

# **Annual Report**

## **2014-2015**



**PRASHANT  
INDIA LTD.**

# PRASHANT INDIA LTD.

## Board of Directors

Shri P. M. Gondalia  
*Chairman & Managing Director*

Shri H. M. Gondalia  
*Whole Time Director*

Shri H. B. Malavia  
*Independent Director*

Mrs. Poonam Khandelwal  
*Independent Director*

## Statutory Auditors

Devendra Gheewala & Co.  
Chartered Accountants  
Surat

## Company Secretary

Mrs. Rashmi Bhatt

## Bankers

State Bank of India

## Registered Office

Block No. 456, Palsana Char Rasta,  
N. H. No. 8, Palsana – 394315  
Dist. Surat, Gujarat

## Wind Power Division

Block No. 502P, 504P & 505P,  
Village Dhank, Tal. Upleta,  
Dist Rajkot 360460  
Gujarat

## Agro Division

Ruvapari Road,  
Bhavnagar – 346 001  
Gujarat

## Investor Services Email Id

cs.prashantindia@gmail.com

## Corporate Identification Number

L15142GJ1983PLC006574

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 32<sup>nd</sup> Annual General Meeting of the Members of **PRASHANT INDIA LIMITED** will be held on Wednesday, September 30, 2015 at 11.00 A.M. at the registered office of the company situated at Block No.456, National Highway No. 8, Palsana Char Rasta, Palsana, Taluka-Palsana, District-surat 394315 to transact the following business:

**ORDINARY BUSINESS:-**

1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2015, alongwith the Board of Directors Report and Auditors Report thereon.
2. To appoint a Director in place of Shri. H. B. Malavia who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the appointment of M/s DEVENDRA GHEEWALA & CO., Chartered Accountants (Registration No 115563W), be and are hereby ratified as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at remuneration to be decided by the Board of Directors and further that the exemption by the Company be and is hereby granted to the auditors from attending the meeting of the members of the Company.”

**SPECIAL BUSINESS:-**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules framed thereunder and Clause 49 of the Listing Agreement entered into with the Stock Exchanges (including any statutory modifications or amendments or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mrs. Poonam N. Khandelwal (DIN 07084077), who was appointed as an Additional Director by the Board of Directors of the Company pursuant to sub section (1) of Section 161 of the Companies Act, 2013 and who holds office only upto the date of this Annual General Meeting, and in respect of whom a notice under section 160 of the Companies Act, 2013 have been received from a member signifying his intention to propose, Mrs. Poonam Khandelwal as a candidate for the office of the Director, be and is hereby appointed as Director of the Company, not liable to retire by rotation, to hold office for a period of 2 (two) consecutive years from January 31, 2015 to January 30, 2017.

5. To consider and, if thought fit, to pass, with or without modifications, the following Resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification(s) or re- enactment thereof, for the time being in force, and rules made there-under and subject to necessary statutory approvals and modifications if any consent of the members be and is hereby accorded to alter the regulations contained in the existing Articles of Association by incorporating the new regulations in line with the applicable provisions of Companies Act, 2013 and the rules made thereunder.”

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

6. To consider and, if thought fit, to pass, with or without modifications, the following Resolution as Special Resolution:

“RESOLVED THAT the Board do hereby enter into a contractual agreement with M/s. Shantilon Poly Pvt. Ltd. for using one of the factory buildings of the company at Block 456, Palsana Char Rasta, N. H. 8,

Palsana - 394315, Dist. Surat along with plant & machineries of the company installed therein and to allow utilization of textile manufacturing infrastructure of the company for industrial purpose, for a consideration based on per unit production plus reimbursement of all expenses for utilizing the manufacturing infrastructure of the company as may be decided mutually from time to time.

“RESOLVED FURTHER THAT Shri P. M. Gondalia director of the company is hereby authorized to sign and execute necessary documents and rent agreement regarding the hiring of said Machineries as may be required.”

7. To consider and, if thought fit, to pass, with or without modifications, the following Resolution as Special Resolution:

“RESOLVED THAT in pursuance to the provisions of Sections 196, 197 and other applicable provisions, if any of the Companies Act, 2013 read with Schedule V prescribed under the Companies Act, 2013 and in pursuance to the provisions of Articles of Association of the Company, Mr. P. M. Gondalia be and is hereby reappointed as Managing Director of the Company for a period of 5 (Five) Years w.e.f. September 1, 2015 at a remuneration and other terms and conditions in such manner as may be agreed to between the Board of Directors and Mr. P. M. Gondalia.

“RESOLVED FURTHER that the Board or a Committee thereof be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

8. To consider and, if thought fit, to pass, with or without modifications, the following Resolution as Special Resolution:

“RESOLVED THAT in pursuance to the provisions of Sections 196, 197 and other applicable provisions, if any of the Companies Act, 2013 read with Schedule V prescribed under the Companies Act, 2013 and in pursuance to the provisions of Articles of Association of the Company, Mr. H. M. Gondalia be and is hereby reappointed as Whole time director of the Company for a period of 5 (five) years w.e.f. September 1, 2015 at a remuneration and other terms and conditions in such manner as may be agreed to between the Board of Directors and Mr. H. M. Gondalia.

“RESOLVED FURTHER that the Board or a Committee thereof be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

By Order of the Board of Directors

Place: Palsana

Date: 14.08.15

Sd/-

P. M. Gondalia

Chairman & Managing Director

#### **NOTES :-**

- (1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company.
- (2) Proxies in order to be effective should be duly completed, stamped and signed and must be deposited at the registered office of the company not less than 48 hours before the commencement of the annual general meeting. 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. a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (3) Corporate Members intending to send their authorised representative(s) to attend the Meeting are requested to send to the company a certified true copy of the Board resolution authorising their representative to attend and vote on their behalf at the Annual General Meeting.
- (4) The Register of members and Share Transfer books will remain closed from 23.09.2015 to 30.09.2015 (both days inclusive).



- (5) **Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. Members are also requested to intimate, indicating their folio number, the changes, if any, in their registered address. The Company has designated an exclusive e-mail id viz., [cs.prashantindia@gmail.com](mailto:cs.prashantindia@gmail.com) to enable investors to register their complaints / queries, if any.**
- (6) Members may also note that the Notice of the 32<sup>nd</sup> Annual General Meeting and the Annual Report for 2014-15 will also be available on the Company's website [www.prashantindia.info](http://www.prashantindia.info) for download.
- (7) Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
- (8) **Information and other instructions relating to e-voting are as under:**
- (i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
  - (ii) The members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through 'polling paper'.
  - (iii) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
  - (iv) The Company has engaged the services of MCS Share Transfer Agent Ltd. as the Agency to provide e-voting facility.
  - (v) The Board of Directors of the Company has appointed Shri Devendra M. Gheewala, a Practicing Chartered Accountant, Proprietor, M/s Devendra Gheewala & Co., Surat as Scrutinizer to scrutinise the polling process and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
  - (vi) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member as on the cut-off date i.e. September 23, 2015.
  - (vii) A person, whose name is recorded in the register of members as on the cut-off date, i.e. September 23, 2015 only shall be entitled to avail the facility of remote e-voting / voting.
  - (viii) The Scrutinizer, after scrutinising the votes cast at the meeting (polling paper) and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company. The results shall be communicated to the Stock Exchanges.
  - (ix) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. September 30, 2015.
- (x) **Instructions for members for voting electronically are as under:-**
- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (ii) Click on "Shareholders" tab.
  - (iii) Now Enter your User ID
    - a. Members holding shares in Physical Form should enter First 2 digits of your name followed by 8 digits of sr.no. leading "0" . For example, if your name is Prashant then you have to enter PR00001250. (as given in the address slip on this Annual Report)

- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) Members holding shares in physical form will then reach directly the Company selection screen.
- (vi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (vii) Click on the EVSN 150819056 for the relevant PRASHANT INDIA LTD. on which you choose to vote.
- (viii) 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.  
E VOTING START DATE 26.09.2015 AT 09.00 AM AND END DATE 29.09.2015 05.00 PM.
- (ix) Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**ITEM NO. 4**

Mrs. Poonam N. Khandelwal was appointed by the Board of Directors of the Company on 31<sup>st</sup> January, 2015 as an additional Director and, as per the provisions of Section 161(1) of the Companies Act, 2013 she holds office as a Director up to the date of this Annual General Meeting. The Company has received a Notice from a Member together with deposit of requisite amount signifying his intention to propose the appointment of Mrs. Poonam N. Khandelwal as a Director of the Company.

The Board recommends the appointment of Mrs. Poonam N. Khandelwal as an Independent Director, in accordance with the provisions of section 149 read with Schedule IV to the Act, to hold office for a term upto two consecutive years on the Board of Directors of the Company with effect from January 31, 2015.

Except, Mrs. Poonam N. Khandelwal, none of the directors of the Company are interested or concerned in the resolution.

**ITEM NO. 5**

The existing Articles of Association (AOA) are based on the Companies Act, 1956, and several regulations in the existing AOA contained references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the Act. With the coming into force of the Companies Act, 2013, several regulations of the existing AOA of the Company require alteration or deletion. Accordingly, it is proposed to replace the entire existing AOA by a set of new Articles. The new AOA to be substituted in place of existing AOA are based on Table-F of the Companies Act, 2013 which sets out the model Articles of Association for a company limited by shares. The Board accordingly recommends the Special Resolution as mentioned at item No. 5 of this notice for your approval. Pursuant to applicable provisions of the Companies Act, 2013, none of the Directors and Key Managerial Personnel and their relatives is either directly or indirectly concerned or interested, financially or otherwise in the proposed resolution except in capacity of shareholder.

**ITEM NO. 6**

The Board has decided to enter into a contractual agreement with M/s. Shantilon Poly Pvt. Ltd. for using one of the factory buildings of the company at Block 456, Palsana Char Rasta, N. H. 8, Palsana - 394315, Dist. Surat along with plant & machineries of the company installed therein and to allow utilization of textile manufacturing infrastructure of the company for industrial purpose, for a consideration based on per unit production plus reimbursement of all expenses for utilizing the manufacturing infrastructure of the company as may be decided mutually from time to time.

Except, Mr. P. M. Gondalia and Mr. H. M. Gondalia, none of the directors of the Company are interested or concerned in the resolution.

**ITEM NO. 7**

The Board of Directors has re-appointed Mr. P. M. Gondalia as MD for a further period of 5 (five) years, with effect from September 1, 2015, subject to the approval of the Members.

The main terms and conditions of reappointment of Mr. P. M. Gondalia (hereinafter referred to as MD”) are given below:

A. Tenure of reappointment:

The reappointment of the MD is for a period of five years with effect from September 1, 2015.

B. Basic Salary:

Current Basic Salary of Rs. 15,486 per month;

The Board commends the Resolution at Item No. 7 for approval by the Members.

Except Mr. P. M. Gondalia and Mr. H. M. Gondalia, none of the Directors’ of the Company are concerned or interested in the said Resolution.

**ITEM NO. 8**

The Board of Directors has re-appointed Mr. H. M. Gondalia as Whole time director for a further period of five years, with effect from September 1, 2015, subject to the approval of the Members.

The main terms and conditions of reappointment of Mr. H. M. Gondalia (hereinafter referred to as WTD”) are given below:

A. Tenure of reappointment:

The reappointment of the WTD is for a period of five years with effect from September 1, 2015.

B. Basic Salary:

Current Basic Salary of Rs. 15486 per month;

The Board commends the Resolution at Item No. 8 for approval by the Members.

Except Mr. P. M. Gondalia and Mr. H. M. Gondalia, none of the Directors’ of the Company are concerned or interested in the said Resolution.

**DETAILS OF DIRECTORS SEEKING REAPPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING**

(In pursuance of Clause 49 of the Listing Agreement)

|   |                             |                     |
|---|-----------------------------|---------------------|
| 1) Name of Directors                                | H. B. Malvia                | Poonam N Khandelwal |
| 2) Age  | 78 Years                    | 43 Years            |
| 3) Qualification                                    | B.E.                        | SSC                 |
| 4) Date of Appointment                              | 10.10.2001                  | 31.01.2015          |
| 5) Experience                                       | 37 Years                    | 5 Years             |
| 6) Other Directorship as on 31.3.2015               | Nil                         | Nakoda Limited      |
| 7)Chairman/member of the Committee as on 31.03.2015 | Chairman of Audit Committee | Nil                 |

**DIRECTORS' REPORT**

To,  
The Members

Your directors have pleasure in presenting their 32<sup>nd</sup> Annual Report and the Audited Statement of accounts for the year ended on 31<sup>st</sup> March, 2015 together with the Auditors Report thereon.

**FINANCIAL RESULTS**

The summarized financial results for year ended 31<sup>st</sup> March 2015 are as under:

| (Rs. in Lacs)   |                |
|---|----------------|
| Particulars   | March 31, 2015 |
| Sales and other Income                                    | 41.05          |
| Less: total expenditure                                   | 117.69         |
| Profit before exceptional and extraordinary items and tax | (76.64)        |
| Less: exceptional items                                   | 70.65          |
| Profit /(Loss) before extraordinary items and tax         | (5.98)         |
| Less: extraordinary items                                 | 0.00           |
| Less: Tax expenses  | 0.00           |
| Net Profit/(Loss) for the period                          | (5.98)         |

The company continues to operate in Textiles and Wind power generation business.

The company had preferred an appeal in Gujarat High Court against BIFR order for winding up and the hon'ble court in its order dated 28.07.2015 has remanded back the matter to BIFR for reconsideration.

**DIVIDEND**

In view of losses the directors do not recommend any dividend for the year ended 31<sup>st</sup> March 2015.

**SUBSIDIARY COMPANY:**

As on March 31, 2015, the Company does not have any subsidiary.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The Board consists of executive and non-executive directors including independent directors who have wide and varied experience in different disciplines of corporate functioning.

