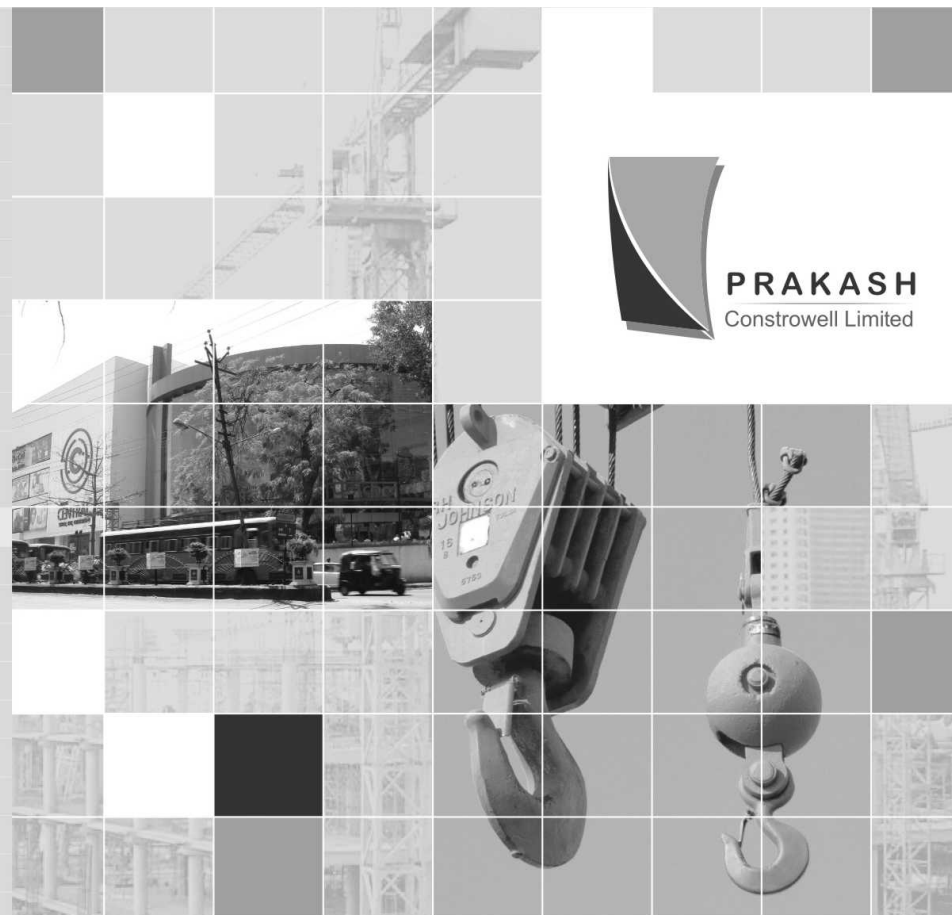




**PRAKASH**  
Constrowell Limited



# ANNUAL REPORT 2013 - 2014



**PRAKASH**  
Constrowell Limited

**PRAKASH CONSTROWELL LIMITED.**  
Corporate Office  
6/7, Falcon Plaza, National High School Road,  
Near Sarda Circle, Nashik - 422001. Maharashtra (India)  
Tel.: 0253 - 259 07 25 / 259 77 24  
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Web: [www.prakashconstro.com](http://www.prakashconstro.com)



“OUR PERFORMANCE IS  
**STEADY ON  
ACCOUNT**  
OF DIVERSIFIED ORDER  
BOOK, **HEALTHY  
DEBT SERVICE**  
COVERAGE AND GROWTH IN  
**TURNOVER”**

Awarded the "Best Building of the year (2006-07)" for  
the construction of College of Engineering NDMVP  
Samaj-Nashik under the category of Institutional  
Building by 'Builders Association of India'.

WE WILL CONTINUE TO  
**STAY AHEAD**  
OF COMPETITION AND  
**ENRICH** AND  
**ADD VALUE**  
FOR ALL OUR STAKE  
HOLDERS



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### NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Eighteenth Annual General Meeting of Prakash Constrowell Limited will be held on Monday, 29<sup>th</sup> September, 2014 at 2 .30 PM at 3<sup>rd</sup> Floor, Pinnacle Mall, Trimbak Naka, Nashik- 422001, to transact the following business:

#### Ordinary Business:

1. To receive, consider and adopt the Audited financial statements for the year ended 31<sup>st</sup> March, 2014, including the audited Balance Sheet as at 31<sup>st</sup> March 2014, Audited Statement of Profit & Loss and Cash Flow for the financial year ended as on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Prakash Pusaram Laddha (DIN 00126825), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:  
“RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. G.P. Pimpalikar and Associates, Chartered Accountants, Jalgaon (ICAI Registration No. FRN.119343W), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 21<sup>st</sup> Annual General Meeting of the Company to be held in the year 2017 (subject to ratification of their appointment at every Annual General Meeting), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

#### Special Business:

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-  
“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded for continuation of the appointment of Mr. Trichur G. Krishnan as Managing Director of the Company, for the remaining term i.e. up to 1<sup>st</sup> January 2016, liable to retire by rotation, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution) as it may deem fit and as may be acceptable to Mr. Trichur G. Krishnan

RESOLVED FURTHER THAT the Board 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.”

5. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:  
“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force as amended from time to time) and Clause 49 of the Listing Agreement, Mr. Ramniwas Rathi (DIN 06882263), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 28<sup>th</sup> May 2014, in terms of Section 260 of the Companies Act, 1956 (corresponding to Section 161(1) of the Companies Act, 2013) and Article 152 of the Articles of Association of the Company and in respect of whom Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent director of the Company and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 be and is hereby appointed as Independent Director of the Company to hold office for a term of 5 (five) consecutive years up to the conclusion of the 23<sup>rd</sup> Annual General Meeting of the Company in the calendar year 2019.”
6. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:  
“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force as amended from time to time) and Clause 49 of the Listing Agreement, Mr. Jayant Vishnu Phalke (DIN 00332887), who was appointed as an Independent Director of the Company, whose period of office is liable to determination by retirement by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Independent Director and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years up to the conclusion of the 23<sup>rd</sup> Annual General Meeting of the Company in the calendar year 2019.”



7. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force as amended from time to time) and Clause 49 of the Listing Agreement, Mr. Prashant Prabhakar Gadkari (DIN 06565104), who was appointed as an Independent Director of the Company, whose period of office is liable to determination by retirement by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Independent Director and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years up to the conclusion of the 23<sup>rd</sup> Annual General Meeting of the Company in the calendar year 2019.”

8. To consider and if thought fit to pass with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of the Section 180(1)(a) and the other applicable provisions of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to create any mortgage, charge and/or hypothecation, in such manner and with such ranking as to priority and for such time to time for the purposes of the business of the Company on the immoveable and moveable properties of the Company, both present and future, in such form or manner at such time and on such terms and conditions as determined by the Board of Directors from time to time, (together with all other assets, rights and/or interest therein), including but not limited to any rights / entitlements of the Company to / in respect of immoveable properties under agreements executed by the Company and the Board be and is hereby empowered and authorized to arrange or fix terms and conditions for creation of such mortgage, charge and/or hypothecation of all properties offered as security howsoever as they may deem fit, as also to execute all such deeds and documents as may be necessary, usual or expedient for this purpose.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary and expedient and also to delegate all or any of the above powers to the committee of the Directors or the Whole-time Director or any other officers of the Company for giving effect to the above resolution ”

9. To consider and if thought fit, to give assent or dissent to the following resolution as a Special Resolution:

**“RESOLVED THAT** the consent of the Company be and is hereby accorded under the provisions of Section 180(1)(c) of the Companies Act, 2013 to the Board of Directors of the Company or any committee thereof for borrowing monies, from time to time, at its discretion either from the Company’s bankers or any other bank(s), financial institution(s), international lending agencies or any other lending institution(s), persons, firms, trusts or bodies corporate by way of deposits, advances or other loans, convertible/non-convertible debentures, commercial papers, bonds or any other debt instruments, whether unsecured or secured directly by mortgage, charge, hypothecation or pledge of any of the Company’s assets and properties, book debts or by collateral security thereon or on such terms and conditions as may be considered suitable by the Board of Directors, even though the monies to be borrowed together with monies already borrowed by the Company, apart from temporary loans obtained from Company’s Bankers in the ordinary course of business, exceeds the aggregate paid-up capital of the Company and its free reserves i.e. reserves not set apart for any specific purpose provided, however, that the total amount of such borrowings shall not exceed the amount of Rs. 100 Crores/(Rupees One Hundred Crores only) at any time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary and expedient and also to delegate all or any of the above powers to the committee of the Directors or the Whole-time Director or any other officers of the Company for giving effect to the above resolution”.

10. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force as amended from time to time), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

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



By order of Board of Directors  
For PRAKASH CONSTROWELL LIMITED

Sd/-  
Madhura Ubale  
Company Secretary

Place: Nashik  
Date 14.08.2014

**Notes:**

1. The Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the special business set out in this Notice is annexed. Additional information pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchange, of persons seeking appointment / re-appointment as Directors are furnished and forms part of Notice.
2. **A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote (on a poll only) instead of himself/ herself and that the proxy need not be a member of the company.** The instrument appointing the Proxy, duly completed and signed, must be deposited at the Company's Registered Office, not less than 48 hours before the commencement of AGM. Proxies submitted on behalf of the limited companies, Corporate Members, Societies, etc., must be supported by an appropriate resolution / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10 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 member.
3. Corporate Members intending to send their authorized representatives to attend the meeting are required to send a certified true copy of their Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. The Register of Members and Share Transfer Book will remain closed from Wednesday, 24<sup>th</sup> September, 2014 to Monday, 29<sup>th</sup> September, 2014 (both days inclusive).
5. Members/ proxies are requested to bring their copies of Annual Report along with the duly-filled Attendance Slips sent herewith to attend the meeting.
6. Members are requested to intimate to the Company their queries, if any, regarding the accounts/ report at least ten days before the date of ensuing Annual General Meeting to enable the management to keep the information readily available.
7. Statutory registers and documents referred to in the notice and explanatory statement are open for inspection at the Registered Office of the Company on all working days (Monday to Saturday) between 11.00 a.m. and 01.00 p.m. up to the

date of annual general meeting and will also be available for inspection at the meeting.

8. Shareholders who are holding shares in physical form are requested to address all correspondence concerning registration of transfers, transmissions, sub-division, consolidation of shares or any other share related matters and/or change in address or updation thereof to the Company's RTA. Shareholders, whose shareholding is in electronic format, are requested to direct change of address notifications, registration of e-mail address and updation of bank account details to their respective depository participants.
9. The Register of Director's shareholding, maintained under Section 307 of the Companies Act, 1956 will be available for inspection by the members at the AGM.
10. The Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/DP, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
11. Members may also note that the Notice of the 18<sup>th</sup> AGM and the Annual Report 2013-14 will be available on the website of the Company [www.prakashconstro.com](http://www.prakashconstro.com) and website of CDSL [www.cdslindia.com](http://www.cdslindia.com). Members who require communication in physical form in addition to e-communication, may write to us at :[compliance@prakashconstro.com](mailto:compliance@prakashconstro.com).
12. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same on e-mail address - [compliance@prakashconstro.com](mailto:compliance@prakashconstro.com) for receiving all communication including Annual Report, Notices, Circulars etc. electronically.

**13. Voting through electronic means:**

In compliance with Clause 35B of the Listing Agreement, provisions of section 108 and other applicable provisions of the Act read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an option to all the Members of the Company. The Company has entered into an agreement with CDSL for facilitating e-voting to enable the Members to cast their votes electronically on all resolutions set forth in this Notice.

