on 20.03.2020		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

Signature of shareholder.....

Affix  
Re.1/-  
Revenue  
Stamp

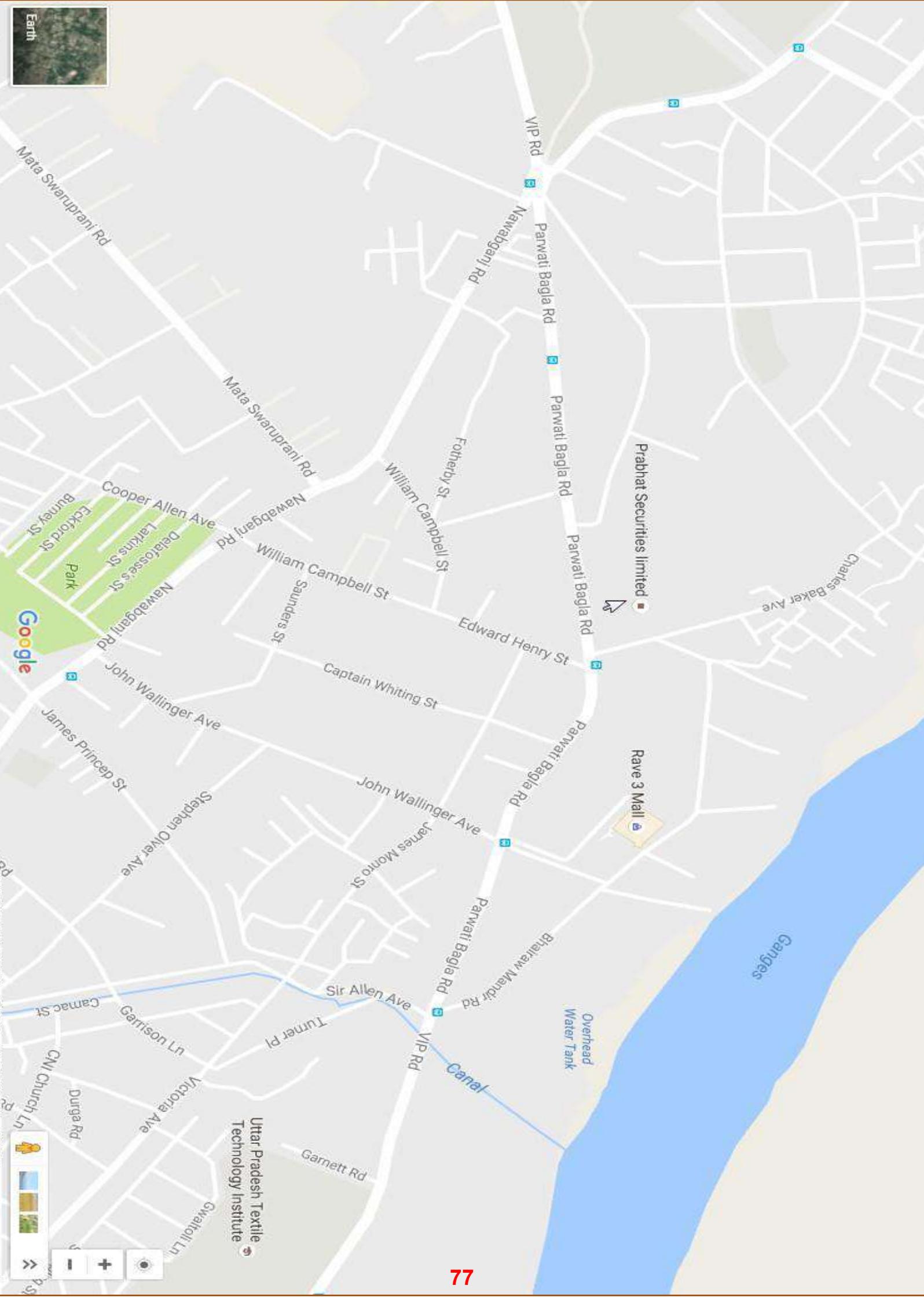
Signature of Proxy holder(s).....

FOR OFFICE USE ONLY

DATE OF RECEIPT

Notes:

1. This form in order to be effective should be duly completed and deposited at the Registered Office of the company, not less than 48 hours before the commencement of the meeting.
2. It is optional to indicate your preference. If you leave the for or against column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.



Google

Map navigation controls including a location pin icon, a street view pegman icon, a thumbnail gallery, and zoom in (+) and zoom out (-) buttons.

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

**PRABHAT SECURITIES LIMITED**

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

**Phone No.:** 91-512-2526347

**E-mail:** [prabhatsecurities@gmail.com](mailto:prabhatsecurities@gmail.com)

**Website :** [www.prabhatsecuritiesltd.com](http://www.prabhatsecuritiesltd.com)

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