Mrs. Poonam Khandelwal was appointed as an additional director by the Board w.e.f. January 31<sup>st</sup> 2015 in the category of the independent director to broad base the Board of Directors and to comply with the requirement of Clause No. 49 of the listing agreement. The Company has received a notice in writing from member signifying her candidature for the office of independent director of the Company.

Mrs. Rashmi T Bhatt and Mr. Prashant S Parekh have been appointed as Company Secretary and Chief Financial Officer with effect from 31.01.2015 and 01.05.2015 respectively.

**DECLARATION BY INDEPENDENT DIRECTORS**

The Independent directors have submitted their disclosure to the Board that they fulfill all the requirements as to qualify for their appointment as an Independent Director under the provisions of the Companies Act, 2013 as well as Clause 49 of the Listing Agreement.

**AUDITORS :**

The appointment of M/s. Devendra Gheewala & Co., the Company's Auditors needs to be ratified at the annual general meeting and being eligible offers themselves for re-appointment. The Company has received a certificate from the auditors to the effect that their re-appointment if made, would be in accordance with the provisions of section 141 of the Companies Act, 2013.

**SECRETARIAL AUDIT AND THE APPOINTMENT OF THE SECRETARIAL AUDITORS:**

The Board has appointed Shri S. Durairaj, Company Secretary in Practice to hold the office of the Secretarial Auditors and to conduct the Secretarial Audit. The Secretarial Audit Report is being attached with the Directors report as Annexure I.

**DEPOSITS:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of section 134(5) the Board confirm and submit the Directors' Responsibility Statement:—

- (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 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) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (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.

**MANAGEMENT DISCUSSION AND ANALYSIS.**

- (a) **Industry Structure and Developments:-** Company is a Textile Company
- (b) **Opportunities and Threats:-** The textile industry provides ample opportunities in domestic and as well as export market. However the uncertainty of raw material prices and government policies are detrimental to growth and profitability.
- (c) **Segmentwise or productwise Performance:-** Company operates in two segments (1) Textile and Wind Power Generation. This is mentioned as an annexure to the Balance Sheet.
- (d) **Outlook:-** The directors proposes to revive the company subject to approval of schemes to be approved by BIFR and other competent authorities.
- (e) **Risks & Concerns :-** Company do not foresee any such risk in near future, which will hamper the activities.
- (f) **Internal control systems and their adequacy:-** Company is in the process of implementing various software for better control.
- (g) **Discussion on financial performance with respect to operational performance:-** Company is a sick company and all efforts are being made to make settlements with secured creditors and concerned authorities.
- (h) **Human Resources Management Initiatives:-** The management is keenly interested this field. All the efforts are made to rationalize its manpower and make effective use of the same.

**PARTICULARS OF EMPLOYEE:**

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as “Annexure II”.

**INDUSTRIAL RELATIONS:**

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

**ACKNOWLEDGMENT:**

The Directors express their sincere thanks to the employees, customers, suppliers, company's bankers and members of the company for their continued support.

For & On Behalf of the Board of Directors

Sd/-

Place : Palsana

Date : 14.08.2015

P. M. Gondalia

Chairman & Managing Director

**INFORMATION AS PER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2015****A. CONSERVATION OF ENERGY**

- a) Energy conservation measures taken: None at present
- b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy: There are no proposals.
- c) Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: Does not arise.
- d) Total energy consumption and energy consumption per unit of production as per Form "A" to annexure in respect of industries specified in the schedule thereto: Not Applicable.

| A. | Power and fuel consumption                       |  | Current year | Previous year |
|----|--|--|--------------|---------------|
| 1  | Electricity                                      |  |              |               |
|    | (a) Purchased                                    |  |              |               |
|    | Unit   |  | 505720       | 286340        |
|    | Total amount                                     |  | 3841518      | 2410958       |
|    | Rate / unit                                      |  | 7.60         | 8.42          |
|    | (b) Own generation                               |  |              |               |
|    | (i) Through diesel generator                     |  |              |               |
|    | Units  |  |              |               |
|    | Units per lt. of diesel oil                      |  | 0            | 110760        |
|    | Cost/unit  |  |              |               |
|    | (ii) Through steam turbine/generator             |  |              |               |
|    | Units  |  | Nil          | Nil           |
|    | Units per lt. of fuel oi/gas                     |  | Nil          | Nil           |
|    | Cost/unit  |  | Nil          | Nil           |
| 2  | Coal (specify quality and where used )           |  |              |               |
|    | Quantity (Tonnes)                                |  | 0            |               |
|    | Total cost                                       |  | 0            | 361396        |
|    | Average rate                                     |  | 0            |               |
| 3  | Furnace oil                                      |  |              |               |
|    | Quantity (K.ltrs.)                               |  | Nil          | Nil           |
|    | Total cost                                       |  | Nil          | Nil           |
|    | Average rate                                     |  | Nil          | Nil           |
| 4  | Others/Internal generation (please give details) |  |              |               |
|    | Quantity   |  | 819827       | 750866        |
|    | Total cost                                       |  | 3486592      | 2839600       |
|    | Rate / unit                                      |  | 4.25         | 3.78          |

**B. TECHNOLOGY ABSORPTION**

Research & Development (R & D)

1. Specific area in which R & D carried by the company: None at Present
2. Benefits derived as a result of the above R & D: Does not arise.
3. Future plan of action: Revival Scheme under consideration.
4. Expenditure on R & D: Nil

Technology absorption, adaptation and innovation:

1. Efforts being made towards technology absorption, adaptation and innovation: None
2. Benefits derived as a result of the above efforts e.g. Product improvement cost, reduction, product development, import substitution etc. : None
3. Imported technology : Not applicable as technology has not been imported.

**C. FOREIGN EXCHANGE EARNING AND OUTGO:**

Earning: Rs.Nil      Outgo : Rs. nil

Annexure I**Form No. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

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

To,  
The Members,  
Prashant India Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Prashant India Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Prashant India Ltd. 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 my opinion, the company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the Audit Period);
- (v) 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 (Not applicable to the Company during the Audit Period);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
  - (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 (Not applicable to the Company during the Audit Period);
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period).

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange.



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

The Company's shares are in the process of Dematerialisation.

BIFR having held the Company as sick under the provisions of sec. 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 and ordered for winding up of the Company, which is upheld by the AAIFR. This winding up order is challenged by the Company, by way of civil application before the hon'ble Gujarat High Court. The hon'ble court in its order dated 28.07.2015 has remanded back the matter to BIFR for reconsideration.

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 decisions at Board Meetings and Committee Meetings are carried out 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.

Place: Surat  
Date: 14.08.2015

S. Durairaj  
Practising Company Secretary  
COP No.: 7492

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,  
Prashant India 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.

Place: Surat  
Date: 14.08.2015

S. Durairaj  
Practising Company Secretary  
COP No.: 7492

**Annexure I****FORM NO. MGT - 9  
EXTRACT OF ANNUAL RETURN****As on financial year ended on March 31, 2015****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.****I. REGISTRATION & OTHER DETAILS:**

|    |   |   |
|----|---|---|
| 1. | CIN   | L15142GJ1983PLC006574   |
| 2. | Registration Date   | 23/11/1983  |
| 3. | Name of the Company   | Prashant India Ltd.   |
| 4. | Category/Sub-category of the Company                              | Company limited by shares/ Indian Non-Government Company  |
| 5. | Address of the Registered office & contact details                | Block 456, Palsana Char Rasta, N. H. 8, Palsana - 394315, Dist. Surat<br>Email: cs.prashantindia@gmail.com  |
| 6. | Whether listed company  | Yes   |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent | MCS Share Transfer Agent Ltd.<br>101, Shatdal Complex, 1st Floor, Ashram Road, Ahmedabad - 380009.<br>Ph:- 079-2658 2878, 2879, 2880<br>Email:- mcsahmd@gmail.com |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

| S. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|--------|--|----------------------------------|------------------------------------|
| 1      | Textile / Wind Power Generation                  | 4320                             | 100%                               |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

| S. No. | NAME AND ADDRESS OF THE COMPANY | CIN/GLN | HOLDING/ SUBSIDIARY/ ASSOCIATE | % of shares held | Applicable Section |
|--------|---------------------------------|---------|--------------------------------|------------------|--------------------|
| 1      | NA                              | NA      | NA                             | NA               | NA                 |

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****A. Category-wise Share Holding**

| Category of Shareholders | No. of Shares held at the beginning of the year i.e. 01.04.2014 |          |         |                   | No. of Shares held at the end of the year i.e. 31.03.2015 |          |        |                   | % Change during the year |
|--------------------------|---|----------|---------|-------------------|---|----------|--------|-------------------|--------------------------|
|                          | Demat   | Physical | Total   | % of Total Shares | Demat   | Physical | Total  | % of Total Shares |                          |
| A. Promoters             |   |          |         |                   |   |          |        |                   |                          |
| (1) Indian               |   |          |         |                   |   |          |        |                   |                          |
| a) Individual/ HUF       | 0   | 1401868  | 1401868 | 33.10             | 0   | 845910   | 845910 | 19.97             | -8.07                    |
| b) Central Govt          | 0   | 0        | 0       | 0.00              | 0   | 0        | 0      | 0                 | 0                        |
| c) State Govt(s)         | 0   | 0        | 0       | 0.00              | 0   | 0        | 0      | 0                 | 0                        |
| d) Bodies Corp.          | 0   | 0        | 0       | 0.00              | 0   | 0        | 0      | 0                 | 0                        |
| e) Banks / FI            | 0   | 0        | 0       | 0.00              | 0   | 0        | 0      | 0                 | 0                        |
| f) Any other             | 0   | 0        | 0       | 0.00              | 0   | 0        | 0      | 0                 | 0                        |

|  |   |         |         |        |   |         |         |        |       |
|--|---|---------|---------|--------|---|---------|---------|--------|-------|
| <b>Total shareholding of Promoter (A)</b>  | 0 | 1401868 | 1401868 | 33.10  | 0 | 845910  | 845910  | 19.97  | -8.07 |
| <b>B. Public Shareholding</b>  |   |         |         |        |   |         |         |        |       |
| <b>1. Institutions</b>   |   |         |         |        |   |         |         |        |       |
| a) Mutual Funds  | 0 | 8800    | 8800    | 0.20   | 0 | 8800    | 8800    | 0.21   | 0     |
| b) Banks / FI  | 0 | 0       | 0       | 0.00   | 0 | 0       | 0       | 0      | 0     |
| c) Central Govt  | 0 | 0       | 0       | 0.00   | 0 | 0       | 0       | 0      | 0     |
| d) State Govt(s)   | 0 | 0       | 0       | 0.00   | 0 | 0       | 0       | 0      | 0     |
| e) Venture Capital Funds   | 0 | 0       | 0       | 0.00   | 0 | 0       | 0       | 0      | 0     |
| f) Insurance Companies   | 0 | 0       | 0       | 0.00   | 0 | 0       | 0       | 0      | 0     |
| g) FIIs  | 0 | 0       | 0       | 0.00   | 0 | 0       | 0       | 0      | 0     |
| h) Foreign Venture Capital Funds   | 0 | 0       | 0       | 0.00   | 0 | 0       | 0       | 0      | 0     |
| i) Others (specify)  | 0 | 0       | 0       | 0.00   | 0 | 0       | 0       | 0      | 0     |
| <b>Sub-total (B)(1):-</b>  | 0 | 8800    | 8800    | 0.20   | 0 | 8800    | 8800    | 0.21   | 0     |
| <b>2. Non-Institutions</b>   |   |         |         |        |   |         |         |        |       |
| a) Bodies Corp.  | 0 | 465999  | 465999  | 11.00  | 0 | 1021957 | 1021957 | 24.13  | 13.13 |
| b) Individuals   |   |         |         |        |   |         |         |        |       |
| i. Individual shareholders holding nominal share capital up to Rs. 1 lakh        | 0 | 2358976 | 2358976 | 55.70  | 0 | 2337776 | 2337776 | 55.20  | -0.50 |
| ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 0 | 0       | 0       | 0.00   | 0 | 21000   | 21000   | 0.50   | 0.50  |
| c) Others (specify)  | 0 | 0       | 0       | 0.00   | 0 | 0       | 0       | 0      | 0     |
| Non Resident Indians   | 0 | 0       | 0       | 0.00   | 0 | 0       | 0       | 0      | 0     |
| Overseas Corporate Bodies  | 0 | 0       | 0       | 0.00   | 0 | 0       | 0       | 0      | 0     |
| Foreign Nationals  | 0 | 0       | 0       | 0.00   | 0 | 0       | 0       | 0      | 0     |
| Clearing Members   | 0 | 0       | 0       | 0.00   | 0 | 0       | 0       | 0      | 0     |
| Trusts   | 0 | 0       | 0       | 0.00   | 0 | 0       | 0       | 0      | 0     |
| Foreign Bodies - D R   | 0 | 0       | 0       | 0.00   | 0 | 0       | 0       | 0      | 0     |
| <b>Sub-total (B)(2):-</b>  | 0 | 2824975 | 2824975 | 66.70  | 0 | 3380733 | 3380733 | 79.82  | 13.12 |
| <b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>                              | 0 | 2833575 | 2833575 | 66.90  | 0 | 3389533 | 3389533 | 80.03  | 13.13 |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs : Nil</b>                     |   |         |         |        |   |         |         |        |       |
| <b>Grand Total (A+B+C)</b>   | 0 | 4235443 | 4235443 | 100.00 | 0 | 4235443 | 4235443 | 100.00 | 0     |