**A. The instructions for e-voting are as under:**

**In case of members receiving e-mail:**

- a) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- b) Click on "Shareholders" tab.
- c) Now, select the Electronic Voting Sequence Number – "EVSN" along with "PRAKASH CONSTROWELL LIMITED" from the drop down menu and click on "SUBMIT"
- d) Now Enter your User ID
- e) For CDSL: 16 digits beneficiary ID,
- f) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,



- g) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- h) Next enter the Image Verification as displayed and Click on Login.
- i) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used. In case you have forgotten your password then enter the User ID and the image verification code as displayed on the screen and click on Forgot Password & enter the details as prompted by the system.
- j) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the number of shares held by you as on the cut-off date in the Dividend Bank details field.</li> </ul>

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

- m) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- n) Click on the EVSN for "PRAKASH CONSTROWELL LIMITED".
- o) 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.
- p) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- q) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- r) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- s) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- t) Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on. The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- a) Please follow all steps from sr. no. a) to sr. no. t) above to cast vote.
- b) The voting period begins on Monday, 22 September, 2014 at 9.00 a.m. and ends on Wednesday, 24 September, 2014 at 6.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 29 August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- c) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)



- B. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of Friday, 29 August, 2014.
- C. Mr. Dharmesh Zaveri, (Membership No. FCS- 5148) and Proprietor of M/s. D.M. Zaveri & Co., Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
- D. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-Voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- E. The resolution shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient votes in favour of the resolution through a compilation of e-Voting results and voting held at the AGM.
- F. The results shall be declared on or after the Annual General Meeting (AGM) of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.prakashconstro.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to NSE and BSE Limited, where shares of the Company are listed.

By order of Board of Directors  
For PRAKASH CONSTROWELL LIMITED

Place: Nashik  
Date: 14.08.2014

Sd/-  
Madhura Ubale  
Company Secretary

#### **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 for Special Business:**

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 10 of the accompanying Notice:

##### **Item No. 4**

The Company has appointed Mr. Trichur Krishnan as Managing Director for a period of five years effective from 1.01.2011. As per the terms of appointment of Mr. Trichur Krishnan, he is not subject to retire by rotation.

Pursuant to the provisions of section 149 of the Act, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation and also as per section 152 of the Act, Independent Directors are required to be excluded while computing the number of directors to retire by rotation. Accordingly, in order to give effect to the applicable provisions of sections 152 of the Act read with applicable Rules, the Nomination and Remuneration Committee has recommended for modification of the terms of appointment of all executive directors from non-rotational to rotational.

Mr. Trichur Krishnan is Managing Director of the Company. He joined the Board of Directors in 2005. As he is above the age of 70 years, your approval for his continuation of appointment as Managing Director is required by way of Special Resolution as provided in Section 196 of Companies Act, 2013. He has experience of four decades in this line of business. He handles day to day working of company and takes care of tendering and administrative matters. Board recommends the resolution for your approval.

None of the Directors, Key Managerial Personnel and/or their relatives, except Mr. Trichur Krishnan is concerned or interested in the resolution.

##### **Item No. 5**

Shri Ramniwas Rathi was appointed as an Additional Director by the Board of Directors on 28<sup>th</sup> April, 2014 under Article 52 of the Articles of Association of the Company and under Section 260 of the Companies Act, 1956 (corresponding to Section 161 (1) of the Companies Act, 2013). He is presently an Independent Director on the Board as per the current provisions of the Listing Agreement. He will hold office up to the ensuing Annual General Meeting. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Ramniwas Rathi being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term of five consecutive years. As required under Section 160 of the Companies Act, 2013, a notice has been received from a member of the Company along with requisite deposit, signifying his intention to propose Shri



Ramniwas Rathi as a candidate for the office of the Independent Director of the Company.

In the opinion of the Board, Shri Ramniwas Rathi fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management of the Company. Having regard to his qualifications, knowledge and experience his appointment as an Independent Director will be in the interest of the Company. Copy of the draft letter for appointment of Shri Ramniwas Rathi as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. The Board recommends his appointment as an Independent Director in the interest of the Company, to utilize his expertise.

None of the Directors, Key Managerial Personnel and/or their relatives, except Shri Ramniwas Rathi is concerned or interested in the resolution.

**Item Nos. 6 and 7:**

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreement entered with the Stock Exchanges, appointed Mr. Jayant Vishnu Phalke and Mr. Prashant Prabhakar Gadkari, as Independent Directors, in compliance with the requirements of the clause.

Pursuant to the provisions of section 149 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (hereinafter referred to as 'the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (hereinafter referred to as 'the Rules') (including any statutory modification(s) or re-enactment thereof for the time being in force as amended from time to time), every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation. As on the date of this Report, Mr. Jayant Vishnu Phalke and Mr. Prashant Prabhakar Gadkari are Independent Directors as per Clause 49 of the Listing Agreement and were appointed under the Companies Act, 1956 as Directors liable to retire by rotation.

As per the provisions of sections 149 and 152 of the Act read with applicable Rules, the independent directors of the Company shall hold office for a term of 5 year on the Board of the Company and shall be eligible for reappointment on passing a special resolution by the members of the Company and not liable to retire by rotation.

In order to give effect to the applicable provisions of sections 149 and 152 of the Act, the Nomination and Remuneration Committee has recommended the appointment of Mr. Jayant Vishnu Phalke and Mr. Prashant Prabhakar Gadkari as Independent Directors, for a term of 5 year.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the applicable provisions of Section 149 of the Act and under Clause 49 of the Listing Agreement with Stock Exchanges. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

Brief resume of all the above Directors, nature of their expertise in specific functional areas and name of companies in which they hold Directorships of Board and Memberships / Chairmanships of Committees, shareholding and relationship between directors inter-se as stipulated under Clause 49 of the Listing Agreement with Stock Exchanges are provided in the Corporate Governance Report and as a part of this Notice.

The Board of Directors of your Company recommends the Resolution as set out in Item Nos. 5 and 6 of the accompanying Notice for the approval of members of the Company as Ordinary Resolution.

Mr. Jayant Vishnu Phalke and Mr. Prashant Prabhakar Gadkari are interested in the resolutions set out respectively at Item Nos. 5 and 6 of the Notice with regards to their respective appointments and the relatives of the above directors may be deemed to be interested in the resolutions respectively, to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in these resolutions.

**Item No. 8 & 9:**

On implementation of the Companies Act, 2013, section 180(1)(c) and 180(1)(a) of the Act were made effective from 12th September, 2013, which provide for approval by the members by way of Special Resolutions as against Ordinary Resolutions under the Companies Act, 1956.

Also, based on the clarification thereof issued by the Government of India, the Ministry of Corporate Affairs vide General Circular No.: 04/2014 dated 25th March, 2014, Companies would be required to pass a fresh Resolution within a period of one year from the date of notification of section 180 of the Companies Act, 2013. As such, it is necessary to obtain fresh approval of the members by means of Special Resolutions, to enable the Board of Directors of the Company to: a) borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up share capital and free



reserves of the Company; and b) create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the Banks/Financial Institutions, other investing agencies/ trustees, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

The Company is in the process of implementation of project of development of residential / commercial premises. The increasing business operations and future growth plans of the Company would necessitate borrowing monies which are required to be secured by suitable mortgage or charge on all of the movable and / or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company, from time to time, in consultation with the lender(s).

The creation of mortgage and/or charge by the Company of its movable and / or immovable properties and or the whole / part of the undertaking by the Board of Directors requires the approval of the shareholders under Section 180(1)(a) of the Companies Act, 2013. Hence, it is necessary to obtain the approval for the same from the Shareholders by passing ordinary resolution.

The Board of Directors of your Company recommends the Resolutions as set out in Item Nos. 8 and 9 of the accompanying Notice for the approval of members of the Company as Special Resolution.

None of the Directors; Key Managerial Personnel of the Company or their relatives are in any way, financially or otherwise concerned or interested in the said resolution except to the extent of their shareholding, if any. The proposed resolution does not relate to or affect any other Company.

**Item 10:**

The existing Articles of Association ("AoA") of the Company are in conformity with the provisions of the Companies Act, 1956 and Rules framed there under and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013.

The Ministry of Corporate Affairs, Government of India, had notified the majority of the provisions of the Companies Act, 2013 and has framed the Rules. Consequently, the Articles are being altered in order to comply with provisions of Companies Act, 2013 (Act) and the Rules framed there under.

In view of the above, it is considered prudent to substitute the existing Articles by a new set of Articles. The proposed Articles are based on Table 'F' of Schedule-I of the Act which provides the model Article of Association for a Company Limited by Shares.

Member's attention is invited to certain salient provisions in the new draft AoA of the Company viz:

- a) Company's lien now extends also to bonuses declared from time to time in respect of shares over which lien exists;
- b) the nominee(s) of a deceased sole member are recognized as having title to the deceased's interest in the shares;
- c) new provisions regarding application of funds from reserve accounts when amounts in reserve accounts are to be capitalized;
- d) new provisions relating to appointment of Chief Executive Officer and Chief Financial Officer, in addition to Manager and Company Secretary;
- e) existing articles have been streamlined and aligned with the Act;
- f) the statutory provisions of the Act which permit a company to do some acts "if so authorized by its articles" or provisions which require a company to do acts in a prescribed manner "unless the articles otherwise provide" have been specifically included; and
- g) provisions of the existing AoA which are already part of statute in the Act have not been reproduced in the new draft AoA as they would only lead to duplication – their non-inclusion makes the new AoA crisp, concise and clear and aids ease of reading and understanding.
- h) to align new provisions relating to appointment of Key Managerial Personnel (KMP) including Chief Executive Officer, Chief Financial Officer, in addition to Manager and Company Secretary.

The Board of Directors of your Company recommends the Resolution as set out in Item Nos. 10 of the accompanying Notice for the approval of members of the Company as Special Resolution.

None of the Directors; Key Managerial Personnel of the Company or their relatives are in any way, financially or otherwise concerned or interested in the said resolution except to the extent of their shareholding, if any. The proposed resolution does not relate to or affect any other Company.

By order of Board of Directors  
For PRAKASH CONSTROWELL LIMITED

Place: Nashik  
Date: 14.08.2014

Sd/-  
MadhuraUbale  
Company Secretary



ANNEXURE TO THE NOTICE

Information on directors seeking Appointment/Re-appointment at the forthcoming Annual General Meeting (pursuant to clause 49 of the listing agreement) as on the date of notice.

Names of Directors	Trichur Krishnan	Ramniwas Rathi	Prashnat Gadkari	Jayant Phalake	Prakash P. Laddha
Date of Birth	23.05.1936	1.06.1953	24.10.1955	25.10.1934	13.09.1954
Date of Appointment	01.09.2005	28.05.2014	24.04.13	01.03.2011	4.01.1996
Qualification	B. Sc.	B.com & L.L.B.	B.E. Civil & P.G. Diploma in Building & Industrial Management	M.sc (Physics & Mathematics)	B.Com
Designation in Company	Managing Director	Independent Director & Audit Committee Chairman	Independent Director	Independent Director	Whole Time Director
Expertise in specific functional area.	He has experience of four decades in this line of business. He handles day to day working of company and takes care of tendering and administrative matters.	He has 35 years of experience in food grains trading and industrial goods supply. He is Commerce and Law Graduate. He is an active partner in Rathi Trading Company.	He has an experience of 30 years in Civil Projects & was associated with many reputed companies. Presently, services of property consultant and rendered by him to companies. Director	He has an expertise in the field of scientific research & development and has worked with Bhabha atomic research Centre (BARC) as scientific officer for around 14 years. Currently working for a NGO called "Vidnyan Vahini".	He has over three decades of industrial and entrepreneurial experience. He is actively involved in the business development and corporate relationship functions of Prakash Constrowell Limited.