## B. Shareholding of Promoter-

| S<br>N | Shareholder<br>'s Name            | Shareholding at the beginning of the<br>year i.e. 01.04.2014 |   |  | Shareholding at the end of the year i.e.<br>31.03.2015 |  |  | %<br>change<br>in<br>shareho<br>lding<br>during<br>the<br>year |
|--------|-----------------------------------|--|---|--|--|--|--|--|
|        |                                   | No. of<br>Shares   | % of total<br>Shares of<br>the<br>company | %of Shares<br>Pledged /<br>encumbered<br>to total shares | No. of<br>Shares                                       | % of total<br>Shares of the<br>company | %of Shares<br>Pledged /<br>encumbered to<br>total shares |  |
| 1      | Prabhudas<br>M Gondalia           | 254224   | 6.00                                      | 0  | 254224   | 6.00                                   | 0  | 0.00   |
| 2      | Harsukhbhai<br>M. Gondalia        | 129288   | 3.05                                      | 0  | 129288   | 3.05                                   | 0  | 0.00   |
| 3      | Mayur P<br>Gondalia               | 277445   | 6.55                                      | 0  | 277445   | 6.55                                   | 0  | 0.00   |
| 4      | Rameshbhai<br>M. Gondalia         | 121300   | 2.86                                      | 0  | 0  | 0                                      | 0  | -2.86  |
| 5      | Jagjivandas<br>S. Gondalia        | 106273   | 2.51                                      | 0  | 0  | 0                                      | 0  | -2.51  |
| 6      | Ramuben M<br>Gondalia             | 24200  | 0.57                                      | 0  | 0  | 0                                      | 0  | -0.57  |
| 7      | Brijesh P<br>Gondalia             | 46800  | 1.11                                      | 0  | 46800  | 1.10                                   | 0  | 0.00   |
| 8      | Parulben H<br>Gondalia            | 80546  | 1.90                                      | 0  | 80546  | 1.90                                   | 0  | 0.00   |
| 9      | Pravinaben<br>R Gondalia          | 41714  | 0.99                                      | 0  | 0  | 0                                      | 0  | -0.99  |
| 10     | Champaben<br>J Gondalia           | 41600  | 0.99                                      | 0  | 0  | 0                                      | 0  | -0.99  |
| 11     | Shamjibhai<br>A Gondalia          | 38185  | 0.90                                      | 0  | 0  | 0                                      | 0  | -0.90  |
| 12     | Vibhishaben<br>M Gondalia         | 8600   | 0.20                                      | 0  | 8600   | 0.20                                   | 0  | 0.00   |
| 13     | Hansaben J<br>Gondalia            | 30200  | 0.71                                      | 0  | 0  | 0                                      | 0  | -0.71  |
| 14     | Bhavnaven<br>V Gondalia           | 28526  | 0.67                                      | 0  | 0  | 0                                      | 0  | -0.67  |
| 15     | Jawaharbhai<br>M Gondalia         | 30750  | 0.72                                      | 0  | 0  | 0                                      | 0  | -0.72  |
| 16     | Shantaben P<br>Gondalia           | 24807  | 0.59                                      | 0  | 24807  | 0.59                                   | 0  | 0.00   |
| 17     | Vrajlal<br>Shamjibhai<br>Gondalia | 36533  | 0.86                                      | 0  | 0  | 0                                      | 0  | -0.86  |
| 18     | Manojkuma<br>r S Gondalia         | 33592  | 0.79                                      | 0  | 0  | 0                                      | 0  | -0.79  |
| 19     | Alka<br>Gondlia                   | 14285  | 0.34                                      | 0  | 0  | 0                                      | 0  | -0.34  |
| 20     | Ramuben<br>Shamjibhai<br>Gondalia | 33000  | 0.78                                      | 0  | 0  | 0                                      | 0  | -0.78  |

**C. Change in Promoters' Shareholding (please specify, if there is no change)**

| SN | Particulars  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|----|--|---|----------------------------------|---|----------------------------------|
|    |  | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|    | At the beginning of the year   | 1401868                                   | 33.10                            | 845910                                  | 19.97                            |
|    | Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc.): | 555958<br>(Transfer dtd. 28.03.15)        | 13.13                            |   |                                  |
|    | At the end of the year   |   |                                  | 845910                                  | 19.97                            |

**D. Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):**

| Sr. No. | Top 10 Shareholders                     | Shareholding at the beginning of the year i.e. 01.04.2014 |                                  | Cumulative Shareholding during the year |                                  |
|---------|---|---|----------------------------------|---|----------------------------------|
|         |   | No. of shares   | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1.      | Shantilon Pvt Ltd *                     | 0   | 0.00                             | 397673                                  | 9.39                             |
| 2.      | Bridge International Pvt Ltd *          | 234686  | 5.54                             | 394171                                  | 9.31                             |
| 3.      | Procon Financial And Investment Pvt Ltd | 206200  | 4.87                             | 206200                                  | 4.87                             |
| 4.      | Jagdeep Rasiklal Doshi                  | 11000   | 0.26                             | 11000                                   | 0.26                             |
| 5.      | Mrs. Kiran Jalan                        | 10000   | 0.24                             | 10000                                   | 0.24                             |
| 6.      | Ajitkumar Adukia                        | 9800  | 0.23                             | 9800                                    | 0.23                             |
| 7.      | Pramila B. Khurana                      | 6800  | 0.16                             | 6800                                    | 0.16                             |
| 8.      | Fulchand P Jain                         | 6744  | 0.16                             | 6744                                    | 0.16                             |
| 9.      | Manish Shah                             | 6512  | 0.15                             | 6512                                    | 0.15                             |
| 10.     | Gunvantray D. Raval                     | 6000  | 0.14                             | 6000                                    | 0.14                             |

\* Increase in shareholding due to Transfer dtd. 28.03.15

**E. Shareholding of Directors and Key Managerial Personnel:**

| S N | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|-----|--|---|----------------------------------|---|----------------------------------|
|     |  | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|     | <b>At the beginning of the year</b>                              |   |                                  |   |                                  |
| 1   | Prabhudas M Gondalia   | 254224                                    | 6.000                            | 254224                                  | 6.000                            |
| 2   | Harsukhbhai M. Gondalia  | 129288                                    | 3.050                            | 129288                                  | 3.050                            |
| 3   | Haribhai B. Malvia   | 200                                       | 0.004                            | 200                                     | 0.004                            |
|     | <b>At the end of the year</b>                                    |   |                                  |   |                                  |
| 1   | Prabhudas M Gondalia   |   |                                  | 254224                                  | 6.000                            |
| 2   | Harsukhbhai M. Gondalia  |   |                                  | 129288                                  | 3.050                            |
| 3   | Haribhai B. Malvia   |   |                                  | 200                                     | 0.004                            |

**V. INDEBTEDNESS**

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

Rs. In lacs

|  | Secured Loans<br>excluding deposits | Unsecured<br>Loans | Deposits | Total<br>Indebtedness |
|--|-------------------------------------|--------------------|----------|-----------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                     |                    |          |                       |
| i) Principal Amount  | 3503.09                             | -                  | -        | 3503.09               |
| ii) Interest due but not paid                              | 6838.53                             | -                  | -        | 6838.53               |
| iii) Interest accrued but not due                          | -                                   | -                  | -        | -                     |
| <b>Total (i+ii+iii)</b>                                    | 10341.62                            | -                  | -        | 10341.62              |
| <b>Change in Indebtedness during the financial year</b>    |                                     |                    |          |                       |
| * Addition   | 358.55                              | -                  | -        | 358.55                |
| * Reduction  | -                                   | -                  | -        | -                     |
| <b>Net Change</b>  | 358.55                              | -                  | -        | 358.55                |
| <b>Indebtedness at the end of the financial year</b>       |                                     |                    |          |                       |
| i) Principal Amount  | 3413.09                             | -                  | -        | 3413.09               |
| ii) Interest due but not paid                              | 7187.08                             | -                  | -        | 7187.08               |
| iii) Interest accrued but not due                          | -                                   | -                  | -        | -                     |
| <b>Total (i+ii+iii)</b>                                    | 10700.17                            | -                  | -        | 10700.17              |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| SN. | Particulars of Remuneration   | Name of MD/WTD/ Manager    |                             | Total<br>Amount |
|-----|---|----------------------------|-----------------------------|-----------------|
|     |   | Sh. P. M. Gondalia<br>(MD) | Sh. H. M. Gondalai<br>(WTD) |                 |
| 1   | <b>Gross salary</b>   |                            |                             |                 |
|     | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 185832                     | 113688                      | 299520          |
|     | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -                          | -                           | -               |
|     | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961             | -                          | -                           | -               |
| 2   | <b>Stock Option</b>   | -                          | -                           | -               |
| 3   | <b>Sweat Equity</b>   | -                          | -                           | -               |
| 4   | <b>Commission</b><br>- as % of profit<br>- others, specify...                       | -                          | -                           | -               |
| 5   | <b>Others, please specify</b>   | -                          | -                           | -               |
|     | <b>Total (A)</b>  | <b>185832</b>              | <b>113688</b>               | <b>299520</b>   |
|     | <b>Ceiling as per the Act</b>   |                            |                             | 30,00,000       |

## B. Remuneration to other directors

| SN. | Particulars of Remuneration                  | Name of Directors |                        | Total Amount |
|-----|--|-------------------|------------------------|--------------|
|     |  | Sh. H. B. Malavia | Smt. Poonam Khandelwal |              |
| 1   | <b>Independent Directors</b>                 |                   |                        |              |
|     | Fee for attending board / committee meetings | -                 | -                      | -            |
|     | Commission                                   | -                 | -                      | -            |
|     | Others, please specify                       | -                 | -                      | -            |
|     | <b>Total (1)</b>                             | -                 | -                      | -            |
| 2   | <b>Other Non-Executive Directors</b>         |                   |                        |              |
|     | Fee for attending board committee meetings   | -                 | -                      | -            |
|     | Commission                                   | -                 | -                      | -            |
|     | Others, please specify                       | -                 | -                      | -            |
|     | <b>Total (2)</b>                             | -                 | -                      | -            |
|     | <b>Total (B)=(1+2)</b>                       | -                 | -                      | -            |
|     | <b>Total Managerial Remuneration</b>         | -                 | -                      | -            |
|     | <b>Overall Ceiling as per the Act</b>        |                   |                        | 30,00,000    |

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

| SN | Particulars of Remuneration   | Key Managerial Personnel                |                      |       |
|----|---|---|----------------------|-------|
|    |   | Mrs. Rashmi Bhatt,<br>Company Secreatry | Sh. Prashant,<br>CFO | Total |
| 1  | <b>Gross salary</b>   |   |                      |       |
|    | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 75000                                   | -                    | 75000 |
|    | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -                                       | -                    | -     |
|    | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | -                                       | -                    | -     |
| 2  | <b>Stock Option</b>   | -                                       | -                    | -     |
| 3  | <b>Sweat Equity</b>   | -                                       | -                    | -     |
| 4  | <b>Commission</b>   |   |                      |       |
|    | - as % of profit  | -                                       | -                    | -     |
|    | others, specify...  | -                                       | -                    | -     |
| 5  | <b>Others, please specify</b>   | -                                       | -                    | -     |
|    | <b>Total</b>  | 75000                                   |                      | 75000 |

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

There were no penalties, punishment or compounding of offences during the year ended March 31, 2015.

**REPORT ON CORPORATE GOVERNANCE**

The Company's policies and practices continued to aim at efficient conduct of business and in effective meeting its obligations to the shareholders as the company believe in good corporate governance.

**BOARD OF DIRECTORS:****Composition of the Board**

| Sr. No. | Name of Director         | PD/ NPD* | ED/ NED/ID * | Number of board meetings during the year 2014-15 |          | Attendance In last AGM | Number of directorships in other Companies | Number of committee positions held in other companies |
|---------|--------------------------|----------|--------------|--|----------|------------------------|--|---|
|         |                          |          |              | Held   | Attended |                        |  |   |
| 1       | Mr. P. M. Gondalia       | PD       | ED           | 7  | 7        | Yes                    | --   | --  |
| 2       | Mr. H. M. Gondalia       | PD       | ED           | 7  | 7        | Yes                    | --   | --  |
| 3       | Mr. H. B. Malvia         | NPD      | NED/ID       | 7  | 7        | Yes                    | --   | --  |
| 4       | Mrs. Poonam Khandelwal # | NPD      | NED/ID       | --   | --       | --                     | 1  | --  |

\* PD — Promoter Director; NPD — Non-Promoter Director; ED — Executive Director; NED — Non-Executive Director; ID — Independent Director.

# Appointed as an Additional Director w.e.f. 31.01.2015.

**Details of Meetings of Board of Directors held during the year 2014-2015:**

| Sr. No. | Date of Board Meeting | Board Strength | No. of Directors present |
|---------|-----------------------|----------------|--------------------------|
| 1       | 01.05.2014            | 3              | 3                        |
| 2       | 20.06.2014            | 3              | 3                        |
| 3       | 24.06.2014            | 3              | 3                        |
| 4       | 30.06.2014            | 3              | 3                        |
| 5       | 31.07.2014            | 3              | 3                        |
| 6       | 31.10.2014            | 3              | 3                        |
| 7       | 31.01.2015            | 3              | 3                        |

**AUDIT COMMITTEE:**

The Board of Directors in its meeting held on January 31, 2015 has been reconstituted Audit Committee pursuant to the section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement is as follow:

**Composition of committee and attendance of members:**

| Sr. No. | Name of Director and Position         | Meetings/Attendance |            |            |            |
|---------|---------------------------------------|---------------------|------------|------------|------------|
|         |                                       | 01.05.2014          | 31.07.2014 | 31.10.2014 | 31.01.2015 |
| 1       | Mr. H. B. Malavia, Chairman           | Present             | Present    | Present    | Present    |
| 2       | Mr. H. M. Gondalia, Director          | Present             | Present    | Present    | Present    |
| 3       | Mrs. Poonam N. Khandelwal, Director * | NA                  | NA         | NA         | NA         |

\* Inducted w.e.f. 31.01.2015

**NOMINATION AND REMUNERATION COMMITTEE:**

The Board of Directors in its meeting held on January 31, 2015 has been reconstituted Nomination and Remuneration Committee pursuant to the section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement is as follow:



Composition of committee and attendance of members:

| Sr. No. | Name of Director and Position         | Meetings/Attendance |            |            |            |
|---------|---------------------------------------|---------------------|------------|------------|------------|
|         |                                       | 01.05.2014          | 31.07.2014 | 31.10.2014 | 31.01.2015 |
| 1       | Mr. H. B. Malavia, Chairman           | Present             | Present    | Present    | Present    |
| 2       | Mr. P. M. Gondalia, Director          | Present             | Present    | Present    | Present    |
| 3       | Mrs. Poonam N. Khandelwal, Director * | NA                  | NA         | NA         | NA         |

\* Inducted w.e.f. 31.01.2015

During the year company did not pay any commission or sitting fees to directors. The Remuneration paid to directors during the year is as under.

Details of Remuneration paid to all the Directors for the F.Y. 2014-15

| Name of Director            | Designation         | Salary (Rs.) | Perks (Rs.) | Commission (Rs.) | Total (Rs.) |
|-----------------------------|---------------------|--------------|-------------|------------------|-------------|
| Mr. Prabhudas M. Gondalia   | Chairman & M.D.     | 185832/-     | Nil         | Nil              | 185832/-    |
| Mr. Harsukhbhai M. Gondalia | Whole Time Director | 113688/-     | Nil         | Nil              | 113688/-    |
| Mr. Haribhai B. Malavia     | Director            | Nil          | Nil         | Nil              | Nil         |
| Mrs. Poonam N. Khandelwal   | Director            | Nil          | Nil         | Nil              | Nil         |

**STAKEHOLDER RELATIONSHIP COMMITTEE:**

The Board of Directors in its meeting held on January 31, 2015 has been reconstituted Stakeholder Relationship Committee under chairmanship of Mr. H. B. Malavia pursuant to the section 178 of the Companies Act, 2013. Mr. P. M. Gondalia is the members of the committee.

The committee oversees the redressed of complaints of the shareholders and investors in relation to transfer of shares, non-receipt of annual reported.

**MANAGEMENT COMMITTEE:**

The Board of Directors in its meeting held on January 31, 2015 has been constituted Management Committee under chairmanship of Mr. P. M. Gondalia. Mr. H. M. Gondalia is the member of the committee.

**ANNUAL GENERAL MEETING :**

Details of last three Annual General Meetings held:

| Financial Year | 2011-2012   | 2012-2013   | 2013-2014   |
|----------------|---|---|---|
| Day            | Saturday  | Monday  | Tuesday   |
| Date           | 29.09.2012  | 30.09.2013  | 30.09.2014  |
| Time           | 11.00 A.M.  | 11.00A.M.   | 11.00 A.M.  |
| Venue          | 456, N. H. 8, Palsana Char Rasta, Palsana, Surat-394315 | 456, N. H. 8, Palsana Char Rasta, Palsana, Surat-394315 | 456, N. H. 8, Palsana Char Rasta, Palsana, Surat-394315 |

No special resolutions were put through postal ballot durin glast three year.

**DISCLOSURES:**

The Company does not have any related party transactions, which may have potential conflict with its interest at large.

The Company has complied with the requirement of regulatory authorities on capital markets and no penalties/strictures have been imposed against it in the last three years.

There were no instances of non-compliance on any other matter related to the capital market, during the last three years.

MEANS OF COMMUNICATION:Quarterly results:

The Quarterly and Annual results of the company are published in leading newspapers which includes The Financial Express English & Gujarati and the same is also displayed on the Company's website: [www.prashantindia.info](http://www.prashantindia.info).

GENERAL SHAREHOLDER INFORMATION:

- 1) Annual General Meeting : 32<sup>nd</sup> Annual General Meeting  
 Day, Date, Time & Venue : Wednesday 30<sup>th</sup> September, 2015 at 11.00 A.M.  
 Block No.456, N.H.8, Palsana Char Rasta, Palsana Surat-394315
- 2) Financial Year/Calender: (tentative)
- Results for first Quarter ending 30.06.2015 : On or before 14.08.2015
  - Results for second Quarter ending 30.09.2015 : On or before 14.11.2015
  - Results for third Quarter ending 31.12.2015 : On or before 14.02.2016
  - Results for fourth Quarter ending 31.03.2016 : On or before 30.05.2016
- 3) Date of Book Closures: 23.09.2015 to 30.09.2015 (both days inclusive)
- 4) Dividend Payment Date : No dividend declared
- 5) Listing on Stock Ex. : Bombay Stock Exchange Limited.  
 Scrip Code : 519014. Annual Listing Fee for F.Y. 2015-16 paid to the Bombay Stock Exchange Ltd.
- 6) Distribution of shareholding as on June 30, 2015

| Distribution of Shares | No. of Share | %       | No. of Holders | %      |
|------------------------|--------------|---------|----------------|--------|
| 1 to 100               | 290227       | 6.8523  | 3170           | 37.54  |
| 101 to 200             | 408494       | 9.6447  | 2217           | 26.25  |
| 201 to 500             | 774118       | 18.2771 | 2307           | 27.32  |
| 501 to 1000            | 401631       | 9.4826  | 546            | 6.47   |
| 1001 to 5000           | 313142       | 7.3934  | 185            | 2.19   |
| 5001 and above         | 2047831      | 48.3499 | 20             | 0.23   |
| Total                  | 4235443      | 100.00  | 8445           | 100.00 |

- 7) Plant Location : Block No.456, N.H. 8, Palsana Char Rasta, Palsana Surat-394315
- 8) Regd. Office : Block No.456, N.H. 8, Palsana Char Rasta, Palsana Surat-394315
- 9) Address for Investors Correspondence: Block No.456, N.H. 8,  
 Palsana Char Rasta, Palsana,  
 Surat-394315  
 Email : [cs.prashantindia@gmail.com](mailto:cs.prashantindia@gmail.com)

By Order of the Board of Directors

Sd/-

P. M. Gondalia

Chairman & Managing Director

Place: Palsana

Date: 14.08.15

**CEO/CFO CERTIFICATION**

To,  
The Board of Directors,  
Prashant India Limited

I certify that :

1. I have reviewed financial statements and cash flow statement of Prashant India Limited for the year ended on 31<sup>st</sup> March 2015 and to the best of my knowledge and belief :
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
  - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct;
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of the internal control system of the company pertaining to the financial reporting and I have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of internal control, if any, of which I am aware and the steps taken or proposed to be taken to rectify the deficiencies;
4. I have indicated to the auditors and audit committee :
  - (i) that there are no significant changes in internal control over financial reporting during the year;
  - (ii) that there are no significant changes in accounting policies during the year; and
  - (iii) that there are no instances of significant fraud of which i have become aware.

For Prashant India Limited

Place : Palsana  
Date : 28.05.2015

P. M. Gondalia  
CMD

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To The Members of  
PRASHANT INDIA LIMITED

We have examined the compliance of conditions of Corporate Governance by Prashant India Limited ("the Company") for the year ended on 31<sup>st</sup> March, 2015, as stipulated in Clause 49 of the Listing Agreements of the Company entered into with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

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

For DEVENDRA GHEEWALA & CO.  
CHARTERED ACCOUNTANTS

Sd/-

D.M.GHEEWALA  
PROPRIETOR  
M.No. : 049857  
FRN. : 115563W

Place : Surat  
Date : 28-05-2015

Tel. : (O) 0261 – 2311826  
(M) 98251 06826



**DEVENDRA GHEEWALA & CO.**  
CHARTERED ACCOUNTANTS

**CA. Devendra M. Gheewala,**  
F.C.A., DISA (ICA)

407, Union Trade Center, B/s. Apple Hospital, Udhna Darwaja, Surat - 395002

### **Independent Auditor's Report**

To  
The Members of **PRASHANT INDIA LTD.**

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

We have audited the accompanying financial statements of **Prashant India Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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; the 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit/loss and its cash flows for the year ended on that date.

### **Emphasis of Matter**

We draw attention to the following matters in the Notes to the financial statements :

*Note no.2(a) : Regarding non accounting for gratuity, leave encashment & bonus liability contrary to sec.128 of the Companies Act, 2013 and AS-15 issued by the ICAI.*

*Note no.2(b) : Regarding accounts of the company having been prepared on 'Going Concern Basis', despite*

- *operations of Agro Division of the Company having stood suspended, since the year 1998,*
- *net losses / cash losses having been incurred by the Company over the past several years including the current financial year ,*
- *net worth of the Company having been totally eroded and substantial losses having been carried forward as at 31<sup>st</sup> March, 2015*
- *current liabilities exceeded Company's current assets as at the balance sheet date,*
- *BIFR having held the Company as sick under the provisions of sec.3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 and ordered for winding up of the Company, which is upheld by the AAIFR in the absence of adequate data and information for its compilation on an alternative basis and consequently no adjustments having been made in the accounts relating to the recoverability of recorded asset amounts and in respect of recorded liabilities and contingent liabilities that might devolve on the company.*

*These condition, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.*

*Note no.24(b) : Regarding non provision of liabilities of Rs.7201.50 lacs*

*Note no.24(k) : Regarding certain balances being subject to confirmation the effect of which could not be quantified,*

Our opinion is not modified in respect of these matters.

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

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 financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. The going concern matter described in sub-paragraph (b) under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- f. On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- g. 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:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements ( Refer Note to the financial statements )
  - ii. The Company did not have any long term contracts including derivate contracts for which there were any material foreseeable losses
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **DEVENDRA GHEEWALA & CO.**  
**CHARTERED ACCOUNTANTS**

Place : Surat.  
Date : 28-05-2015

Sd/-  
**D.M.GHEEWALA**  
**PROPRIETOR**  
M.No. : 049857  
FRN. : 115563W

**Report under the Companies (Auditor's Report) Order, 2015 (CARO) –  
Annexure to the Independent Auditor's Report -**

**The Annexure referred to in our Independent Auditor's Report to the members of Prashant India Ltd. on the financial statements for the year ended on 31<sup>st</sup> March, 2015, on the basis of information and explanation given to us during the course of our Audit, we report that :**

1. In respect of Fixed Assets :
  - (a) The company has been maintaining proper records showing full particulars, including quantitative details and situation of Fixed Assets.
  - (b) These fixed assets have been physically verified by the management at reasonable intervals and that no material discrepancies were noticed on such verification.
2. In respect of Inventories :
  - (a) Physical verification of inventory (except stocks lying with third parties, confirmation for which has been obtained and in stocks in transit) has been conducted at reasonable intervals by the management.
  - (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) The Company has been maintaining proper records of inventory and discrepancies noticed on physical verification were not material and have been properly dealt with in the books of accounts.
3. In respect of the loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the register maintained u/s 188 of the Companies Act, 2013:
  - (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
  - (b) Since there are no transactions of loans given by the company, clauses (a) and (b) of paragraph 3 of the order are not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. According to the information and explanations given to us, the Company has not accepted deposits from the public.
6. As informed to us, maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable for job work activity and power generation activity undertaken by the Company.
7. In respect of statutory dues :
  - (a) According to the information and explanations given to us, the Company has been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities except that following statutory dues which are outstanding as at the last day of the financial year for a period of more than six months from the date they became payable :



| <b>Nature of statute-Authority</b>           | <b>Nature of dues</b> | <b>Amount Rs. lacs</b> | <b>Remarks</b>   |
|--|-----------------------|------------------------|--|
| Customs Act, 1962 & Central Excise Act, 1944 | Custom duty           | 77.03                  | On account of non fulfillment of export obligation under EPCG stipulations |
| Land Revenue Act                             | Land rev.             | 4.87                   | Nil  |

- (b) The disputed dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess not having been deposited on account of dispute and the amounts involved and the forum where dispute is pending are as follows:

| <b>Nature of statute-Authority</b> | <b>Nature of dues</b>   | <b>Amount Rs. lacs</b> | <b>Forum where dispute is pending</b> |
|------------------------------------|-------------------------|------------------------|---------------------------------------|
| G.S.T. Act, 1969                   | Sales tax               | 544.68                 | AC, Bhavnagar                         |
| I.T.Act, 1961                      | Income Tax- A.Y.1992-93 | Not fixed              | High Court, Gujarat                   |

- (c) There is no amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the companies Act, 1956 ( 1 of 1956) and rules made there under.
8. The Company has accumulated losses of Rs.4474.45 lacs as at the end of the financial year, which is in excess of 50% of its net worth. The company has incurred cash losses in the current financial year.
  9. According to the information and explanations given to us and based on our audit checks, we report that the company in the current financial year has not made repayment to any banks or financial institutions. The company has defaulted in repayment of dues to various banks and financial institutions. The company had been declared sick u/s 3(1)(0) of the Sick Industrial Companies (Special Provisions) Act, 1985 by the BIFR vide order dt.20-09-2005 and has been held to be wound up u/s 20(1) of the said Act by the BIFR vide order dt.14-09-2006. The entire outstanding of all financial institutions/banks is overdue since long. Please refer to Audit note no.5, 7 & 24(b) also.
  10. According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the Company.
  11. On the overall examination of the Balance Sheet of the Company, we report that the Company has not raised fresh term loan during the year and the outstanding term loans had been applied for the purpose for which they were obtained.
  12. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit, for the year under Audit.

For **DEVENDRA GHEEWALA & CO.**  
**CHARTERED ACCOUNTANTS**

Place : Surat.  
Date : 28-05-2015

Sd/-  
**D.M.GHEEWALA**  
**PROPRIETOR**  
**M.No. : 049857**  
**FRN. : 115563W**



PRASHANT INDIA LTD.