Shareholding Pattern in the Company	Nil	Nil	Nil	Nil	33.42%
Directorships held in other Public Limited Companies in India	Nil	Nil	Nil	Nil	Navalji Cotspin Limited
Membership/ Chairmanship of Committees in other Public Limited Companies in India	Nil	Nil	Nil	Nil	Nil

By order of Board of Directors  
For PRAKASH CONSTROWELL LIMITED

Sd/-  
Madhura Ubale  
Company Secretary

Place: Nashik  
Date: 14.08.2014



PRAKASH CONSTROWELL LIMITED CORPORATE INFORMATION	
<b>BOARD OF DIRECTOR</b>	Mr. Prakash Pusaram Laddha - Chairman & Whole Time Director Mr. Trichur Ganpat Krishnan - Managing Director Mr. Suresh Giridharilal Sarda - Executive Director Mr. Jayant Vishnu Phalke - Independent Director Mr. Prashant Prabhakar Gadkari - Independent Director Mr. Ramniwas Hariram Rathi - Independent Director
<b>STATUTORY AUDITOR</b>	M/s G.P.Pimpalikar And Associates Chartered Accountants, Jalgaon, Maharashtra
<b>BANKERS:</b>	<b>State Bank of India</b>
<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>	<b>Bigshare Services Private Ltd.,</b> E-2 & 3, Ansa Industrial Estate, Saki- Vihar Road, Saki Naka, Andheri(E), Mumbai- 400072. <b>TEL. NO.</b> - 022- 40430200 <b>WEBSITE</b> - www.bigshareonline.com <b>E-MAIL ID</b> - ipo@bigshareonline.com
<b>SHARES LISTED ON</b>	<b>1. BSE Ltd.</b> <b>2. NSE Ltd.</b>
<b>CONTACT DETAILS</b>	<b>Chief Financial Officer &amp; Compliance Officer</b> Mr. Vipul Dilip Lathi <b>Company Secretary</b> Ms. Madhura Ubale <a href="mailto:compliance@prakashconstro.com">compliance@prakashconstro.com</a> <a href="mailto:investorgrievance@prakashconstro.com">investorgrievance@prakashconstro.com</a>
<b>REGISTERED OFFICE:</b>	<b>Prakash Constrowell Ltd.,</b> 6/7, Falcon Plaza, National Urdu High School Road, Near Sarda Circle, Nashik 422001. <b>TEL. NO.</b> - 0253-2590725 <b>FAX. NO.</b> - 0253-2597720 <b>WEBSITE</b> - <a href="http://www.prakashconstro.com">www.prakashconstro.com</a> <b>EMAIL</b> - <a href="mailto:info@Prakashconstro.com">info@Prakashconstro.com</a>

At the 18<sup>th</sup> Annual General Meeting on Monday, 29<sup>th</sup> September, 2014 at 3<sup>rd</sup> Floor, Pinnacle Mall, Trimbak Road, Nashik at 2:30 P.M.  
As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting.  
Shareholders are requested to kindly bring their copies to the meeting.

*Vision:*

*To build & create a brand value, by providing various services in construction sector and to satisfy our customer base, be it private bodies, Government or semi government or local authorities."*

*Mission:*

*"Customer Satisfaction is what we aspire for" .To be adaptive and responsive to the changes in the business environment and to be successful as a team.*

*Quality Policy*

*We are committed to meet the expectations of our customers, through our well designed and established service delivery system that is sensitive and accommodative to continuous technology up gradation and value analysis. We shall continuously strive to improve the effectiveness of our quality system."*



### Chairman's Message

My Dear Fellow Stakeholders,

I would like to quote Mr. Henry Ford, who said, "If everyone is moving forward together, the success takes care of itself."

I'm delighted to welcome you all to the 18<sup>th</sup> Annual General Meeting of your Company, Prakash Constrowell Ltd. It's my immense pleasure to share with you accomplishments of our organization during financial year 2013-14.

Your company has carved its name on various milestones in this year. With focus on expansion plans, cost effectiveness, and high productivity, company has scored high not only in monetary terms, but also in welfare activities.

The Company for the year ended 31<sup>st</sup> March, 2014 has recorded a turnover of Rs. 150.31 Cr & a net profit of Rs. 5.20 Cr. Your company witnessed considerable rise in profits during this fiscal. EPS has improved to Rs. 0.42 as against Rs. 0.30 last year. The Company has an order book of Rs.1074.34 Cr. And at present has 44 projects in hand at various locations in various stages of execution and expecting numerous projects in coming days. So company has reasonably bright future. Company is striving not only for success but rather to be of qualitative value. In the Multipurpose Indoor Sports Hall in Goa, erected in a record period of 11 months successfully by our company; International Portuguese Language speaking countries Games – "Lucofonia" were held. And this has now become a landmark structure in Goa.

Indian economy is paving way for smooth infrastructural growth in coming days. With political stability and considerable emphasis on creating physical infrastructure, there is huge scope of growth for company. However, labour intensive nature of business and issues of finance availability may play an adverse role in this growth path. If past performance in more challenging situations is given due weightage, then we hope for a promising performance in coming years.

I take this opportunity to thank all the employees of the Company, whose dedication and confidence in the management has contributed to this success. I also take this opportunity to thank all the stakeholders for their continued faith in the Company and the understanding they have shown during the past year.

With this confidence I assure you all that the company will continue to grow and achieve its set targets. "Let our hopes shape our future."

**Prakash P Laddha**  
Chairman

### DIRECTORS REPORT

To The Members of,  
**PRAKASH CONSTROWELL LIMITED**

The Directors have the pleasure in presenting their 18<sup>th</sup> Report on the business and operations of the Company together with the audited results for the financial year ended 31<sup>st</sup> March, 2014:

#### Consolidated Financial Results:

(Rs. in Crore)

Particulars	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
Net Sales	215.94	226.42
Profit Before Interest Depreciation & Tax	23.59	14.20
Less : Interest	5.41	5.00
Profit Before Depreciation & Tax	18.18	9.20
Less: Depreciation	0.78	0.76
Profit before Tax (PBT)	17.40	8.44
Less: Provision for Taxation including Deferred Tax Charge	5.70	2.78
Profit after Taxation (PAT)	11.69	5.66
Less: Share of minority interest and share of profit of associates (net)	3.18	1.16
Surplus available for appropriation	8.51	4.50

Your Company recorded a consolidated turnover of Rs. 215.94 Crores in FY '14 as compared to Rs.226.42 Crores in FY '13, which reflects a slight decline of 4.63%. The gross operating profit, on consolidated basis, has improved to Rs. 23.59 Crores from Rs. 14.20 Crores, an increase of 66.13%. The profit after tax, minority interest and prior period items is Rs. 8.51 Crores as compared to Rs. 4.50 Crores for the previous year, an increase of 89.11%.

The performance of the Company on a standalone basis for the year ended 31<sup>st</sup> March, 2014 is as under:



**Standalone Financial Results:**

(Rs. in Crore)

Particulars	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
Net Sales	151.60	170.07
Profit Before Interest, Depreciation & Tax	12.20	9.41
Less : Interest	3.90	3.51
Profit Before Depreciation & Tax	8.30	5.89
Less: Depreciation	0.63	0.58
Profit before Tax (PBT)	7.67	5.31
Less: Provision for Taxation including Deferred Tax Charge	2.48	1.64
Profit after Taxation (PAT)	5.19	3.67
Add: Profit Brought Forward from previous year	32.00	28.32
Surplus available for appropriation	37.19	32.00
<b>Appropriations:</b>		
Proposed dividend on equity shares	-	-
Dividend Tax	-	-
Transfer from/ to General Reserves	-	-
Transfer for Bonus Shares	-	-
Transfer to Debenture Redemption Reserve	-	-
Balance transferred to Balance Sheet	37.19	32.00

Your Company's profits raised considerably despite of increasing inflation and other incidental costs. Hence, the total turnover & profit after tax seems to be reasonable. Your Company expects the current economic and business environment to stay challenging over the next few quarters.

**Dividend / Bonus :**

The company this year proposes to utilize its funds i.e. reserves and surplus for upcoming projects and further the Directors assure you that your funds will be utilized in the best possible manner and in the interest of the company.

**Events during the Financial Year:**

**Credit Rating:**

The Company has conducted credit rating from Brickwork Rating. The Credit rating given by CARE is BBB- for long term funds and A3 for short term which means the instruments are considered to have the moderate degree of safety regarding timely payment of financial obligations.

**Management Discussion & Analysis Report:**

The Management Discussion and Analysis Report as required under Clause 49 of the Listing Agreement with the stock exchanges forms part of this Report.

**Directors**

During the year, following were changes in directorship of the Company:

- Mr. Raminiwas Rathi is appointed as Additional Director to fill in the vacancy created by Resignation of Mr. Hemant Rathi. Mr. Ramniwas Rathi, being eligible, offers for appointment as an Independent Director of Company.

Following Directors of the Company retire from office by rotation and being eligible; offer themselves for reappointment at the ensuing Annual General Meeting:

- Mr. Prakash Laddha

Resolutions seeking their appointment have been included in the notice of ensuing Annual General Meeting.

**Key Managerial Personnel**

As per requirements of Section 203 of Companies Act 2013, Key Managerial Personnel were appointed during the year.

- Mr. Trichur Krishnan, Managing Director, was designated as Managing Director & Key Managerial Personnel.
- Mr. Vipul Lathi , Chief Financial Officer was designated as Key Managerial Personnel and Chief Financial Officer (CFO) .
- Ms. Madhura Ubale was appointed as Company Secretary and Key Managerial Personnel.

**Directors' Responsibility statement**

Pursuant to the requirement under Section 134 of the Companies Act, 2013 with respect to Director's Responsibility Statement it is hereby declared that:



- in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2014 the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the year under review;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors had prepared the annual accounts on a going concern basis.

#### Auditors & Auditor's Report

The Statutory Auditors of the Company, M/s. G.P.Pimpalikar and Associates, Jalgaon, will retire at the conclusion of the ensuing Annual General Meeting and seek re-appointment as Statutory Auditors of the Company at the ensuing Annual General Meeting.

The Company has received certificate under Section 141of the Companies Act, 2013, from the Statutory Auditors that their appointment, if made, would be within the limits as prescribed.

The Board recommends the shareholders the appointment of M/s. G.P.Pimpalikar and Associates, Jalgaon, as Statutory Auditors of the Company.

#### Cost Auditors

We have broadly reviewed cost records maintained by Company. However we have not made an examination of the cost records required to be maintained under Companies (Cost Accounting Records) Rules, 2011 in respect of their accuracy and completeness as the Company is in the process of obtaining the compliance report of cost accounts.

#### Cash Flow Statement

In conformity with the provisions of Clause 32 of the Listing Agreement, the cash flow statement for the year ended 31<sup>st</sup> March, 2014 is prepared in compliance with Accounting Standard 3 of the Companies (Accounting Standards) Rules, 2006 and annexed hereto.

#### Fixed Deposits:

The Company has not accepted/renewed any public deposits during the year under review.

#### Particulars of employees

In accordance with the provisions of Sec. 134 of the Companies Act, 2013 read with Companies (Particulars of Employees) Rules, 1975 as amended is not given in this Report as there was no employee drawing remuneration of Rs. 24 lac per annum or Rs. 2 lac per month during the year ended March 31, 2014.

#### Corporate Governance

Pursuant to Clause 49 of the Listing Agreement, a report on corporate governance along with the certificate of Statutory Auditor is included as a part of the annual report.

#### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars as required to be disclosed pursuant to Sec. 134 (m) of the Companies Act, 2013 are given in the Annexure –I forming part of this Report.

#### Foreign Exchange Earnings & Outgo

There were foreign exchange earnings or outgo for the Company during the year due to import of material. The loss suffered amounted to Rs. 3.63 lacs.

#### Corporate Social Responsibility

Your Company is a strong supporter of "Green Initiative in the Corporate Governance" taken by the Ministry of Corporate Affairs by allowing paperless compliances by the companies. Therefore, the company has opted to send Annual Reports, through e-mail registered with your Depository Participant or with the Registrar and Share Transfer Agent of the Company.

Further, the Company makes use of Fly Ash Bricks in construction, which are eco-friendly and made out of waste from thermal power plants. *We, at PCL, believe to return something to the society, from the profits received from the society, and hence we make various social contributions to various NGO and Trusts such as Friends of Tribal Society, Shaajirao Patil Vikas Pratishthan, Maheshwari Education Trust, Mahesh Pratigati Trust and Vipassana International Academy and so on.*





No technology has been imported & absorbed by the company during previous years from the beginning of the financial year under review & hence no relevant information is required to be given.

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

There were no foreign exchange earnings during the year under review. Details of Foreign exchange outgo are as under:

<b>Particulars</b>	<b>Amount (In USD)</b>
Raw Material	5,19,746.62/-
Capital Goods	-
Consultancy Fees	-
Foreign Travel Expenses	-
Repayment of Preference share capital	-

**MANAGEMENT DISCUSSION & ANALYSIS**

**Telescopic View of Industry**

India will be witnessing a steady rise in infrastructure industry as the real estate industry has grown from family based entities with focus on single products and having one market presence into corporate entities with multi-city presence having differentiated products. The strong growth in construction industry is fueled by higher spending on housing, road, ports, water supply, rail transport and airport development. Construction industry is viewed as development indicator of India. .