31st March, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015 .

| Sr. No.                              | Particulars                 | Note No. | Rs.           | 31-03-2015 Rs.    | Rs.           | 31-03-2014 Rs.    |
|--------------------------------------|-----------------------------|----------|---------------|-------------------|---------------|-------------------|
| <b>I. EQUITIES AND LIABILITIES -</b> |                             |          |               |                   |               |                   |
| 1.                                   | Shareholders' Funds :       |          |               |                   |               |                   |
| a.                                   | Share capital               | '3'      | 42,354,430    |                   | 42,354,430    |                   |
| b.                                   | Reserves & surplus          | '4'      | (372,727,866) | (330,373,436)     | (372,129,541) | (329,775,111)     |
| 2.                                   | Non Current Liabilities :   |          |               |                   |               |                   |
| a.                                   | Long term borrowings        | '5'      | 290,063,254   |                   | 290,063,254   |                   |
| b.                                   | Deferred tax liabilities    |          | 0             |                   | 0             |                   |
| c.                                   | Other long term liabilities | '6'      | 2,006,537     | 292,069,791       | 2,306,537     | 292,369,791       |
| 3.                                   | Current Liabilities :       |          |               |                   |               |                   |
| a.                                   | Short term borrowings       | '7'      | 61,245,591    |                   | 60,245,591    |                   |
| b.                                   | Trade payables              | '8'      | 1,854,980     |                   | 1,242,066     |                   |
| c.                                   | Other current liabilities   | '9'      | 185,193       |                   | 847,288       |                   |
| d.                                   | Short term provisions       | '10'     | 8,345,474     | 71,631,238        | 8,345,474     | 70,680,419        |
| <b>T O T A L.... ( I )</b>           |                             |          |               | <b>33,327,592</b> |               | <b>33,275,099</b> |
| <b>II. ASSETS -</b>                  |                             |          |               |                   |               |                   |
| 1.                                   | Non current assets          |          |               |                   |               |                   |
| a.                                   | Fixed assets                | '11'     | 25,437,235    |                   | 22,981,634    |                   |
| b.                                   | Non current investments     |          | 0             |                   | 0             |                   |
| c.                                   | Deferred tax assets(net)    |          | 0             |                   | 0             |                   |
| d.                                   | Long term loan & advances   | '12'     | 5,946,318     |                   | 6,028,227     |                   |
| e.                                   | Other non current assets    | '13'     | 412,038       | 31,795,591        | 436,648       | 29,446,510        |
| 2.                                   | Current assets,             |          |               |                   |               |                   |
| a.                                   | Current investments         |          | 0             |                   | 0             |                   |
| b.                                   | Inventories                 | '14'     | 61,213        |                   | 0             |                   |
| c.                                   | Trade receivables           | '15'     | 998,015       |                   | 3,396,596     |                   |
| d.                                   | Cash & bank balance         | '16'     | 472,773       |                   | 431,993       |                   |
| e.                                   | Short term loans & advances |          | 0             |                   | 0             |                   |
| f.                                   | Other current assets        |          | 0             | 1,532,001         | 0             | 3,828,590         |
| <b>T O T A L.... ( II )</b>          |                             |          |               | <b>33,327,592</b> |               | <b>33,275,099</b> |

|                              |     |
|------------------------------|-----|
| Corporate information        | '1' |
| Significant account policies | '2' |

For and on behalf of Board of Directors of  
PRASHANT INDIA LTD.

As per our audit report of even date  
For DEVENDRA GHEEWALA & CO.  
CHARTERED ACCOUNTANTS

1 Sd/-  
P.M.GONDALIA  
Chairman & M.D.  
2 Sd/-  
H.M.GONDALIA  
Whole Time Director  
3 Sd/-  
PRASHANT S.PAREKH  
Chief Financial Officer  
4 Sd/-  
RASHMI T. BHATT  
Company Secretary

Sd/-  
( D. M. GHEEWALA )  
PROPRIETOR  
M.No. : 049857  
FRN. : 115563W

Place : Surat.  
Date : 28-05-2015

## PRASHANT INDIA LTD.

31st March, 2015

## PROFIT &amp; LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

| Sr. No. | Particulars   | Note No. | Rs. | 31-03-2015<br>Rs. | Rs. | 31-03-2014<br>Rs. |
|---------|---|----------|-----|-------------------|-----|-------------------|
| I.      | Revenue from operations   | '17'     |     | 3,486,592         |     | 4,056,972         |
| II.     | Other income  | '18'     |     | 618,667           |     | 1,611,206         |
| III.    | Total Revenue   |          |     | <u>4,105,259</u>  |     | <u>5,668,178</u>  |
| IV.     | Expenses -  |          |     |                   |     |                   |
|         | 1. Cost of materials consumed                                     | '19'     |     | 1,164,563         |     | 239,860           |
|         | 2. Purchase of stock in trade                                     |          |     | 0                 |     | 0                 |
|         | 3. Changes in inventory of finished goods                         | '20'     |     | -                 |     | 70,742            |
|         | 4. Employee benefits expenses                                     | '22'     |     | 1,192,662         |     | 2,212,453         |
|         | 5. Finance costs  | '22'     |     | 28,720            |     | 7,052             |
|         | 6. Depreciation and amortization                                  | '11'     |     | 4,603,084         |     | 6,550,597         |
|         | 7. Other expenses   | '23'     |     | 4,779,851         |     | 4,929,830         |
|         | Total expenses  |          |     | <u>11,768,880</u> |     | <u>14,010,534</u> |
| V.      | Profit before exceptional and extraordinary items and tax         |          |     | (7,663,621)       |     | (8,342,356)       |
| VI.     | Exceptional items   | '11'     |     | 7,065,295         |     | 0                 |
| VII.    | Profit before extraordinary items and tax ( V - VI)               |          |     | (598,326)         |     | (8,342,356)       |
| VIII.   | Extraordinary items   |          |     | 0                 |     | 0                 |
| IX.     | Profit before tax ( VII-VIII)                                     |          |     | (598,326)         |     | (8,342,356)       |
| X.      | Tax expense   |          |     |                   |     |                   |
|         | 1. Current tax  |          |     | 0                 |     | 0                 |
|         | 2. Deferred tax   |          |     | 0                 |     | 0                 |
| XI.     | Profit/(Loss) for the period from continuing operations ( IX-XI)  |          |     | (598,326)         |     | (8,342,356)       |
| XII.    | Profit/(Loss) from discontinuing operations                       |          |     | 0                 |     | 0                 |
| XIII.   | Tax expenses of discontinuing operations                          |          |     | 0                 |     | 0                 |
| XIV.    | Profit/(Loss) from Discontinuing operations (after tax (XII-XIII) |          |     | 0                 |     | 0                 |
| XV.     | Profit/(Loss) for the period                                      |          |     | (598,326)         |     | (8,342,356)       |
| XVI.    | Earnings per equity share   |          |     |                   |     |                   |
|         | 1. Basic  |          |     | (0.14)            |     | (1.97)            |
|         | 2. Diluted  |          |     | (0.14)            |     | (1.97)            |

For and on behalf of Board of Directors of  
PRASHANT INDIA LTD.

1. Sd/-  
P.M.GONDALIA  
Chairman & M.D.
2. Sd/-  
H.M.GONDALIA  
Whole Time Director
3. Sd/-  
PRASHANT S.PAREKH  
Chief Financial Officer
4. Sd/-  
RASHMI T. BHATT  
Company Secretary

As per our audit report of even date  
For DEVENDRA GHEEWALA & CO.  
CHARTERED ACCOUNTANTS

Sd/-  
( D. M. GHEEWALA )  
PROPRIETOR  
M.No. : 049857  
FRN. : 115563W

Place : Surat.  
Date : 28-05-2015

**NOTE - 1****Corporate Information –**

|                                       |   |
|---------------------------------------|---|
| Date of Incorporation                 | 23 <sup>rd</sup> November, 1983   |
| Registered Office Address             | Block No.456, Palsana Char Rasta, N.H.No.8,<br>Palsana - 394315, Dist. Surat, Gujarat   |
| Factory Address                       |   |
| Textile Division                      | a) Block No.456, Palsana Char Rasta, N.H.No.8,<br>Palsana - 394315, Dist. Surat, Gujarat  |
| Wind Power Division                   | b) At Vill. Dhank, Tal. Upleta, Dist. Rajkot, Gujarat   |
| Agro Division                         | c) Ruvapari Road, Bhavnagar, Gujarat  |
| Nature of business activity/operation | <ul style="list-style-type: none"> <li>• Manufacturing job work of sized yarn beams &amp; texturising of yarn</li> <li>• Wind power generation</li> </ul> |

**NOTE - 2****Significant accounting policies –****a. Basis of preparation of financial statements-**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ( Indian GAAP) to comply in all material respects with the Accounting Standards as specified u/s 133 of the Companies Act, 2013 read with rule 7 of the Companies ( Accounts ) Rules, 2014 ( as amended) and the relevant provisions of the Companies Act, 2013 and other accounting pronouncements of ICAI. The financial statements have been prepared on accrual basis under the historical cost convention except for gratuity, leave encashment and bonus, which are charged to profit & loss account on cash basis and that is contrary to the specific provisions of the Companies Act, 2013 and also contrary to the Accounting Standard 15 issued by the Institute of Chartered Accountants of India. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**b. Going concern –**

Despite the facts as mentioned herein below, accounts are continued to be prepared on ‘Going Concern Basis’, as the Company has been running its operations for last so many years inspite of all such limitations and also in the absence of adequate essential data and information for compilation on an alternative basis.

- The operations of Agro Division of the Company have been suspended since 1998.
- The Company having incurred net losses during the current financial year and continuously incurring net losses/ cash losses for last several years
- The Net Worth of the Company having eroded completely based on the Audited Annual Financial Statements of the Company, since the year ended on 31<sup>st</sup> March, 1998.
- The Accumulated Losses of the Company as at the end of the financial year, are far exceeding the entire Net Worth of the Company
- The BIFR and the Appellate Authority AAIFR have held that the Company should be wound up u/s 20(1) of SICA, 1985 vide order dt.14-09-2006 and dt.06-12-2010 respectively.

Consequently, no adjustments are made in the accounts for compilation of Accounts on an alternative basis relating to the recoverability of recorded asset amounts and in respect of likely devolvment of recorded liabilities and contingent liabilities

- b. Use of estimates –  
The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions which are considered in the reported amounts of assets and liabilities and disclosure of contingent liabilities as of the date of financial statements and the reported amounts of income and expenses for the financial period. The management believes that the estimates used in preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and the estimates are recognized in the periods in which the results are known /materialize.
- c. Fixed assets -  
Fixed assets are valued at cost of acquisition or construction. They are stated on historical cost basis less accumulated depreciation.
- d. Depreciation –  
Depreciation on fixed assets is provided on pro rata basis on straight line method at the revised rates prescribed under the Companies Act, 2013 based on useful life of the respective asset.
- e. Inventories -  
Inventories are valued at cost or market value, whichever is less.
- f. Revenue recognition –  
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured

Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude VAT.

The purchases and sales are shown after making adjustments for claims, rebates, rate difference, discounts, etc. received/paid as per the practice prevailing in the trade. Necessary adjustments for the same are done either by passing journal entry or rectifying the original invoice of purchase/sales and accounting the same in subsidiary books etc. with amount NET RECEIVED or NET PAID for the particular invoice.

- g. Foreign Currency Transactions –  
Foreign currency transactions entered into by the Company are accounted at the exchange rate prevailing on the date of the transaction or at rate that closely approximate the rate at the date of the transaction. Foreign currency monetary items outstanding at the Balance Sheet date are restated at the year-end rate.
- h. Earnings per share ( EPS) –  
Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period
- i. Contingent liabilities –  
A provision is recognized 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 (excluding retirement benefits) 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 not recognized but are disclosed in the notes when Company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it.

## PRASHANT INDIA LTD.

31st March, 2015

|          |            |            |
|----------|------------|------------|
| Note No. | 31-03-2015 | 31-03-2014 |
|----------|------------|------------|

|   |               |
|---|---------------|
| 3 | SHARE CAPITAL |
|---|---------------|

| Particulars                           | Number of shares | Rs.                | Number of shares | Rs.                |
|---------------------------------------|------------------|--------------------|------------------|--------------------|
| <u>Authorised -</u>                   |                  |                    |                  |                    |
| Redeemable Cumulative                 |                  |                    |                  |                    |
| Pref. shares of Rs.100 each           | 100,000          | 10,000,000         | 100,000          | 10,000,000         |
| Equity shares of Rs.10 each           | 9,000,000        | 90,000,000         | 9,000,000        | 90,000,000         |
|                                       |                  | <u>100,000,000</u> |                  | <u>100,000,000</u> |
| <u>Issued -</u>                       |                  |                    |                  |                    |
| Equity shares of Rs.10 each           | 5,014,887        | 50,148,870         | 5,014,887        | 50,148,870         |
|                                       |                  | <u>50,148,870</u>  |                  | <u>50,148,870</u>  |
| <u>Subscribed and fully paid up -</u> |                  |                    |                  |                    |
| Equity shares of Rs10 each            | 4,235,443        | 42,354,430         | 4,235,443        | 42,354,430         |
|                                       |                  | <u>42,354,430</u>  |                  | <u>42,354,430</u>  |

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

| Particulars                      | Number of shares | Rs.        | Number of shares | Rs.        |
|----------------------------------|------------------|------------|------------------|------------|
| Equity shares with voting rights |                  |            |                  |            |
| Opening balance                  | 4,235,443        | 42,354,430 | 4,235,443        | 42,354,430 |
| Changes, if any                  | 0                | 0          | 0                | 0          |
| Closing balance                  | 4,235,443        | 42,354,430 | 4,235,443        | 42,354,430 |

Details of shares held by each shareholder holding more than 5% shares

| Particulars                     | Number of shares | % holding in that class | Number of shares | % holding in that class |
|---------------------------------|------------------|-------------------------|------------------|-------------------------|
| Equity share with voting rights |                  |                         |                  |                         |
| Mayur P.Gondalia                | 277,445          | 6.55                    | 277,445          | 6.55                    |
| P.M.Gondalia                    | 254,224          | 6.00                    | 254,224          | 6.00                    |
| Bridge International Pvt. Ltd.  | 394,171          | 9.31                    | 226,586          | 5.35                    |
| Shantilon Pvt. Ltd.             | 397,673          | 9.39                    | 0                | 0.00                    |

Details of forfeited shares

| Particulars                      | Number of shares | Amount originally paid up Rs. | Number of shares | Amount originally paid up Rs. |
|----------------------------------|------------------|-------------------------------|------------------|-------------------------------|
| Equity shares with voting rights | 779,444          | 2,088,544                     | 779,444          | 2,088,544                     |

## PRASHANT INDIA LTD.

31st March, 2015

| Note No. | 31-03-2015 | 31-03-2014 |
|----------|------------|------------|
|----------|------------|------------|

|   |                      |
|---|----------------------|
| 4 | RESERVES & SURPLUS : |
|---|----------------------|

|    |  |               |                      |               |                      |
|----|--|---------------|----------------------|---------------|----------------------|
| a. | Capital Reserve                                |               |                      |               |                      |
|    | Opening balance                                | 20,018,632    |                      | 20,018,632    |                      |
|    | Add : Addition during the year                 | 0             |                      | 0             |                      |
|    | Sub total                                      | 20,018,632    |                      | 20,018,632    |                      |
|    | Less : Utilised/ Trfd. during the year         | 0             |                      | 0             |                      |
|    | Closing balance                                |               | 20,018,632           |               | 20,018,632           |
| b. | Securities Premium Reserve                     |               |                      |               |                      |
|    | Opening balance                                | 54,698,368    |                      | 54,698,368    |                      |
|    | Add : Premium on shares issued during the year | 0             |                      | 0             |                      |
|    | Sub total                                      | 54,698,368    |                      | 54,698,368    |                      |
|    | Less : Utilised during the year                | 0             |                      | 0             |                      |
|    | Closing balance                                |               | 54,698,368           |               | 54,698,368           |
| c. | Profit & Loss A/c Balance                      |               |                      |               |                      |
|    | Opening balance                                | (446,846,540) |                      | (438,504,184) |                      |
|    | Add : Profit / (Loss) for the year             | (598,326)     |                      | (8,342,356)   |                      |
|    | Sub total                                      | (447,444,866) |                      | (446,846,541) |                      |
|    | Less : Appropriations                          | 0             |                      | 0             |                      |
|    | Closing balance                                |               | (447,444,866)        |               | (446,846,541)        |
|    |  |               | <u>(372,727,866)</u> |               | <u>(372,129,541)</u> |

## PRASHANT INDIA LTD.

31st March, 2015

| Note No. | 31-03-2015 | 31-03-2014 |
|----------|------------|------------|
|----------|------------|------------|

|   |                        |
|---|------------------------|
| 5 | LONG TERM BORROWINGS : |
|---|------------------------|

Secured -

Term loans from other parties -

|   |  |                    |                    |
|---|--|--------------------|--------------------|
| a | Ficon S'ram Cap. Mkt. Ltd. ( Debt assignment of IOB) | 74,987,760         | 74,987,760         |
|   | Ficon S'ram Cap. Mkt. Ltd. ( Debt assignment of BOB) | 37,299,143         | 37,299,143         |
|   | Shantilon Pvt. Ltd. ( Debt assignment of SBH)        | 31,819,098         | 31,819,098         |
|   | Interest unpaid                                      | 5,443,806          | 5,443,806          |
| b | Shantilon Pvt. Ltd. ( Debt assignment of IFCI)       | 122,457,542        | 122,457,542        |
| c | Shantilon Pvt. Ltd. ( OTS with IREDA )               | 16,055,905         | 16,055,905         |
|   | Shantilon Pvt. Ltd. ( OTS with IDBI )                | 2,000,000          | 2,000,000          |
|   | Total  | <u>290,063,254</u> | <u>290,063,254</u> |

Details of terms of repayment and security provided for secured borrowings -

Security -

- \* Consortium loans in (a) above are secured by hypothecation of all movable current assets and further secured by first charge on land-building, plant-machinery, etc. of Agro division at Bhavnagar
- \* Loan in (b) above is secured by first charge on all the immovable properties and also by whole of movable plant-machineries, spares, tools, accessories, both present and future, of Textile division at Palsana
- \* Loans in (b) and (c) above are secured by first charge on all the immovable properties and also by whole of movable plant-machineries, spares, tools and accessories, both present and future, of wind farm unit
- \* Loans above are further secured by personal guarantee of the directors.

Repayment terms -

All loans have become overdue for repayment since long.

Default in repayment -

There has been a continuous default in repayment of above loans and interest since Dec., 1998.

- \* Also refer Note No.- 7 for other details

|   |                               |
|---|-------------------------------|
| 6 | OTHER LONG TERM LIABILITIES - |
|---|-------------------------------|

|                            |                  |                  |
|----------------------------|------------------|------------------|
| Sundry creditors for capex | 226,365          | 526,365          |
| G.S.T. & C.S.T. deferment  | 1,780,172        | 1,780,172        |
|                            | <u>2,006,537</u> | <u>2,306,537</u> |

PRASHANT INDIA LTD.

31st March, 2015

| Note No. | 31-03-2015 | 31-03-2014 |
|----------|------------|------------|
|----------|------------|------------|

**7 SHORT TERM BORROWINGS :**

Secured -

Loans repayable on demand -

|   |                   |                   |
|---|-------------------|-------------------|
| Shantilon Poly Pvt. Ltd. - WCDL                     | 61,245,591        | 0                 |
| SBI-WCDL  | 0                 | 101,899,939       |
| Less : Recoveries - Deposit in No Lien A/c with SBI | 0                 | (41,654,348)      |
|   | <u>61,245,591</u> | <u>60,245,591</u> |

Details of terms of repayment and security provided for secured borrowings -

Security -

\* WCDL is secured by hypothecation of entire current assets including stocks & book debts and further secured by second charge on all the immovable properties of Textile division at Palsana

\* WCDL is further secured by personal guarantee of the directors

Repayment terms -

WCDL repayable on demand has become overdue for repayment since long.

Default in repayment -

There has been a continuous default in repayment of WCDL and interest since Dec., 1998.

Other details -

\* The Company had been held sick industrial company under the purview of the provisions of section 3(1)(o) of the SICA ( Special Provisions), 1985 by the BIFR on dt.20-09-2005 and has been held to be wound up u/s 20(1) of the said Act on dt.14-09-2006 and upheld by the AAIFR on dt.06-12-2010. These winding up orders are challenged by the Company, by way of civil application before the hon'ble Gujarat High Court.

\* The Company has been continuously persuading secured lenders for the one time settlement of their dues. In this process, it has successfully settled the dues of some of the secured and unsecured lenders by augmenting resources from M/s. Shantilon Pvt. Ltd. (SPL), M/s. Ficon Shreeram Capital Market Services Ltd. (Ficon), M/s. Bridge International Pvt. Ltd. ( Bridge) and M/s. Shantilon Poly Pvt. Ltd. (SPPL). The current status of secured lenders stands as mentioned below -

| Lender                    | Remark        | Present status   |
|---------------------------|---------------|--|
| <b>Wind Farm Division</b> |               |  |
| IREDA                     | Dues settled  | SPL holds first exclusive charge over the assets of wind farm division vide Deed of Mortgage executed on dt.26-03-2007 with IREDA  |
| <b>Agro Division -</b>    |               |  |
| BOB & IOB                 | Dues assigned | Ficon holds pari passu charge with SPL over the assets of Agro division vide Deed of Assignment executed on dt.19-05-2011 with IARC (A/c. BOB) and Deed of Assignment executed on dt.15-02-2012 with IOB   |
| SBH                       | Dues assigned | SPL holds pari passu charge with Ficon over the assets of Agro division vide Assignment Agreement executed on dt.26-11-2010 with Arcil ( A/c. SBH)   |
| <b>Textile Division -</b> |               |  |
| IFCI                      | Dues assigned | * SPL had been assigned part debt of IFCI vide Deed of Assignment executed on dt.08-07-2009  |
|                           |               | * SPL has been assigned balanced debt of IFCI along with its share in cut back amount of Rs.415.21 lacs with interest lying in SBI-No Lien A/c and to receive 6.50 lacs equity shares of the Company @ Rs.10 per share vide Deed of Assignment executed on dt.31-05-2013 |
|                           |               | * SPL holds first exclusive charge over fixed assets and second charge over current assets of Textile division   |
| SBI                       | Dues assigned | * SPPL has been assigned full debt of SBI vide Deed of Assignment executed on dt.01-05-15 with ASREC India Ltd. (A/c SBI ) for Rs.9798.14 Lacs ( princ. 674.41 + Int. 9123.73 lacs as on dt.31-10-2014)  |
|                           |               | * SPPL holds first exclusive charge over current assets and second charge over fixed assets of Textile division  |
| IDBI                      | Dues settled  | SPL's existing charge on assets of wind farm division of the Company has been extended vide supplementary Deed of Mortgage executed on dt.12-10-2011   |



## PRASHANT INDIA LTD.

31st March, 2015

| Note No. | 31-03-2015 | 31-03-2014 |
|----------|------------|------------|
|----------|------------|------------|

|   |                  |
|---|------------------|
| 8 | TRADE PAYABLES : |
|---|------------------|

|                                 |                  |                  |
|---------------------------------|------------------|------------------|
| Sundry creditors                | 1,648,201        | 1,090,287        |
| Professional fees payable - Net | 206,779          | 151,779          |
|                                 | <u>1,854,980</u> | <u>1,242,066</u> |

|   |                             |
|---|-----------------------------|
| 9 | OTHER CURRENT LIABILITIES : |
|---|-----------------------------|

|                          |                |                |
|--------------------------|----------------|----------------|
| Statutory remittances -  |                |                |
| T.D.S. payable           | 530            | 1,857          |
| Local authorities dues   | 163,628        | 486,545        |
| PF-ESI payable           | 13,555         | 13,232         |
| Professional tax payable | 730            | 730            |
| VAT payable              | 6,750          | 344,924        |
|                          | <u>185,193</u> | <u>847,288</u> |

|    |                         |
|----|-------------------------|
| 10 | SHORT TERM PROVISIONS : |
|----|-------------------------|

|                                     |                  |                  |
|-------------------------------------|------------------|------------------|
| Provision - others -                |                  |                  |
| Provision for other contingencies - |                  |                  |
| Civil supply case-Bhavnagar         | 300,000          | 300,000          |
| EPCG penalty case                   | 7,702,696        | 7,702,696        |
| Income tax-A.Y.1995-96              | 342,778          | 342,778          |
|                                     | <u>8,345,474</u> | <u>8,345,474</u> |

NOTE NO. 11  
FIXED ASSETS AND DEPRECIATION :

| Sr. | Description of assets  | Rate of Depre. % | GROSS BLOCK      |          |           | DEPRECIATION     |                  |          | NET BLOCK |                  |
|-----|------------------------|------------------|------------------|----------|-----------|------------------|------------------|----------|-----------|------------------|
|     |                        |                  | As on 01-04-2014 | Addition | Deduction | As on 31-03-2015 | As on 01-04-2014 | Addition | Deduction | As on 31-03-2015 |
| 1   | Land - Freehold        |                  | 4838520          | 0        | 0         | 4838520          | 0                | 0        | 0         | 4838520          |
| 2   | Factory Building       | 3.17             | 29517191         | 0        | 0         | 29517191         | 16586237         | 935694   | 0         | 11995260         |
| 3   | Plant & machineries    | 6.33             | 164556364        | 0        | 501798    | 164054566        | 163418931        | 0        | 7567093   | 8202728          |
| 4   | Electrifications       | 9.50             | 7339525          | 0        | 0         | 7339525          | 3452809          | 3519740  | 0         | 366976           |
| 5   | Computer system        | 31.67            | 916025           | 8500     | 0         | 924525           | 916025           | 1115     | 0         | 7385             |
| 6   | Printer                | 31.67            | 67750            | 0        | 0         | 67750            | 67750            | 0        | 0         | 0                |
| 7   | Furniture & fixtures   | 9.50             | 1009790          | 0        | 0         | 1009790          | 1009790          | 0        | 0         | 0                |
| 8   | Office equip           | 19.00            | 430181           | 0        | 0         | 430181           | 332761           | 75911    | 0         | 21509            |
| 9   | Epabx system           | 19.00            | 24800            | 0        | 0         | 24800            | 13999            | 9561     | 0         | 1240             |
| 10  | Wireless antenna       | 19.00            | 72355            | 0        | 0         | 72355            | 7674             | 61063    | 0         | 3618             |
| 11  | Vehicles-Scooters etc. | 9.50             | 774797           | 0        | 757737    | 17060            | 759687           | 0        | 742627    | 0                |
|     | TOTAL                  |                  | 209547298        | 8500     | 1259535   | 208296263        | 186565663        | 4603084  | 8309720   | 25437235         |
|     | Previous year ->       |                  | 213923817        | 0        | 4376520   | 209547297        | 184391586        | 6550597  | 4376520   | 22981634         |
|     |                        |                  |                  |          |           |                  |                  |          |           | 22981635         |
|     |                        |                  |                  |          |           |                  |                  |          |           | 29532231         |

\* Some part of the factory building has been given under operating lease.