The sector is labor-intensive and, including indirect jobs, provides employment to more than 35 million people. Because of the backward and forward linkages that this construction sector has with other sectors of the economy, it can be termed as major employment driver sector. About 250 ancillary industries such as cement, steel, brick, timber and building material are dependent on the construction industry. A unit increase in expenditure in this sector has a multiplier effect and the capacity to generate income as high as five times. The Indian real estate industry is likely to grow from Rs. 490.03 billion in 2005 to Rs. 4,060.24 billion by 2015.

Construction majors are currently experiencing liquidity constraints due to tightening funding norms being employed by institutional financiers. The industry is also facing squeezing margins due to increasing commodity prices. There is a huge scope for foreign investment in the infrastructure and construction industry. Already, a number of international construction majors, including those from South East Asia, have entered the Indian market. However, high gestation periods and shrinking finances have tempered the sentiments somewhat.

**Fore Vision:**

The Indian economy has witnessed considerable progress in the past few decades. Most of the infrastructure development sectors moved forward, but not to the required extent of increasing growth rate up to the tune of 8 to 10 per cent. In the years ahead, the construction industry in India has to overcome various challenges with respect to housing, environment, transportation, power or natural hazards.

India offers a favorable business environment and a stable political system. The one and five-year risks of investing in the Indian infrastructure sector are less than the world average. The country's infrastructure sector presents lower risks than the other sectors of the economy.



Indian infrastructure and construction industry has grown exponentially, in part due to massive government impetus and in part due to high market sentiments. The country, which has initially targeted the low-hanging fruits, is now poised to take up more complex and technologically intense projects. The focus has moved from cost efficiency to time and competence. The Indian regulatory environment is expected to further boost the construction industry in order to provide the basic physical infrastructure for the nation. Careful selection of project, in-depth understanding of taxation structure, proper feasibility analysis and tie-up of funding would considerably smoothen the way forward.

Today, India is the second fastest growing economy in the world. The Indian construction industry is an integral part of the economy and a conduit for a substantial part of its development investment, is poised for growth on account of industrialization, urbanization, economic development and people's rising expectations for improved quality of living.

With the present emphasis on creating physical infrastructure, massive investment is planned in this sector. This requirement is of an immense magnitude. Better construction management is required for optimizing resources and maximizing productivity and efficiency. The outstanding performance under demanding situations in the past will stand in good stead and give confidence to the Indian construction industry to bring about an overall development in the infrastructure of the nation.

**Segments of Construction at PCL**

- Infrastructure development; including construction and maintenance of roads / highways, bridges, including projects on public private partnership (PPP) model, industrial parks, work-shops, hospitals, educational institutions.
- Civil construction including, Government staff quarters, hostel buildings and auditoriums.
- Residential and commercial real estate construction. As described earlier, the company being a 'Class 1A contractor' with the Public Works Department, Government of Maharashtra, can bid for a range of contracts without restriction on any cost parameters.

**Feathers in PCL's Cap (Projects):**

- **Construction of Multipurpose Indoor Hall (Stadium)', at Telegao, Goa**  
This stadium is designed for multiple types of events such as volleyball, basketball, table tennis, Badminton etc. The stadium provides facility to host any of above mentioned indoor games.
- **Parksyde, Nashik**  
The complex comprises of two rows of towers separated by a sprawling central green space, which houses a range of amenities. Large spaces behind each row of towers include parking and additional amenities. The complex is spread across 8.75 acres with landscaped and open spaces occupying nearly 85% of this space and buildings taking up the remaining space.
- **The North Infra, Moshi (Pimpri Chinchwad)**  
An innovative combination of style and unmatched quality of life lined homes and commercial premises. It is situated in the fastest growing suburbs and the heart of "Moshi" with fresh air and lush green surroundings.

**PCL Group - Structure**

<b>Prakash Constrowell Limited</b>	
<b>Subsidiaries</b>	<b>Associates</b>
<b>Jaikumar Real Estates Private Limited</b>	Atal Buildcon Private Limited
	Q Fab Cement Private Limited
<b>Unique Vastu Nirman &amp; Projects Private Limited</b>	Vastu-Krupa Construction Private Limited
	Perfect Aggregates Private Limited
	Pentagram Projects Private Limited
	Dreamshelter Developers Private Limited



### Risk Management: PCL Outlook

Easier entry routes into construction industry are paving way for many players in the industry. Urbanization and industrialization has formed a basis for high demands of infrastructural facilities. In such a demanding scenario, construction companies are facing problems of delayed statutory clearances, costly construction material, and inadequate financing options. Apart from abovementioned risk factors, volatility of Indian economy, changes in regulatory framework and demand patterns are also influential risk factors.

The Board and the Audit Committee provides oversight and review the risk management policy periodically. Your company put in place the risk management framework, which helps to identify various risks cutting across its business lines. The risks are identified and are discussed by the representatives from various functions.

Our governance and compliance processes, which include the review of internal control over financial reporting ensure that all the assets of the Company are insured, safeguarded and protected against any loss and that all the transactions are properly authorized, recorded and reported. It also conducts regular internal audits to test compliance with the statutory requirements.

### Cautionary Statement

Statements in the Management Discussion and Analysis describing the PCL's objectives, projections, estimates, expectations may be forward-looking statements. Actual results may differ materially from those expressed or implied. Important factors that could make difference to the PCL's operations include economic conditions in which the PCL operates, change in government regulations, tax laws, statutes and other incidental factors.

### REPORT ON CORPORATE GOVERNANCE

#### Company's Philosophy on Corporate Governance Code

PCL believe that corporate governance is a key element in creation of stakeholder trustworthy image of the organization. In sync with this belief, our corporate governance philosophy emphasizes on transparency, fairness and accountability.

The company constantly strives towards betterment of good governance aspects and thereby perpetuating it into generating long term economic value for its stakeholders and the society as a whole.

The information provided in this Report on Corporate Governance for the purpose of unanimity is as on 31<sup>st</sup> March, 2014. The Report is updated as on the date of the report wherever applicable.

#### Board Composition

The Company's Board, comprises of 6(six) Directors, including 3 (three) Executive and 3 (three) Non-Executive Directors, of which all the Non-Executive Directors are also Independent Directors, as on 31<sup>st</sup> March, 2014. All the directors have vast experience not only in civil engineering and construction works but also in other varied industries. The Independent Directors have no other pecuniary interest or business relation with the Company, other than just receiving sitting fees.

Following is the composition of the Board of Directors of the Company during FY 2013-14 and as on date:

Sr. No.	Category	Name of Directors	Designation	Date of Appointment
1.	Promoter & Executive	Mr. Prakash Laddha	Chairman	04.01.1996
2.	Executive	Mr. Trichur Krishnan Mr. Suresh Sarda	Managing Director Director	01.09.2005 04.01.1996
3.	Independent & Non-Executive	Mr. Hemant Rathi** Mr. Jayant Phalke Mr. Prashant Gadkari Mr. Girish Dani* Mr. Ramniwas Rathi	Director Director Director Director Director	27.11.2010 01.03.2011 24.04.2013 24.04.2013 28.05.2014

Note: \* Director resigned on 27.01.2014 was taken on record.  
\*\* Director resigned on 28.04.2014 was taken on record.



Attendance Records of Directors at Board Meetings, Last Annual General Meeting (AGM) and number of other Directorships/Committee Memberships/ Chairmanships is given below:

Name of Directors	Relationship	Attendance		No. of other directorships and memberships/ chairmanships as of 31.03.14*		
		Board Meeting F.Y 13-14	Last AGM 30.09.13	Other Directorship	Committee Memberships*	Committee Chairmanships**
Mr. Prakash Laddha		5/5	Yes	1	-	-
Mr. Trichur Krishnan		5/5	Yes	-	-	-
Mr. Suresh Sarda		4/5	Yes	-	-	-
Mr. Hemant Rathi		5/5	Yes	-	-	-
Mr. Jayant Phalke		5/5	-	-	-	-
Mr. Prashant Gadkari		3/5	Yes	-	-	-
Mr. Girish Dani		3/5	-	-	-	-

\* The above list does not include Directorships, Committee Membership and Committee Chairmanships in Private, Foreign and Section 25 Companies and also excludes directorship/ membership in PCL.  
\*\* The Committee Memberships and Chairmanships in other Companies include Memberships and Chairmanships of Audit and Shareholders'/Investors Grievance Committee only.

Board Meetings held during the Financial Year 2013-14:

April-June	July-September	October-December	January-March
24.04.2013	14.08.2013	15.11.2013	12.02.2014
27.05.2013			

#### Audit Committee

The audit committee comprises of three members, wherein Mr. Hemant Rathi holds chairmanship, who has sound financial knowledge. The other members in the audit committee are Mr. Prakash Laddha and Mr. Prashant Gadkari. Ms. Swapna Naphade, Company Secretary of the Company was also the Secretary to the audit committee.

The audit committee has adequate powers and plays such role as required and prescribed under the provisions of Companies Act, 1956 and Clause 49 of Listing Agreement signed with the Stock Exchanges. The members of the committee met four (4) times during the financial year.

The Composition, Meetings & Attendance as on 31<sup>st</sup> March, 2014 are as follows:

Name of Directors	Category	Attendance			
		27.05.13	14.08.13	15.11.13	12.02.14
Mr. Hemant Rathi*	Chairman Independent Director	-	✓	✓	✓
Mr. Girish Dani**	Independent Director	✓	✓	✓	-
Mr. Prakash Laddha	Whole-time Director	✓	✓	✓	✓
Mr. Prashant Gadkari#	Independent Director	-	-	-	✓
Mr. Ramniwas Rathi##		-	-	-	-

Note: @Ms. Swapna Naphade resigned on 10.07.2014 and Ms. Madhura Ubale is appointed as Company Secretary from 14.08.2014.

\* Mr. Hemant Rathi resigned on 28.04.2014

\*\* Mr. Girish Dani Resigned on 27.01.2014

# Mr. Prashant Gadkari was appointed as member on 11.02.2014

## Mr. Ramniwas Rathi was appointed as chairman and member on 28.05.2014

#### Stakeholders' Grievance Committee

The Shareholders'/ Investors' Grievance Committee consists of 2 (two) members, a Chairman, Mr. Hemant Rathi and another is the member, Mr. Suresh Sarda. Both the members are eminent in resolving the complaints, if any received from investors. Ms. Swapna Naphade®, Company Secretary acted as a compliance officer to the committee.

The Company has specifically designated an email id for the purpose of registering complaints of investors electronically;  
[investorgrievance@prakashconstro.com](mailto:investorgrievance@prakashconstro.com)

However, the committee has delegated its power to approve transfer & transmission of shares & issue of duplicate share certificates to the Registrar & share transfer agent of the Company.

Following is the composition & category of members on the Committee:

Name of Members	Category
Mr. Hemant Rathi	Chairman - Independent Director
Mr. Suresh Sarda	Executive Director
Mr. Ramniwas Rathi*	Chairman - Independent Director

Note: @Ms. Swapna Naphade resigned on 10.07.2014 and Ms. Madhura Ubale is appointed as Company Secretary from 14.08.2014.

\* Mr. Ramniwas Rathi was appointed as Chairman and member on 30.05.2014



During the financial year 2013-2014, the Company has not received any complaints from its shareholders. Therefore, the committee members did not meet during the year.

#### Nomination & Remuneration Committee

The Company has Nomination & Remuneration Committee which comprises of three directors, Chairman Mr. Hemant Rathi & two other members. The remuneration committee did not meet during given period since there was not such matter to be discussed by the committee members.

Following is the composition & category of members on the Committee:

Name of Members	Category
Mr. Hemant Rathi	Chairman - Independent Director
Mr. Suresh Sarda	Executive Director
Mr. Prashant Gadkari	Independent Director
Mr. Ramniwas Rathi*	Chairman - Independent Director

Note: \* Mr. Ramniwas Rathi was appointed as Chairman and member on 30.05.2014

#### Remuneration Policy:

The remuneration committee is fully empowered to decide, consider, review and recommend the remuneration of managerial personnel including Managing Director and Whole-time Director, Director or director relative holding place of profit in office, considering the financial position of the Company, market scenario, experience, qualification, past remuneration, performance, etc.

##### 1. Executive Directors

The Company pays salary, perquisites and allowances to the Executive Directors which includes Managing Director and Whole-time Director, the details of which are provided in the table below.

##### 2. Non – Executive Directors

The Company pays Rs. 2000/- as sitting fees to Non- Executive Directors for attending each Board Meeting and Committee Meeting, the details of which are provided in the table below.