\* Depreciation has been charged based on useful life of asset and opening retained earnings are adjusted as exceptional item in profit & loss account.

| Note No.  | 31-03-2015       | 31-03-2014       |
|---|------------------|------------------|
| <b>12   LONG TERM LOANS &amp; ADVANCES :</b>        |                  |                  |
| Unsecured   |                  |                  |
| Advance for goods - capex                           |                  |                  |
| Considered good                                     | 239,796          | 462,156          |
| Doubtful  | 753,000          | 1,030,291        |
| Security deposits -                                 |                  |                  |
| Considered good                                     | 1,300,890        | 1,282,160        |
| Loans & advances to employees                       | 0                | 0                |
| Loans & advances to others                          | 500,000          |                  |
| Prepaid expenses                                    |                  |                  |
| Considered good                                     | 119,800          | 11,135           |
| Balances with Govt. Authorities                     |                  |                  |
| Considered good                                     |                  |                  |
| Income Tax refundable                               | 510,267          | 808,379          |
| DGVCL   | 2,522,089        | 2,434,106        |
| GMDC  | 475              | 0                |
|   | <u>5,946,318</u> | <u>6,028,227</u> |
| <b>13   OTHER NON CURRENT ASSETS :</b>              |                  |                  |
| Unsecured   |                  |                  |
| Other advances & tax deposits -                     |                  |                  |
| Doubtful  | 412,038          | 436,648          |
|   | <u>412,038</u>   | <u>436,648</u>   |
| <b>14   INVENTORIES :</b>                           |                  |                  |
| (As taken, valued and certified by the management ) |                  |                  |
| Raw materials                                       | 0                | 0                |
| Finished Goods                                      | 0                | 0                |
| Consumable stores, spares, packing materials, etc.  | 0                | 0                |
| Coal, fuel, diesel                                  | 61,213           | 0                |
|   | <u>61,213</u>    | <u>0</u>         |
| <b>15   TRADE RECEIVABLES :</b>                     |                  |                  |
| Unsecured   |                  |                  |
| Outstanding for a period exceeding 6 months         |                  |                  |
| Considered good                                     | 998,015          | 1,511,825        |
| Considered doubtful                                 | 3,567,308        | 3,965,514        |
| Less : Provision for doubtful debt                  | <u>3,567,308</u> | <u>3,965,514</u> |
|   | 0                | 0                |
| others -  |                  |                  |
| Considered good                                     | 0                | 1,884,771        |
|   | <u>998,015</u>   | <u>3,396,596</u> |

## PRASHANT INDIA LTD.

31st March, 2015

| Note No.                                       | 31-03-2015       | 31-03-2014       |
|--|------------------|------------------|
| <b>16 CASH &amp; BANK BALANCE :</b>            |                  |                  |
| Cash on hand ( As certified by the Directors ) | 347,449          | 394,688          |
| Bank balances -                                |                  |                  |
| In current accounts                            | 125,324          | 37,305           |
|  | <u>472,773</u>   | <u>431,993</u>   |
| <b>17 REVENUE FROM OPERATIONS :</b>            |                  |                  |
| Sale of products -                             |                  |                  |
| Sales  | 0.00             | 80,621           |
| Sale of services -                             |                  |                  |
| Jobwork charges for yarn sizing                | 0                | 1,136,751        |
| Other operating revenues -                     |                  |                  |
| Power generation                               | 3,486,592        | 2,839,600        |
|  | <u>3,486,592</u> | <u>4,056,972</u> |
| <b>18 OTHER INCOME :</b>                       |                  |                  |
| Interest income                                | 124,918          | 257,089          |
| Rebate, Discounts, Claims, Incidental charges  | 859              | 607              |
| Utilities usage charges                        | 180,000          | 180,000          |
| Bad Debt recovered-Prov. reversed              | 100,000          | 298,206          |
| Profit - sale of plant & mc. scrap             | 212,890          | 875,304          |
|  | <u>618,667</u>   | <u>1,611,206</u> |
| <b>19 COST OF MATERIALS CONSUMED :</b>         |                  |                  |
| Opening stock                                  | 0                | 4,200            |
| Add : Purchases                                | <u>0</u>         | <u>0</u>         |
|  | 0                | 4,200            |
| Less : Closing stock                           | <u>0</u>         | <u>0</u>         |
|  | 0                | 4,200            |
| Consumption of stores, spares, etc.            |                  |                  |
| Opening stock                                  | 0                | 45,000           |
| Add : Purchases                                | <u>1,164,563</u> | <u>190,660</u>   |
|  | 1,164,563        | 235,660          |
| Less : Closing stock                           | <u>0</u>         | <u>0</u>         |
|  | 1,164,563        | 235,660          |
|  | <u>1,164,563</u> | <u>239,860</u>   |
| <b>20 CHANGE IN FINISHED GOODS STOCK :</b>     |                  |                  |
| Opening stock                                  | 0                | 70,742           |
| Less : Closing stock                           | <u>0</u>         | <u>0</u>         |
|  | 0                | 70,742           |

**(38)**

## PRASHANT INDIA LTD.

31st March, 2015

| Note No.                               | 31-03-2015       | 31-03-2014       |
|--|------------------|------------------|
| <b>21 EMPLOYEE BENEFITS EXPENSE :</b>  |                  |                  |
| Salary & wages to workers              | 348,800          | 973,829          |
| Salary and emoluments to staff         | 507,622          | 902,384          |
| Directors' Remuneration                | 336,240          | 336,240          |
|  | <u>1,192,662</u> | <u>2,212,453</u> |
| <b>22 FINANCIAL CHARGES :</b>          |                  |                  |
| Bank commission & charges              | 5,384            | 7,052            |
| Interest expenses -                    |                  |                  |
| Interest on TDS/ Sales tax/ I.T., etc. | 23,336           | 0                |
|  | <u>28,720</u>    | <u>7,052</u>     |
| <b>23 OTHER EXPENSES :</b>             |                  |                  |
| Factory expenses                       | 58,051           | 129,055          |
| Power & fuel expenses                  | 580,129          | 1,922,791        |
| Repairs & maintenance -                | 1,254,641        | 1,686,559        |
| Sundry wages and carting exps.         | 5,820            | 19,920           |
| Advertisement                          | 25,910           | 6,011            |
| Auditor's remuneration                 | 30,000           | 30,000           |
| Computer exps.                         | 0                | 13,300           |
| Insurance exps.                        | 53,173           | 63,423           |
| Legal & professional fees              | 721,710          | 436,274          |
| Listing fees                           | 112,360          | 16,854           |
| Office expenses                        | 9,491            | 21,500           |
| Postage expenses                       | 30,445           | 33,893           |
| Profession tax                         | 2,400            | 2,400            |
| Rent, rates & taxes                    | 362,960          | 53,000           |
| Rebate, R.D., etc.                     | 754,733          | 0                |
| Security exps.                         | 421,672          | 164,790          |
| Staff welfare exps.                    | 2,350            | 42,785           |
| Stationery and printing                | 43,097           | 49,844           |
| Telephone & telex exps.                | 23,814           | 24,725           |
| Travelling, conveyance & vehicle exps. | 287,095          | 212,706          |
|  | <u>4,779,851</u> | <u>4,929,830</u> |

|    |  |
|----|--|
| 24 | Additional information to the financial statements |
|----|--|

## a Contingent liabilities and commitments (to the extent not provided for)

| Particulars   | 31-03-2015<br>Rs. | 31-03-2014<br>Rs. |
|---|-------------------|-------------------|
| Claims against the company not acknowledged as debt                             | 7.16              | 7.16              |
| Guarantees -  | 0.00              | 0.00              |
| Other money for which the company is contingently liable<br>Details given below | 793.59            | 785.76            |

| Name of statute/ Authority<br>Nature of dues   | Forum, where<br>dispute is pending  | Management's<br>comments  | 31-03-2015<br>Rs.    | 31-03-2014<br>Rs.    |
|--|---|---|----------------------|----------------------|
| Gujarat Sales Tax Act, 1969<br>Demand on regular assessment<br>F.Y.1986-87 to 89-90<br>F.Y.1993-94 to 98-99                | Cases remanded<br>by ST Tribunal-I<br>back to A.C.,<br>Sales Tax<br>Bhavnagar | Demand is based on<br>false presumptions<br>and hence, no<br>liability is envisaged | 544.68               | 544.68               |
| Income Tax Act, 1961<br>ITAT, Rajkot bench order<br>dt.23-05-2002  | High Court, Gujarat   | Demand is based on<br>erroneous<br>interpretation of law                            | Not<br>ascertainable | Not<br>ascertainable |
| Guarantee commission payable<br>directors and others for their<br>guarantees to Banks & FIs<br>F.Y.1999-00 to 2014-15      | N.A.  | Nil   | 125.28               | 117.45               |
| Civil Suit<br>Non payment for materials<br>supplied and other charges up<br>to dt.30-11-01 as per contract<br>by BHEL 1995 | Fast Track<br>Court, Ranipat<br>O.S.No.25 of<br>2006                          | Supply of machines<br>by BHEL has not<br>been as per<br>contractual terms           | 116.47               | 116.47               |
| Others   |   | Nil   | 7.16                 | 7.16                 |

## b The company has not made provision for following items -

| Nature of liability  | Amount Rs. | Management's perception   |
|--|------------|---|
| Interest to Assignee of loan of<br>IOB, BOB and SBH – simple<br>intetest @ 13% p.a. since 1998 | 3,110.64   | Dues of IOB, IARC (A/c BOB), Arcil (A/c SBH), IFCI, SBI<br>and IDBI have been either settled or assigned through<br>infusion of funds by strategic investors. The strategic<br>investors may waive the interest, if revival proposal of<br>the Company is accepted. |
| Interest to Assignee of loan of<br>IFCI – simple interest @ 13%                                | 2,547.12   |   |
| Interest to Shantilon Pvt. Ltd.–<br>simple interest @ 12% p.a.                                 | 175.80     |   |
| Interest to SPPL (A/c SBI)   | 1,353.53   |   |
| Other advances   | 14.42      | Nil   |
| Total  | 7,201.50   |   |

The Company has not made provisions for the above items, which in the opinion of the Auditors, need provision. Had the provision been made in the books of accounts, the accumulated losses of the Company would have increased by Rs.7201.50 lacs

- c Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006  
The Company has no information regarding which of its suppliers is a small scale industrial undertaking. Hence, the particulars of amounts payable to such undertakings, if any, have not been given as required under Schedule VI to the Companies Act, 1956

The Company is not in a position to identify the amounts payable to small scale and ancillary undertakings under the provision of the "Interest on the delayed payment to small scale and ancillary undertaking Act, 1993" and accordingly it is not possible to quantify the extent of overdue interest payable under the said Act

- d Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges  
Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties is NIL

| Particulars   | 31-03-2015<br>Rs. | 31-03-2014<br>Rs. |
|---|-------------------|-------------------|
| e Value of imports calculated on CIF basis -  | Nil               | Nil               |
| f Expenditure in foreign currency -<br>Foreign travelling by directors  | 0                 | 0                 |
| g Details of consumption of imported and indigenous items   |                   |                   |
| Imported -  | 0                 | 0                 |
| Indigenous -  |                   |                   |
| Raw materials   | 0                 | 0                 |
| Components  | 0                 | 0                 |
| Spare parts   | 1,164,563         | 235,660           |
| h Earnings in foreign currency -  | Nil               | Nil               |
| i Long term loans & advances, other non current assets, Trade receivables and other current assets include amounts due from - |                   |                   |
| Directors   | Nil               | Nil               |
| Other officers of the company   | Nil               | Nil               |
| Firms in which any director is a partner  | Nil               | Nil               |
| Pvt. company in which director is a director or member  | Nil               | Nil               |
| j Details of auditor's remuneration   |                   |                   |
| As auditors   | 18,000            | 15,000            |
| As advisors in following matters  |                   |                   |
| Taxation matters  | 5,000             | 2,500             |
| Company law matters   | 0                 | 2,500             |
| Other matters   | 7,000             | 7,000             |
| As tax auditors   | 0                 | 0                 |
| Total   | <u>30,000</u>     | <u>27,000</u>     |

- k Balances of trade receivables, trade payables, loans and advances are subject to confirmation and have been taken as appearing in the books of accounts of the Company.

- l The Company has provided depreciation of Rs.1.21 lacs on assets of agro division as the depletion of assets has continued even though the division was closed during the whole year. Plant & machineries have been considered to be continuous process plant and depreciation has been charged accordingly

|    |  |
|----|--|
| 25 | Disclosures under Accounting Standards - |
|----|--|

## a Details of government grants - AS - 12

| Particulars   | 31-03-2015<br>Rs. | 31-03-2014<br>Rs. |
|---|-------------------|-------------------|
| Government grants received by the Company during the year towards |                   |                   |
| Subsidies (recognised under _____)                                | 0                 | 0                 |
| Duty drawback (recognised under Other operating rever             | 0                 | 0                 |
| Other incentives (recognised under _____) ( specify natu          | 0                 | 0                 |

## b Related Party Transactions - AS - 18

## Details of related parties

| Description of relationship   | Name of related parties  |
|---|--|
| Associates  | Nil  |
| Key Management personnel ( KMP )  | Prabhudas M.Gondalia<br>Harsukhbhai M.Gondalia   |
| Relatives of KMP  | Nil  |
| Company in which KMP / Relatives of KMP<br>can exercise significant influence | Ficon Shreeram Capital Mkt. Ltd.<br>Bridge International Pvt. Ltd.<br>Shantilon Poly Pvt. Ltd. |

## Details of related party transactions

| Nature of transaction                       | Name of related party  | 31-03-2015<br>Rs.  | 31-03-2014<br>Rs.  |
|---|--|--------------------|--------------------|
| Job work income                             | Shantilon Poly Pvt. Ltd.                                       | 0                  | 1,136,751          |
| Sale of stores                              | Shantilon Poly Pvt. Ltd.                                       | 79,697             | 0                  |
| Power exps. reimbursement                   | Shantilon Poly Pvt. Ltd.                                       | 932,830            | 861,584            |
| Lease rental                                | Shantilon Poly Pvt. Ltd.                                       | 0                  | 180,000            |
| Directors' remuneration                     | Prabhudas M.Gondalia<br>Harsukhbhai M.Gondalia                 | 208,512<br>127,728 | 208,512<br>127,728 |
| Loans & advances - Max.                     | Bridge International P.Ltd.<br>Shantilon Poly Pvt. Ltd.        | 0<br>1,387,352     | 1,000,000<br>0     |
| Funds infused for debt assign               | Ficon Shreeram Capital Market Ltd.<br>Shantilon Poly Pvt. Ltd. | 0<br>26,500,000    | 112,286,903        |
| Balances outstanding at the end of the year |  |                    |                    |
| Trade receivables                           | Shantilon Poly Pvt. Ltd.                                       | 0                  | 1,800,120          |
| Loans & advances                            | Bridge International Pvt. Ltd.<br>Shantilon Poly Pvt. Ltd.     | 0<br>0             | 0<br>0             |
| Debt assignment                             | Ficon Shreeram Capital Mkt. Sev.Ltd.                           | 112,286,903        | 112,286,903        |
| Debt assignment                             | Shantilon Poly Pvt. Ltd.                                       | 61,245,591         | 0                  |