#### Remuneration of Directors during F.Y. 2013-14

Name of Directors	Salary	Perquisites	Sitting Fees	Total
Mr. Prakash Laddha	12,00,000.00	9,14,360.00	-	21,14,360.00
Mr. Trichur Krishnan	6,20,000.00	-	-	6,20,000.00
Mr. Suresh Sarda	5,50,000.00	-	-	5,50,000.00
Mr. Hemant Rathi	-	-	10,000.00	10,000.00
Mr. Jayant Phalke	-	-	10,000.00	10,000.00
Mr. Prashant Gadkari	-	-	6,000.00	6,000.00
Mr. Girish Dani	-	-	6,000.00	6,000.00

#### Corporate Social Responsibility Committee:

The company has CSR Committee comprising of Mr. Ramniwas Rathi as Chairman and Mr. Prakash Laddha & Mr. Suresh Sarda as members of the committee. The committee was formed on 14.08.2014.

#### Risk Management Committee:

The company constituted Risk Management Committee on 14.08.2014 consisting of three Directors, Mr. Ramniwas Rathi as Chairman and Mr. Trichur Krishnan and Mr. Prakash Laddha as members.

#### Subsidiary Companies

The Company as on 31<sup>st</sup> March, 2014 has only 2 subsidiary companies, which are enumerated below:

1. Jaikumar Real Estates Private Limited (JREPL)
2. Unique Vastu Nirman And Projects Private Limited (UVNPPL)

#### General Body Meeting

a. No extra-ordinary general meeting of shareholders was held during the period from 01<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014.

#### b. Annual General Meeting:

For last 3 years, the AGM of the Company was held at the places mentioned below:

Year	Venue	Date	Time
2012-13	3rd Floor, Pinnacle Mall, Trimbak Naka, Nashik	30.09.13	04.00 P.M.
2011-12	Green View Hotels Pvt. Ltd., Trimbak Rd, Nasik	29.09.12	02.00 P.M.
2010-11	6/7, Falcon Plaza, Near Sarda Circle, Nasik	30.08.11	02.00 P.M.

c. **Postal Ballot:** The Company passed a resolution by postal ballot, for obtaining approval of the Members of the Company for increase in borrowing powers of Board and to empower them for creating charge/ hypothecation, mortgage on any movable or immovable property. The Postal Ballot Notice was issued on 27<sup>th</sup> May, 2013 and the result of the same was declared and passed on 15<sup>th</sup> July, 2013.

#### Disclosures

a. There have been no materially significant related party transactions, pecuniary transactions or relationship between the Company and its Directors for the year ended 31.03.2014 that may have a potential conflict with the interest of the Company at large.

Related Parties and transactions with them as required under Accounting Standard (AS-18) are furnished in Notes on Accounts attached with the Financial Statements for the year ended 31.03.2014.

b. The Company has complied with the requirements of regulatory authorities and no instances with regards to non-compliance, penalty or otherwise occurred or



was imposed on the Company by Stock Exchange or SEBI or any other statutory authority.

- c. The Company has applied the mandatory Accounting Standards as prescribed by the ICAI, and that there is no deviation in the accounting treatments which requires any specific disclosure.
- d. In terms of Clause 49(V) of the Listing Agreement, the Managing Director and the Chief Financial Officer & Compliance Officer (CFO & CO) have furnished the required certificates to the Board of Directors.
- e. There was no formal Whistle Blower Policy implemented, however, no personnel has been denied access to Audit Committee/ the Board of the Company during the year.
- f. **Code of Conduct:** The Code of Conduct has been adopted by our Board of Directors and Senior Management Personnel's, which is also displayed on the website of the Company. Declaration pursuant to Clause 49 I (D) (ii) of the Listing Agreement regarding Code of Conduct is given by the Managing Director of the Company.

#### Means of Communication

- a. Quarterly results: The quarterly unaudited and audited results of the Company were published in the Newspaper as under during the FY 13-14:

Date of Meeting	Date of Publishing results in Newspapers		Purpose of Meeting
	Gavkari (Marathi)	Financial Express (English)	
27.05.2013	30.05.2013	30.05.2013	Results for quarter ended 31.03.13
14.08.2013	17.08.2013	17.08.2013	Results for quarter ended 30.06.13
27.05.2013	30.05.2013	30.05.2013	Audited Results for year ended 31.03.13
15.11.2013	16.11.2013	16.11.2013	Results for quarter ended 30.09.13
12.02.2014	14.02.2014	14.02.2014	Results for quarter ended 31.12.13

The results are also available on the Company's website [www.prakashconstro.com](http://www.prakashconstro.com)

- b. Annual results: The copy of annual report containing the annual results of the Company along with the notes, auditor's report, director's report etc, are yearly sent to the shareholders at their registered addresses and which are also available on the Company's website [www.prakashconstro.com](http://www.prakashconstro.com)

#### General Shareholders' Information

##### a. Annual General Meeting

**Day and Date** : Monday, 29<sup>th</sup> September, 2014  
**Time** : 2:30 P.M.  
**Venue** : 3<sup>rd</sup> Floor, Pinnacle Mall, Trimbak Naka, Nashik

**Financial Year** : 01<sup>st</sup> April, 2013- 31<sup>st</sup> March, 2014  
**Date of Book Closure** : 24.09.2014 - 29.09.2014 (both days inclusive)

- b. **Dividend Payment** : NIL
- c. **Listing of Shares** : Bombay Stock Exchange Limited (BSE)  
National Stock Exchange of India Limited (NSE)
- d. **Scrip Id/Code** : PCL/ 533605- BSE  
PRAKASHCON- NSE
- e. **Corporate Identity No.** : L45200MH1996PLC095941

##### f. Registrar and Share Transfer Agents:

Bigshare Services Private Limited  
 E-2 & 3, Ansa Industrial Estate,  
 Saki-Vihar Road, Sakinaka, Andheri(E),  
 Mumbai- 400072.  
 Tel. No: (022) 40430200  
 Fax. No: (022) 28475207  
 E-mail id: [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
 Website: [www.bigshareonline.com](http://www.bigshareonline.com)

##### g. Stock Market Price Data

Month	High Price	Low Price
May 13	2.75	
Feb 14		0.50

#### Shareholding Pattern by Size As on 31<sup>st</sup> March, 2014.

Sr. No.	Category	Holders	% Holders	Shares	% Shares
1.	1-5000	2141	71.73	2919128	2.32
2.	5001-10000	304	10.18	2594914	2.06
3.	10001-20000	208	6.97	3215662	2.56
4.	20001-30000	73	2.45	1851763	1.48
5.	30001-40000	41	1.37	1471774	1.17
6.	40001-50000	54	1.80	2556936	2.04
7.	50001-100000	86	2.88	6136950	4.88
8.	100001 & above	78	2.62	104931133	83.49
	<b>Total</b>	<b>2985</b>	<b>100</b>	<b>125678260</b>	<b>100</b>



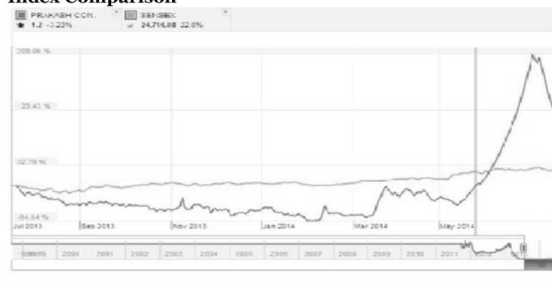
**h. Shareholding Pattern as on 31<sup>st</sup> March, 2014 as per Clause 35 of the Listing Agreement**

Category	Total Shareholders	Total Shares	% Shares
Promoter & Promoter Group	4	80600000	64.14
Bodies Corporate	147	13007223	10.35
Financial Institutions	-	-	-
Foreign Institutional Investors	-	-	-
Non Resident Indians	10	80060	0.06
Clearing Members	108	2194732	1.75
Publicly held	2716	29796245	23.71
<b>TOTAL</b>		<b>125678260</b>	<b>100.00</b>

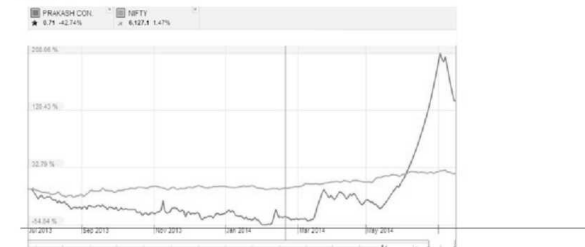
**i. Performance in comparison to Sensex and Nifty**

Mon/Yr	Bombay Stock Exchange Limited			National Stock Exchange Limited		
	High (in `)	Low (in `)	Close (in `)	High (in `)	Low (in `)	Close (in `)
Apr, 13	8.37	3.58	3.58	6.50	2.75	2.75
May, 13	3.41	1.29	1.29	2.75	1.35	1.35
Jun, 13	1.26	0.77	0.80	1.35	0.80	0.90
Jul, 13	1.33	0.84	1.07	1.30	0.85	1.05
Aug, 13	1.10	0.84	0.90	1.10	0.75	0.85
Sept, 13	1.00	0.80	0.86	0.95	0.80	0.90
Oct, 13	0.95	0.71	0.79	0.90	0.75	0.75
Nov, 13	1.22	0.70	0.79	1.25	0.70	0.75
Dec, 13	0.90	0.61	0.77	0.90	0.60	0.75
Jan, 14	0.95	0.55	0.56	0.85	0.55	0.60
Feb, 14	0.89	0.53	0.68	0.85	0.50	0.70
Mar, 14	1.29	0.60	1.07	1.15	0.65	1.00

**Index Comparison**



**NSE**



**j. Reconciliation of Share Capital Audit Report as on 31<sup>st</sup> March, 2014**

The Company, pursuant to the provisions of the SEBI (Depositories & Participants) Regulations, 1996, every quarter has to submit a Certificate of Reconciliation of Share Capital Audit taken from a Practicing Company Secretary to the Stock Exchanges where the shares of the Company are listed. The report certifies that the total shares held with NSDL, CDSL and those in physical, tally with the share capital issued and paid up of the Company and that the Register of Members is duly updated.

**k. Share Transfer System:**

The Company's shares held in dematerialized form are transferrable through depositories whereas those in physical form are transferred by the Registrar & Transfer Agent and placed before the Share Transfer Committee for its approval. The power to issue share certificates on rematerialisation or transfer of physical share has been delegated to Mr. Prakash P. Laddha & Mr. Trichur G. Krishnan.

The Investor Grievance Committee meets at a regular interval to consider and approve the transfer, transmission, issuance of duplicate / consolidated / sub-divided share certificates and requests for dematerialization / rematerialisation of Company's shares. The Company on half year basis submits to the Stock Exchanges a Certificate under Clause 47 (C) of Listing Agreement giving details with regards to shares transfer forms received and approved during the period.

**l. Dematerialisation of Shares:**

The shares of the Company are compulsorily traded in electronic mode with National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited (CDSL). Out of the total share capital of the Company



125678260 shares in demat form, which includes the shares held by the promoter and promoter group, and remaining shares are held in physical mode.

m. The Company has not issued any GDR/ ADR Warrants or any other convertible instruments

n. Address for Correspondence:

Prakash Constrowell Limited	Registrar and Share Transfer Agents
<p><b>Registered Office:</b> 6/7 Falcon Plaza, Near Sarda Circle, National Urdu High School Road, Nashik- 422001. Tel. No: (0253) 2590725 Fax. No: (0253) 2597720 Website: www.prakashconstro.com E-mail id : compliance@prakashconstro.com investorgrievance@prakashconstro.com</p>	<p><b>Bigshare Services Private Limited</b> E-2 &amp; 3, Ansa Industrial Estate, Saki-Vihar Road, Sakinaka, Andheri(E), Mumbai- 400072. Tel. No: (022) 40430200 Fax. No: (022) 28475207 E-mail id: ipo@bigshareonline.com</p>

**Details of Compliances with non-mandatory requirements:**

The Company has complied with all mandatory requirements of Listing Agreement with the Stock Exchange and compliances with non-mandatory requirements have been detailed below:

- The Company has a remuneration committee, the details of which have been provided in this Annual Report.
- The Company always endeavors to present Unqualified Financial Statements.
- The Board Members are given training wherever required on various matters. Directors are fully briefed on all business and policy matters, new initiatives proposed by the company such as ERP implementation and Risk Assessment.

**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

TO  
THE MEMBERS,  
PRAKASH CONSTROWELL LIMITED

We have examined the compliance of conditions of Corporate Governance by Prakash Constrowell Limited ("the Company"), for the year ended 31<sup>st</sup> March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of 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 G.P.Pimpalikar & Associates  
Chartered Accounts

Sd/-  
CA Gopal Pimpalikar  
Proprietor  
(FRN: 119343W)

Place: Nashik  
Date: 14.8.2014

**Declaration Pursuant To Clause 49 1(D)(ii) of The Listing Agreement**

In accordance with Clause 49 1(D)(ii) of the Listing Agreement with the Bombay Stock Exchanges, I hereby declare that the Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct as applicable to them for the year ended 31<sup>st</sup> March, 2014.

For and on behalf of Board of Directors

Sd/-  
Mr. Trichur G Krishnan  
Managing Director

Place: Nashik  
Date: 14.8.2014



#### Certificate by Managing Director And Chief Financial Officer

We, Mr. Trichur G Krishnan, Managing Director and Mr. Vipul D Lathi, Chief Financial Officer & Compliance Officer (CFO & CO) have reviewed the financial statements and the cash flow statement of Prakash Constrowell Limited for the year ended 31<sup>st</sup> March, 2014 and to the best of our knowledge and belief we state that:

- a.
  - i) These financial statements do not contain any material untrue statements or omit any material facts or contain statements that may be misleading.
  - ii) These financial statements together present a true and fair view of the Company Affairs and are in compliance with the current accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation to the Company's Code of Conduct as applicable to the Board of Directors and Senior Management.
- c. We accept the responsibility for establishing and maintaining internal control system of the Company pertaining to the financial reporting and disclosed to the Auditors and in the Audit Committee deficiencies in the internal controls, if any of which we are aware of and steps have been taken for rectifying the same.
- d. We have indicated to the Auditors and Audit Committee:
  - i) Significant changes in internal control over financial reporting during the year.
  - ii) Significant changes in the accounting policies during the year.
  - iii) Instances of significant fraud(s) of which we are aware of and which involve management or other employees having a significant role in the Company's internal control system over financial reporting.

However during the year there were no such changes and instances.

For And On behalf of the Board

	Sd/-	Sd/-
Place: Nashik	Mr. Trichur G Krishnan	Mr. Vipul D Lathi
Date: 14.8.2014	Managing Director	CFO & CO

#### Independent Auditor's Report

To The Members of  
**Prakash Constrowell Limited**

##### Report on the Financial Statements

We have audited the accompanying financial statements of **Prakash Constrowell Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2014**, 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 Management is responsible for 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 Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

##### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



- a. In the case of the Balance Sheet, of the state of affairs of the Company as at **March 31, 2014**;
- b. In the case of the Profit and Loss Account, of the profit of the company for the year ended on that date; and
- c. in the case of the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate affairs in respect of Section 133 of the Companies Act, 2013;
  - e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For M/s G. P. Pimpalikar and Associates  
Chartered Accountants  
(FRN: 119343W)

G. P. Pimpalikar  
Proprietor  
Membership No: 107120

Place: Nashik  
Date: 30.05.2014

**Annexure to the Auditor's Report**

(Referred to in paragraph (1) under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date)

- 1) In respect of fixed assets:
  - (a) The Company is maintaining proper record to show full particulars including, quantitative details and situation of all fixed assets on the basis of available information.
  - (b) We are informed that the company has formulated a programme of physical verification of all the fixed assets during the year which, in our opinion, is reasonable having regards to the size of the company and the nature of its assets. Accordingly, the physical verification of the fixed assets has been carried out by management during the year and no material discrepancies were noticed on such verification.
  - (c) The company has not disposed off any substantial part of its fixed assets so as to affect its going concern status.
- 2) In respect of its inventories:
  - (a) As explained to us, inventories i.e. WIP of construction activity have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.
  - (b) As per the information given to us, the procedures of physical verification of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) The company is maintaining proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- 3) (a) According to the information and explanation given to us, the company has not granted any loans, secured or unsecured, to companies, firms and other parties covered in the register maintained under Section 301 of Companies Act, 1956. Accordingly, paragraph 4(iii) (b), (c) and (d) of the order are not applicable.
  - (b) According to the information and explanation given to us, the company has not taken any loans, secured or unsecured, from companies, firms and other parties covered in the register maintained under Section 301 of Companies Act, 1956. Accordingly, paragraph 4(iii) (f) and (g) of the order are not applicable.
- 4) (a) In our opinion and according to the information and explanation given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and sales. Further, on the basis of our examination of the books and record of the company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control systems.
- 5) (a) According to the information and explanations given to us, we are of the opinion that the particulars of the contracts or arrangements that need to be entered in the register



maintained under section 301 of the Companies Act, 1956 have been entered.

(b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of the such contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at price which are reasonable having regards to prevailing market prices at the relevant time.

- 6) The Company has not accepted any deposits from the public as stipulated under the provisions of Section 58A and 58AA of the Companies, 1956 and rules framed there under.
- 7) In our opinion, the company has internal audit system commensurate with its size and nature of its business.
- 8) We have broadly reviewed the books of account and record maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of the cost records under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. The contents of these accounts and records have not been examined by us.
- 9) (a) According to the information and explanations given to us and the records of the company examined by us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, employee's state insurance, income tax, service tax, sales tax, tax deducted at source, cess and other material statutory dues applicable to it.  
  
(b) According to the information and explanations given to us and the records of the company examined by us, there were no undisputed amounts payable in respect of income tax, service tax, sales tax and other statutory dues which were arrears, as at 31<sup>st</sup> March 2014 for a period of more than six months from the date they becomes payable.  
  
(c) According to the information and explanations given to us and the record of the company examined by us, there were no statutory dues which have not been deposited on account of any dispute pending.
- 10) The company has no accumulated losses as at 31<sup>st</sup> March 2014 and it has not incurred cash losses in the financial year ended on that date or in the immediately preceding financial year.
- 11) According to the records of the company examined by us and information and explanations given to us, the company has not defaulted in repayment of dues to any financial institutions or bank as at the balance sheet date.

- 12) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies. Accordingly, paragraph 4(xiii) (a), (b), (c) and (d) of the order are not applicable
- 14) The Company has not dealt or traded in shares, securities, debentures and other investments.
- 15) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- 16) According to the information and explanations given to us and the records of the company examined by us, the company has applied the term loans on the overall basis for the purpose for which they were raised.
- 17) According to the information and explanations given to us and on overall examination of balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment and vice versa.
- 18) During the financial year, the company has not made any preferential allotment of shares to the parties and companies covered in register maintained under Section 301 of the Companies Act, 1956.
- 19) The company has not issued debentures during the year.
- 20) The company has not raised money through a public issue during the year.
- 21) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given by the management, we have neither come across any instances of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For M/s G. P. Pimpalikar and Associates  
Chartered Accountants  
(FRN: 119343W)

Place: Nashik  
Date: 30.05.2014

G. P. Pimpalikar  
Proprietor  
Membership No: 107120



**Prakash Constrowell Limited**  
**Balance Sheet as at 31 March, 2014**

Particulars	Note No	As at 31 March 2014	As at 31 March 2013
		Rs. In Lakh	Rs. In Lakh
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	1,256.78	1,256.78
(b) Reserves and Surplus	4	9,284.28	8,764.74
<b>(2) Non-Current Liabilities</b>			
(a) Long-term Borrowings	5	15.13	28.89
(b) Other Long-term Liabilities	6	394.76	506.86
(c) Long term Provisions	7	44.89	54.17
<b>(3) Current Liabilities</b>			
(a) Short-term Borrowings	8	1,713.82	2,471.18
(b) Trade Payables	9	2,210.64	1,219.40
(c) Other Current Liabilities	9	1,408.96	1,819.71
(d) Short-term Provisions	10	179.02	31.41
<b>Total</b>		<b>16,508.27</b>	<b>16,153.14</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	11	268.28	301.28
(ii) Intangible Assets		13.69	17.11
(b) Non-current Investments	12	278.57	122.08
(c) Long term Loans and Advances	13	2,480.92	3,042.91
(d) Other Non-Current Assets	14	602.77	711.82
<b>(2) Current assets</b>			
(a) Current Investments	15	100.00	100.00
(b) WIP, Inventories & Stocks	16	3,476.85	4,691.73
(c) Trade Receivables	17	3,344.03	895.55
(d) Cash and Cash Equivalents	18	350.90	1,162.19
(e) Short-term Loans and Advances	19	5,592.25	5,108.47
<b>Total</b>		<b>16,508.27</b>	<b>16,153.14</b>
Notes to Accounts	26		

As per our Report of even date  
For M/s G.P. Pimpalikar and Associates  
Chartered Accountants  
FRN:119343W

G.P. Pimpalikar  
Proprietor  
M.No. : 107120

Place : Nashik  
Date : 30th May 2014

For and on behalf of the Board of Directors of  
Prakash Constrowell Limited

Prakash Laddha  
Chairman  
T G Krishnan  
Managing Director

Vipul Lathi  
Chief Financial Officer  
Swapna Naphade  
Company Secretary

Place: Nashik  
Date: 30th May 2014

**Prakash Constrowell Limited**  
**Profit and Loss Statement for the year ended 31st March, 2014**

Particulars	Note No	As at 31 March 2014	As at 31 March 2013
		Rs. In Lakh	Rs. In Lakh
<b>I. Revenue from Operations</b>	20	15,031.15	16,698.25
<b>II. Other Income</b>	21	129.60	308.52
<b>III Total Revenue</b>		<b>15,160.75</b>	<b>17,006.77</b>
<b>IV. Expenses:</b>			
Cost of Materials /Construction Expenses	22	11,838.33	17,105.68
Change in Inventory		1,214.88	(1,773.39)
Employee Benefit Expense	23	298.45	274.59
Financial Costs	24	389.77	351.29
Depreciation and Amortization Expense	11	62.70	58.25
Other Expenses	25	587.15	449.82
<b>V Total Expenses</b>		<b>14,391.27</b>	<b>16,466.23</b>
<b>VI. Profit before Exceptional and Extraordinary Items and Tax (III- (III-V))</b>		769.48	540.54
<b>VII. Exceptional Items</b>		-	-
<b>VIII. Profit before extraordinary items and tax</b>		769.48	540.54
<b>IX. Extraordinary Items ( See Notes to Accounts No 26 )</b>		2.21	9.52
<b>X. Profit before tax</b>	(VIII-IX)	<b>767.27</b>	<b>531.02</b>
<b>XI. Tax Expense:</b>			
(1) Current tax		250.96	171.28
(2) Previous tax		(0.44)	(5.80)
(3) Deferred tax		(2.79)	(1.69)
<b>XII. Profit(Loss) from the Period from Continuing Operations</b>		519.54	367.24
<b>XIII. Profit(Loss) for the Period</b>		<b>519.54</b>	<b>367.24</b>
<b>XIV. Earning per Equity Share:</b>			
Basic and diluted		0.41	0.30

As per our report of even date  
For M/s G.P. Pimpalikar and Associates  
Chartered Accountants  
FRN: 119343W