## c Earning per share AS - 20

| Nature of transaction   | 31-03-2015<br>Rs. | 31-03-2014<br>Rs. |
|---|-------------------|-------------------|
| Net profit / (loss) for the year from continuing operations                     | (7,663,621)       | (8,342,356)       |
| (Add) / Less: Extraordinary items (net of tax) relating to continuing operation | 7,065,295         | 0                 |
| Net profit / (loss) for the year  | (598,326)         | (8,342,356)       |
| Less: Preference dividend and tax thereon                                       | 0                 | 0                 |
| Net profit / (loss) for the year attributable to the equity shareholders        | (598,326)         | (8,342,356)       |
| Weighted average number of equity shares  | 4,235,443         | 4,235,443         |
| Par value per share   | 10                | 10                |
| Earnings per share - Basic  | (0.14)            | (1.97)            |
| Earnings per share excluding extraordinary items - Basic                        | (1.81)            | (1.97)            |

## d Deferred tax asset / ( liability ) AS - 22

Since the company has been continuously incurring net losses / cash losses and still there is no certainty about the future income, deferred tax asset has not been accounted as a prudent accounting practice

## e Details of provisions

The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

| Particulars                       | As on<br>01-04-2014 | Addition | Utilisation | Bal. as on<br>31-03-2015 |
|-----------------------------------|---------------------|----------|-------------|--------------------------|
| Provision for other contingencies |                     |          |             |                          |
| Civil supply case-Bhavnagar       | 300,000             | 0        | 0           | 300,000                  |
| EPCG penalty case                 | 7,702,696           | 0        | 0           | 7,702,696                |
| Income tax-A.Y.1995-96            | 342,778             | 0        | 0           | 342,778                  |
| <b>Total</b>                      | <b>8,345,474</b>    | <b>0</b> | <b>0</b>    | <b>8,345,474</b>         |

Of the above, the following amounts are expected to be incurred within a year:

| Nature of transaction             | 31-03-2015<br>Rs. | 31-03-2014<br>Rs. |
|-----------------------------------|-------------------|-------------------|
| Provision for other contingencies | 0                 | 0                 |

## f Segment reporting AS -17

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily Textiles and Windfarm. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments. Geographical revenues are allocated based on the location of the customer. Geographic segments of the Company are Surat and Rajkot.

| Particulars                | Business Segments |           | Total       |
|----------------------------|-------------------|-----------|-------------|
|                            | Textile           | Wind Farm |             |
| Revenue                    | 0                 | 3,486,592 | 3,486,592   |
| Inter segment              | 0                 | 0         | 0           |
| Sub total                  | 0                 | 3,486,592 | 3,486,592   |
| Expenditure                | 2,232,336         | 603,733   | 2,836,068   |
| Segment result             | (2,232,336)       | 2,882,859 | 650,523     |
| Unallocable expenses (net) |                   |           | 1,867,517   |
| Operating income           |                   |           | (1,216,993) |
| Other income (net)         |                   |           | 618,667     |
| Profit before taxes        |                   |           | (598,326)   |
| Tax expense                |                   |           | 0           |
| Net profit for the year    |                   |           | (598,326)   |

| Particulars             | Business Segments |            | Total       |
|-------------------------|-------------------|------------|-------------|
|                         | Textile           | Wind Farm  |             |
| Segment assets          | 21,594,612        | 8,361,023  | 29,955,635  |
| Unallocable assets      |                   |            | 3,371,957   |
| Total assets            |                   |            | 33,327,592  |
| Segment liabilities     | 199,694,985       | 16,869,203 | 216,564,188 |
| Unallocable liabilities |                   |            | 147,136,840 |
| Total liabilities       |                   |            | 363,701,028 |

Other information

|  |           |
|--|-----------|
| Capital expenditure (allocable)                                | 0         |
| Capital expenditure (unallocable)                              | 0         |
| Depreciation and amortisation (allocable)                      | 4,482,101 |
| Depreciation and amortisation (unallocable)                    | 120,984   |
| Other significant non-cash expenses (allocable) (give details) | 0         |
| Other significant non-cash expenses (unallocable)              | 0         |

For and on behalf of Board of Directors of

PRASHANT INDIA LTD.

1 Sd/-

P.M.GONDALIA

Chairman &amp; M.D.

2 Sd/-

H.M.GONDALIA

Whole Time Director

3 Sd/-

PRASHANT S.PAREKH

Chief Financial Officer

4 Sd/-

RASHMI T. BHATT

Company Secretary

As per our audit report of even date

For DEVENDRA GHEEWALA &amp; CO.

CHARTERED ACCOUNTANTS

Sd/-

( D. M. GHEEWALA )

PROPRIETOR

M.No. : 049857

FRN. : 115563W

Place : Surat.

Date : 28-05-2015

## PRASHANT INDIA LTD.

31st March, 2015

| <b>CASH FLOW STATEMENT</b> |   | Rs. In '000       | Rs. In '000       |
|----------------------------|---|-------------------|-------------------|
|                            |   | <b>31-03-2015</b> | <b>31-03-2014</b> |
| <b>A</b>                   | <b>CASH FLOW FROM OPERATING ACTIVITIES -</b>        |                   |                   |
|                            | Net profit before tax and extraordinary items       | (598)             | (8,342)           |
|                            | Adjustment for-                                     |                   |                   |
|                            | Taxation  | 0                 | 0                 |
|                            | Depreciation  | 4,603             | 6,551             |
|                            | Provision for doubtful debts                        | -                 | -                 |
|                            | Profit / loss on sale of fixed assets & investments | (213)             | -                 |
|                            | Prior period items                                  | (7,065)           | -                 |
|                            | Interest shown separately                           | 29                | 7                 |
|                            | Operating profit before working capital change      | (3,244)           | (1,785)           |
|                            | Adjustment for -                                    |                   |                   |
|                            | Trade & other receivable                            | 2,399             | 1,960             |
|                            | Inventories   | (61)              | 209               |
|                            | Trade payable                                       | 951               | (2,168)           |
|                            | Other current assets, loans & advances              | 107               | 2,128             |
|                            |   | 3,395             | 2,129             |
|                            | <b>CASH GENERATED FROM OPERATIONS</b>               | 150               | 344               |
|                            | Interest paid                                       | (29)              | (7)               |
|                            | Tax refunds   | -                 | (7)               |
|                            | <b>CASH FLOW BEFORE EXTRA ORDINARY ITEMS</b>        | 121               | 337               |
|                            | Less : Extraordinary items                          | -                 | -                 |
|                            | <b>Net cash flow from operating activities</b>      | <b>121</b>        | <b>337</b>        |
| <b>B</b>                   | <b>CASH FLOW FROM INVESTING ACTIVITIES -</b>        |                   |                   |
|                            | Purchase of fixed assets                            | 9                 | -                 |
|                            | Adjustment / Sale of fixed assets / investments     | 228               | -                 |
|                            | <b>Net cash used in investment activities</b>       | <b>(219)</b>      | <b>-</b>          |
| <b>C</b>                   | <b>CASH FLOW FROM FINANCING ACTIVITIES</b>          |                   |                   |
|                            | Proceeds from issue of share capital                | -                 | -                 |
|                            | Proceeds from long term borrowing                   | -                 | -                 |
|                            | Repayment of Finance / Lease liabilities            | 300               | 150               |
|                            | <b>Net cash outflow from financing activities</b>   | <b>300</b>        | <b>150</b>        |
|                            | Net change in cash & cash equivalents               | 40                | 187               |
|                            | CASH AND CASH EQUIVALENTS - Op. Bal.                | 432               | 245               |
|                            | CASH AND CASH EQUIVALENTS - Cl. Bal.                | 472               | 432               |

We have verified the above Cash Flow Statement of Prashant India Ltd. derived from the Audited Annual Financial Statement for the year ended on 31st March, 2015 and 31st March, 2014 and have found the same to be drawn in accordance therewith and also with the requirements of clause 32 of the listing agreement.

PRASHANT INDIA LTD.

- 1 Sd/-  
P.M.GONDALIA  
Chairman & M.D.
- 2 Sd/-  
H.M.GONDALIA  
Whole Time Director
- 3 Sd/-  
PRASHANT S.PAREKH  
Chief Financial Officer
- 4 Sd/-  
RASHMI T. BHATT  
Company Secretary

For **DEVENDRA GHEEWALA & CO.**  
**CHARTERED ACCOUNTANTS**

Sd/  
**( D. M. GHEEWALA )**  
**PROPRIETOR**  
**M.No. : 049857**  
**FRN. : 115563W**

Place : Surat.  
Date : 28-05-2015

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**PRASHANT INDIA LIMITED**

**Regd. office:** Block 456, Palsana Char Rasta, N. H. 8, Palsana - 394315, Dist. Surat  
**CIN:** L15142GJ1983PLC006574 | **Ph.:** 02622-325227 | **E-mail:** cs.prashantindia@gmail.com  
**Web:** prashantindia.info

Form No. MGT – 11

**PROXY FORM**

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

|                         |   |
|-------------------------|---|
| Name of the member (s): | Registered address:                     |
| E-mail Id:              | Folio. No. / DP ID No. & Client ID No.: |

I/We being the Member(s) of \_\_\_\_\_ shares of Prashant India Limited, hereby appoint:

|                                  |                                  |                                  |
|----------------------------------|----------------------------------|----------------------------------|
| 1. Name:                         | 2. Name:                         | 3. Name:                         |
| Address:                         | Address:                         | Address:                         |
| E-mail Id:                       | E-mail Id:                       | E-mail Id:                       |
| Signature:<br>or failing him/her | Signature:<br>or failing him/her | Signature:<br>or failing him/her |

as my/our proxy to attend and vote (on a poll) for me/us, on my/our behalf at the 32<sup>nd</sup> ANNUAL GENERAL MEETING of the Company, to be held on Wednesday, September 30, 2015 at 11.00 A.M. at the Registered office of the company and at any adjournment thereof in respect of such resolutions as are indicated below:

| Reso. No. | Resolutions  | For | Against |
|-----------|--|-----|---------|
| 1         | To consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2015, alongwith the Board of Directors Report and Auditors Report thereon. |     |         |
| 2         | To appoint a Director in place of Shri. H. B. Malavia who retires by rotation and being eligible, offers himself for reappointment.  |     |         |
| 3         | Ratification of the appointment of Statutory Auditors of the Company and to fix their remuneration.  |     |         |
| 4         | To appoint Mrs. Poonam N. Khandelwal (DIN 07084077), as an Independent Director in pursuance of Companies Act, 2013  |     |         |
| 5         | To Adopt New Set of Articles of Association.   |     |         |
| 6         | Agreement with M/s. Shantilon Poly Pvt. Ltd.   |     |         |
| 7         | Reappointment of Shri P. M. Gondalia as MD   |     |         |
| 8         | Reappointment of Shri H. M. Gondalia as WTD  |     |         |

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

Signature of the Shareholder(s) \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix  
Revenue  
Stamp

**NOTE:**

1. The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the registered office of the company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the company.
2. Pursuant to the provisions of section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other member.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

**PRASHANT INDIA LIMITED**

**Regd. office:** Block 456, Palsana Char Rasta, N. H. 8, Palsana - 394315, Dist. Surat  
**CIN:** L15142GJ1983PLC006574 | **Ph.:** 02622-325227 | **E-mail:** cs.prashantindia@gmail.com  
**Web:** prashantindia.info

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**ATTENDANCE SLIP**

I/We hereby record my/our presence at the 32<sup>nd</sup> ANNUAL GENERAL MEETING of the Company held on Wednesday, September 30, 2015 at 11.00 A.M. at the Registered office of the company.

**Ledger Folio / Client ID. No.** :

**No. of shares held** :

**Name/s of the Shareholder(s) / proxy** :

-----  
**Signature of shareholder(s)/Proxy present**

- PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTERANCE OF THE MEETING VENUE.

**CERTIFICATE OF COMPLIANCE WITH THE CODE OF BUSINESS CONDUCT**

As provided under clause 49 of listing agreement with stock exchange, the members of Board of Directors and senior management personal have confirmed compliance with the code of conduct for the year ended 31<sup>st</sup> March 2015.

Place : Palsana  
Date : 28.05.2015

Sd/-  
Prabhudas M.Gondalia  
Chairman & Managing Director

**JOINING GREEN INITIATIVE- ELECTRONIC MODE OF SERVICE OF DOCUMENT**

The members are requested to furnish the details of their email address to the company for service of documents by email. The details as given below may be furnished from your email id to the company at its email **cs.prashantindia@gmail.com** or to be sent at the registered office of company in physical form.

**THE DETAILS TO BE FURNISHED**

|   |                                   |  |
|---|-----------------------------------|--|
| 1 | Folio no.                         |  |
| 2 | Name of First Holder              |  |
| 3 | Name(S) of Joint Holders (if any) |  |
| 4 | Email address (to be Registered)  |  |
| 5 | Correspondence Address            |  |
| 6 | Mobile Number                     |  |
| 7 | PAN No.                           |  |

# **BOOK-POST**

**To,**

**If Undelivered Please return to :**

**PRASHANT INDIA LTD.**

**Registered Office : Block No. 456, Palsana Char Rasta, N. H. 8,  
Palsana - 394 315. Dist. Surat (Gujarat)**