G. P. Pimpalikar  
Proprietor  
M.No. : 107120

Place : Nashik  
Date : 30th May 2014

For and on behalf of the Board of Directors of  
Prakash Constrowell Limited

Prakash Laddha  
Chairman  
T G Krishnan  
Managing Director

Vipul Lathi  
Chief Financial Officer  
Swapna Naphade  
Company Secretary

Place: Nashik  
Date: 30th May 2014



**Prakash Constrowell Limited**  
Cash Flow Statement for the period ended 31 March, 2014

Particulars	For the year ended 31 March, 2014		For the year ended 31 March, 2013	
	Rs. In Lakh	Rs. In Lakh	Rs. In Lakh	Rs. In Lakh
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		769.48		540.54
Adjustments for:				
Depreciation and amortisation	62.69		58.22	
Amortisation of share issue expenses and discount on shares	118.26		118.26	
Finance costs	389.77		351.29	
Profit on sale of Investment	-		(28.20)	
Profit on sale of Asset	-		(0.79)	
Interest income	(34.90)		(27.32)	
TDS & Others	(244.35)		(340.23)	
		291.47		131.24
Operating profit / (loss) before working capital changes		1,060.94		671.78
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	1,214.88		(1,773.39)	
Trade receivables	(2,448.48)		734.70	
Short-term loans and advances	(481.45)		955.33	
Long-term loans and advances	561.98		(547.20)	
Other current assets	-		0.11	
Other non-current assets	(6.42)		(181.59)	
		(1,159.49)		(812.04)
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	991.24		591.30	
Other current liabilities	(410.76)		(641.07)	
Other long-term liabilities	(112.10)		212.26	
Short-term provisions	139.12		(22.95)	
Long-term provisions	(9.28)		(23.06)	
		598.22		116.47
Cash flow from extraordinary items		2.21		9.52
Net income tax (paid) / refunds		0.00		0.29
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>497.46</b>		<b>(33.58)</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances		(26.27)		(143.06)
Purchase of long-term investments				
- Subsidiaries		-		(0.95)
- Others		(174.35)		-
Sales of long-term investments				
- Subsidiaries		17.86		249.45
- Others		-		-
Interest received				
- Banks		34.90		27.32
- Sales of Fixed Assets		-		4.65
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(147.86)</b>		<b>137.42</b>

<b>C. Cash flow from financing activities</b>				
Repayment of long-term borrowings		(13.76)		(13.59)
Net increase / (decrease) in working capital borrowings		(757.36)		-
Proceeds from short-term borrowings		-		1,003.14
Finance cost		(389.77)		(351.29)
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(1,160.89)</b>		<b>638.25</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>(811.29)</b>		<b>742.08</b>
Cash and cash equivalents at the beginning of the year		1,162.19		420.11
<b>Cash and cash equivalents at the end of the year</b>		<b>350.90</b>		<b>1,162.19</b>
<b>Cash and cash equivalents at the end of the year *</b>				
* Comprises:				
(a) Cash on hand		51.00		47.21
(b) Balances with banks				
(i) In current accounts		299.90		1,114.98
(ii) In deposit accounts		-		-

As per our report of even date  
For M/s G.P. Pimpalikar and Associates  
Chartered Accountants  
FRN:119343W

For and on behalf of the Board of Directors of  
Prakash Constrowell Limited

G.P. Pimpalikar  
M.No. : 107120

Prakash Laddha  
Chairman

T G Krishnan  
Managing Director

Vipul Lathi  
Chief Financial Officer

Swarna Naphade  
Company Secretary

Place : Nashik  
Date : 30th May 2014

Place:Nashik  
Date: 30th May 2014



**PRAKASH CONSTROWELL LIMITED**  
**F.Y.2013-2014**

**NOTES TO ACCOUNTS**

**Note 1 : General Corporate Information.**

At Prakash Constrowell Limited, we are basically engaged in the business of construction for government and semi-government authorities such as buildings, quarters, roads, bridges, airports, godowns, hospitals, etc and works for private bodies for construction of industrial buildings, residential & commercial complex, townships, health care centres and institutional campus with all related utility services. The company is also engaged in the business of real estate development.

**Note 2 : SIGNIFICANT ACCOUNTING POLICIES:**

**A. Basis of preparation of financial statements**

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) applicable in India under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 1956.

Accounting policies have been consistently applied except where specifically stated in financial statement and notes to accounts of the non-conformity with the relevant Accounting Standard. The management evaluates all recently issued or revised accounting standards on an ongoing basis.

**B. System of Accounting**

- a) The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis.
- b) Financial statements are based on historical cost. These costs are not adjusted to reflect the impact of change in value in the purchasing power of money.

**C. Use of estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles except where specifically stated in financial statement and notes to accounts of the non-conformity with the relevant Accounting Standard, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expense for the year. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates will be recognised prospectively in the current and future periods.

**D. Prior Period Items:**

Expenses relating to earlier period are debited to profit and loss expenses, if any. As per information and explanation and records kept by the company, the amount of such expenses and incomes are not fully quantifiable.

**E. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**F. Fixed Assets**

- a) Fixed assets are stated at cost of acquisition or construction less depreciation. Cost includes the purchase price and all other costs incurred for bringing the assets to its working conditions for intended use.
- b) Intangible assets are recorded at the consideration paid for acquisition.
- c) All categories of assets costing less than Rs. 5,000/- each and items of soft furnishing are fully depreciated in the year of purchase.

**G. Revenue Recognition**

Revenue is recognized when it is realized or realizable or earned. Revenue is considered as realized or realizable or earned when it has persuasive evidence of an arrangement, delivery has occurred, the sales price is fixed or determinable and collect ability is reasonably assured.

- a) The revenue from construction contracting activity is recognized by following percentage completion method of accounting as prescribed in Accounting Standard 7 issued by the Institute of Chartered Accountants of India. The stage of completion of a project is determined by the proportion of the contract cost incurred for work performed up to the Balance Sheet date bears to the estimated total contract cost. In the case where the contract revenue or the stage of completion can not be determined reliably, the cost incurred on the contract is carried forward as Work In Progress. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on current estimates.
- b) While recognizing profits on contracts / projects substantially completed, due provision for incomplete work / pending bill etc. and probable cost of defect liability is made. Provision for defect liability is made at the amount equal to the amount of retention money (Security deposit retained) plus the bank guarantee offered for defect liability.
- c) In case of Real Estate projects which have commenced as well as the first revenue has been recognised before 1<sup>st</sup> April 2012, the company has followed the completion method. While in case of other Real Estate projects company has followed Percentage of completion method.
- d) Profit/loss from write-off of excess / short provision for defect liability is recognized in the year in which there is unconditional release of retained amount / bank guarantee by the contractee.
- e) Scrap is accounted for only on realisation.
- f) Incomes from interest are recognised on time proportion basis taking into account the amount outstanding and the rate applicable.



#### **H. Depreciation and Amortization**

- a) Depreciation has been provided in the accounts from the date of its installations/use and on written down value method at the rates prescribed in schedule XIV to the Companies Act, 1956. The depreciation in respect of fixed assets specifically used on a particular work is charged to the contract account of that particular work. The depreciation on other assets is charged to the Profit and Loss Account.
- b) Expenses on computer software are recognised as Intangible assets as per the criteria specified in Accounting Standard 26 "Intangible Assets".
- c) Additions to fixed assets individually costing Rs. 5,000 or less are charged to revenue in the year of acquisition.

#### **I. Effects of Changes in Foreign Exchange Rates**

Exchange differences arising on foreign currency transactions are included in the profit and loss account.

#### **J. Investments**

Long term investments are stated at cost, while short term Investments are stated at cost or net realisable value whichever is lower.

#### **K. Employee Benefits**

##### **a) Post Employment Benefits:**

- i) Defined Contribution Plan: The Company contributes on a defined basis to Employee's Provident Fund and Employees State Insurance Schemes which are administered by the respective government authorities and has no further obligation beyond making its contribution which is expensed off in the year to which it pertains.
- ii) Defined Benefit Plan: The Company has a defined benefit plan for gratuity covering all of its employees in India. The present Value of the obligation under such defined benefit plans is determined based on the independent actuarial valuation.

##### **b) Short Term Employment Benefits:**

All the employee benefits payable within twelve months of rendering services are classified as short term benefits. Such benefit includes salaries, wages, bonus etc. and the same are recognised in the period in which the employee renders the relevant services.

#### **L. Borrowing Cost**

- a) Borrowing costs directly attributable to acquisition, construction or production of qualifying assets till the month in which the asset is ready to use, are capitalized.
- b) Other borrowing costs are recognised as expenses in the period in which these are incurred.

#### **M. Segment Reporting**

- a) Identification of segment: The Company identified the business segments based upon engagement of providing an individual product or service or a group of related products or services.
- b) Allocation of common cost: Common costs are allocated to each segment according to the turnover of each segment to the total sales of the company.
- c) Unallocated items: corporate assets and liabilities, income and expenses which relate to the company as a whole and are not allocable to segment, have been included under unallocated items.

#### **N. Leases**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

#### **O. Earnings Per Share**

Earnings per share is calculated by dividing the net profit or loss after tax and prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

#### **P. Taxes on Income**

- a) Tax expense comprises both current and deferred tax. Provision for current tax is made on the basis of taxable profit computed for the current accounting period in accordance with Income Tax Act, 1961.
- b) Deferred tax resulting from timing difference between book profit and tax profit is accounted for on the concept of prudence, at prevailing or substantially enacted rate of tax to the extent timing differences are expected to crystallise in case of deferred tax liabilities with reasonable certainty and in case of deferred tax assets with reasonable certainty that there would be adequate future taxable income against which deferred tax assets can be realised.

#### **Q. Provisions and Contingent Liabilities**

The company has recognized necessary provisions when there are present obligations that arise out of past events prior to the Balance Sheet date entailing future outflow of economic resources and a reliable estimate can be made of the amount of the obligation. Such provisions reflect best estimates based on available information.

However, a disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



**Prakash Constrowell Limited**

Notes forming part of the financial statements for the year ended 31st March, 2014

**Note 3 Share Capital**

Share Capital	As at 31 March 2014		As at 31 March 2013	
	Number	Rs. In Lakh	Number	Rs. In Lakh
<b>Authorised</b>				
Equity Shares of Rs.1 each	150,000,000	1,500.00	150,000,000	1,500.00
<b>Issued, Subscribed &amp; Paid up</b>				
Equity Shares of Rs.1 each	125,678,260	1,256.78	125,678,260	1,256.78
<b>Subscribed but not fully Paid up</b>				
Equity Shares of Rs. 1 each, not Fully Paid up	-	-	-	-
<b>Total</b>	<b>125,678,260</b>	<b>1,256.78</b>	<b>125,678,260</b>	<b>1,256.78</b>

Notes:

(a) The company has only one class of shares referred to as equity shares having a par value of Rs.1 each. Each holder of equity shares is entitled to one vote per share

(b) The reconciliation of the numbers of shares outstanding and amount of share capital as at year end is set out below:

Particulars	As at 31 March 2014		As at 31 March 2013	
	Equity Shares			
	Number	Rs. In Lakh	Number	Rs. In Lakh
Shares Outstanding at the beginning of the year	125,678,260	1,256.78	125,678,260	1,256.78
Shares Issued during the year	-	-	-	-
Shares Bought back during the year	-	-	-	-
Shares Outstanding at the end of the year	125,678,260	1,256.78	125,678,260	1,256.78

(c) Details of Shareholder(s) holding more than 5% shares are as follows:

Name of Shareholder	As at 31 March 2014		As at 31 March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Prakash Pusaram Laddha	4,20,00,000	33.42%	4,20,00,000	33.42%
Aruna Prakash Laddha	3,78,00,000	30.08%	3,78,00,000	30.08%

(d) Details of Shares allotted for consideration other than cash during last five years are as follows:

Particulars	Year (Aggregate No. of Shares)				
	2013-14	2012-13	2011-12	2010-11	2009-10
<b>Equity Shares :</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	78,09,000	-
Shares bought back	-	-	-	-	-

**Prakash Constrowell Limited**

Notes forming part of the financial statements for the year ended 31st March, 2014

**Note 4 Reserves & Surplus**

Reserves & Surplus	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
(a) <b>Securities Premium Account</b>		
Opening Balance	5,565.22	5,565.22
Add : Securities premium credited on Share issue	-	-
Closing Balance	<b>5,565.22</b>	<b>5,565.22</b>
(b) <b>General Reserve</b>	3,199.52	2,832.29
(c) <b>Profit &amp; Loss Account</b>	519.54	367.24
<b>Closing Balance</b>	<b>3,719.06</b>	<b>3,199.52</b>
<b>Total</b>	<b>9,284.28</b>	<b>8,764.74</b>

**Note 5 Long Term Borrowings**

Long Term Borrowings	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
<b>Secured</b>		
(a) <b>Term loans</b> from banks		
Axis Bank Car Loan (Secured By hypothecation of movable asset i.e. vehicle) Terms of Repayment - monthly for F.Y. 2014-15 - Rs. 15,92,569/- @ 10.39 % p.a.	15.13	28.89
<b>Total</b>	<b>15.13</b>	<b>28.89</b>

**Note 6 Other Long Term Liabilities**

Other Long Term Liabilities	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
(a) <b>Others</b>		
(i) Trade Deposits (Includes Security Deposits, Royalty Deposits, Labour Cess Deposits, Labour Insurance Deposits & Retentions of Works Executors)	394.76	506.56
(ii) Shop Rent Deposits	-	0.30
<b>Total</b>	<b>394.76</b>	<b>506.86</b>

Includes above

Particulars	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
Subsidiary Company	-	54.25
	-	54.25





**Prakash Constrowell Limited**  
**Notes forming part of the financial statements for the year ended 31st March, 2014**

**Note 12 Non Current Investment**

Non Current Investments	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
<b>Investments (at Cost)</b>		
<b>A Trade</b>		
(a) Investment in Equity Instruments		
(i) Of Subsidiaries		
Punamraj Constrowell Pvt Ltd (as at 31st March 2013: 10,000 Fully Paid up)	-	17.86
(5,100 Shares purchase for Rs 10 each & 4,900 Shares for Rs 354 each)		
Jaikumar Real Estate Pvt Ltd (51,000 Equity Shares of Rs 10 Each (as at 31st March 2013: 5,100 Fully Paid up)	0.51	0.51
(5,100 Shares purchase for Rs 10 each & 45900 Shares received as bonus shares as on 20.11.2012 for Rs 0 each. )		
Unique Vastu Nirman & Projects Pvt Ltd (35,000 Equity Shares of Rs 10 Each (as at 31st March 2013: 35000) Fully Paid up)	3.50	3.50
(35,000 Shares purchase for Rs 10 each )		
(ii) Of Other Entities		
Vastukrupa Constructions Private Limited (Share Application Money with Associate Private Limited Company)	174.35	-
Thakkar Housing Pvt Ltd (1,67,000 Equity Shares of Rs 10 Each (as at 31st March 2013: 1,67,000) Fully Paid up)	100.20	100.20
(1,67,000 Shares purchase for Rs 60 each)		
Rajlaxmi Co-operative Bank Ltd (10 Equity Shares of Rs 100 Each (as at 31st March 2013: 10) Fully Paid up) (10 Shares purchase for Rs 100 each)	0.01	0.01
<b>Total (A)</b>	<b>278.57</b>	<b>122.08</b>
<b>B</b> Less : Provision for diminution in the value of Investments	-	-
<b>Total</b>	<b>278.57</b>	<b>122.08</b>

**Notes**

Particulars	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
(i) Aggregate amount of quoted investments	-	-
(ii) Aggregate amount of unquoted investments	278.57	122.08
<b>Includes above</b>		
Particulars	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
Private Company in which director is a director	174.35	17.86
	174.35	17.86

**Prakash Constrowell Limited**  
**Notes forming part of the financial statements for the year ended 31st March, 2014**  
**Note 13 Long Term Loans & Advances**

Long Term Loans and Advances	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
<b>Unsecured, considered good Security Deposits</b> (Includes Security Deposits, Royalty Deposits, Labour Cess Deposits, Water Deposits, Labour Insurance Deposits, Retentions etc. by Clients)	1,322.98	1,794.91
Less: Provision for Doubtful Deposits	-	-
(b) <b>Other loans and advances</b>	1,157.95	1,247.99
Unsecured, considered good Advance against Lease of Premises	1,157.95	1,247.99
Less: Provision for Doubtful Deposits	-	-
	1,157.95	1,247.99
<b>Total</b>	<b>2,480.92</b>	<b>3,042.91</b>

**Note 14 Other Non Current Assets**

Other Non Current Assets	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
(a) <b>Unamortised Expenses</b>		
Share Issue Expenses	-	-
Opening Balance	354.79	473.06
Add: Issue Expenses for the year	-	-
Less: Amortised during the year (1/5th for the year)	118.26	118.26
Closing Balance	236.53	354.79
(b) <b>Accruals</b>		
Interest accrued on deposits	17.19	19.82
(c) <b>Deferred Tax Asset</b>		
	12.88	10.09
(d) <b>Fixed Deposits with banks</b>		
	336.18	327.12
<b>Total</b>	<b>602.77</b>	<b>711.82</b>

**Note 15 Current Investment**

Current Investments	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
<b>A Investments (at Cost)</b>		
<b>Trade</b>		
(a) Investment in Equity Instruments	100.00	100.00
<b>Total (A)</b>	<b>100.00</b>	<b>100.00</b>
<b>B</b> Less : Provision for Diminution in the value of Investments	-	-
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

**Note 16 Inventories**

Inventories	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
(a) <b>Work-in-Progress, Inventories &amp; Stock</b>	3,476.85	4,691.73
<b>Total</b>	<b>3,476.85</b>	<b>4,691.73</b>



**Prakash Constrowell Limited**  
Notes forming part of the financial statements for the year ended 31st March, 2014

**Note 17 Trade Receivable**

Trade Receivable	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
(a) Trade receivable outstanding for a period exceeding six months from the date they were due for payment		
Secured, Considered Good	3,344.03	895.55
Unsecured, Considered Good	-	-
Doubtful	-	-
Less: Provision for doubtful receivable	3,344.03	895.55
(b) Other Trade receivables	3,344.03	895.55
<b>Total</b>	<b>3,344.03</b>	<b>895.55</b>

**Note 18 Cash & Cash Equivalents**

Cash & Cash Equivalents	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
(a) Cash on hand	51.00	47.21
(b) Balance With Banks		
(i) In Current Account	299.90	1,114.98
<b>Total</b>	<b>350.90</b>	<b>1,162.19</b>

**Note 19 Short Term Loans & Advances**

Short Term Loans & Advances	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
Unsecured, considered good		
(a) Loans & Advances to Related Parties		
Advances for Expenses to Directors	-	2.10
(b) Loans & Advances to employees		
Advance against Salary to Staff	3.98	1.86
(c) Prepaid expenses	2.77	3.02
(d) Balance with Government Authorities		
(i) Income Tax/TDS/TCS Receivable	243.15	338.54
Less: Provision for Income Tax	242.47	171.28
(ii) VAT Receivable	0.67	167.26
(iii) Income Tax Refund	527.01	300.45
(iv) CENVAT Credit	180.51	11.61
	-	3.23
(e) Other		
(i) Advances to Suppliers	260.87	95.23
(ii) Advances for Purchase of Land & TDR & Commercial Premises	3,280.14	3,383.58
(iii) Advances to Work Executors	1,328.39	1,133.97
(iv) Electricity, Telephone & Other Deposits	7.89	6.18
<b>Total</b>	<b>5,892.78</b>	<b>5,108.47</b>

**Includes above**

Short Term Loans & Advances	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
Directors *	737.75	872.61
Subsidiary Companies	75.95	77.45
	813.71	950.06

\*Either severally or jointly

**Prakash Constrowell Limited**  
Notes forming part of the financial statements for the year ended 31st March, 2014

**Note 20 Revenue from Operations**

Revenue from Operations	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
(a) Income from Operations	15,031.15	16,698.25
<b>Total</b>	<b>15,031.15</b>	<b>16,698.25</b>

**Note 21 Other Income**

Other Incomes	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
(a) Rent Received	0.75	1.05
(b) Interest Received on Deposit with bank and others	34.90	27.32
(c) Misc. Receipts (net)	84.67	251.16
(d) Profit on sale of Investment	-	28.20
(e) Profit on sale of Asset	-	0.79
(f) Gain on decrease in Gratuity	9.28	-
<b>Total</b>	<b>129.60</b>	<b>308.52</b>

**Note 22 Construction Expenses**

Material Consumed & Direct Expenses	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
(a) Purchases of Materials & Land	4,769.90	5,177.61
(b) Work Execution Expenses	4,714.26	8,232.34
(c) Labour Expenses	1,170.45	3,298.76
(d) Machinery Expenses	473.55	162.28
(e) Other Construction & Miscellaneous Expenses	710.18	234.69
<b>Total</b>	<b>11,838.33</b>	<b>17,105.68</b>

**Note 23 Employee Benefit Expenses**

Employees Benefit Expenses	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
(a) Staff Salary & Allowances	220.21	206.33
(b) Directors Remuneration & Allowances	38.91	40.99
(c) Staff Training Expenses	-	1.40
(d) Staff Welfare Expenses	23.24	8.24
(e) Staff Placement Expenses	0.71	0.98
(f) Rent Of Staff House	10.37	10.11
(g) Contribution to Provident Fund & Admin Charges	5.01	4.99
(h) Provision for Gratuity	-	1.55
<b>Total</b>	<b>298.45</b>	<b>274.59</b>



**Prakash Constrowell Limited**

Notes forming part of the financial statements for the year ended 31st March, 2014

**Note 24 Finance Cost**

Finance Cost	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
(a) Interest on Loans	321.96	274.88
(b) Bank Guarantee Charges	13.10	22.32
(c) Bank Charges & Commission	54.70	54.10
<b>Total</b>	<b>389.77</b>	<b>351.29</b>

**Note 25 Other Expenses**

Other Expenses	As at 31 March 2014	As at 31 March 2013
	Rs. In Lakh	Rs. In Lakh
(a) Audit Fees	1.98	2.39
(b) Legal & Professional Fees	21.44	28.97
(c) Printing & Stationery Expenses	5.12	4.36
(d) Insurance Expenses	5.59	10.33
(e) Telephone Expenses	6.52	5.86
(f) Electricity Expenses	22.17	38.35
(g) Travelling & Conveyance Expenses	54.79	28.28
(h) Rent, Rates & Taxes	16.15	20.42
(i) Advertisement Expenses	3.08	2.46
(j) Postage & Courier Expenses	0.82	0.76
(k) Vat Tax	274.16	136.39
(l) Machinery & Vehicle Repairs & Maintenance Expenses	8.17	8.66
(m) Office Furniture Repairs & Maintenance Expenses	0.58	0.78
(n) Listing Expenses	120.02	121.38
(o) Office Expenses	20.52	15.27
(p) Tender Expenses	8.89	5.02
(q) Other Expenses	11.97	5.51
(r) Interest on Delayed payment of Statutory Dues	4.80	14.34
(s) Penal Interest	0.38	0.29
<b>Total</b>	<b>587.15</b>	<b>449.82</b>

**PRAKASH CONSTROWELL LIMITED**  
**F.Y.2013-2014**

Note 26: Notes to the Balance Sheet as at 31<sup>st</sup> March 2014 and Profit and Loss Account for the year ended on that date.

**A. Contingent Liabilities not provided for:**

Sr. No.	Particulars	(In Lakh)	
		As at 31st March 2014	As at 31st March 2013
(i)	Performance Guarantees given by banks on behalf of the company	1231.11	1605.02
(ii)	Income Tax Proceedings (Income Tax Department has filed appeal with ITAT for Block Period from 01/04/96 to 09/10/2002)	175.86	175.86
	<b>Total</b>	<b>1406.97</b>	<b>1780.88</b>

The company does not expect any future outflow in respect of above mentioned contingent liabilities. Provisions are made in the accounts in respect of those contingencies which are likely to be materializing into liabilities after the year end, till the finalisation of accounts and have material effect on the position stated in Financial Statement.

**B. Payment to Auditor**

Sr. No	Particulars	(In Lakh)	
		As at 31st March 2014	As at 31st March 2013
(i)	Statutory Auditor for		
	- Audit Fees	1.98	2.05
	<b>Total</b>	<b>1.98</b>	<b>2.05</b>

**C. Managerial Remuneration:**

i) Computation of Managerial Remuneration U/s 198, 349 and 350 of Companies Act, 1956

Sr. No.	Particulars	(In Lakh)
		Amount (Rs.)
(i)	Profit before tax as per Profit and Loss Account for the year ended 31st March, 2014	767.27
(ii)	Add: (Debited to P & L A/c before arriving at the Profit Before Tax)	
(iii)	Managerial remuneration including perquisites	39.19
(iv)	Depreciation as provided in the Books	62.70
(v)	Sub-Total	101.89
(vi)	Less: (Credited to the P & L A/c for arriving at Profit Before Tax)	
(vii)	Depreciation as computed in terms of Section 350	62.70
(viii)	Sub-Total	62.70
(ix)	Add/Less: Extra-Ordinary items as per AS- 5	2.21
(x)	Total	808.67
	<b>Eligible remuneration to the Managerial Personnel in terms of</b>	<b>88.95</b>



Section 309 @ 11%				
Total amount of managerial remuneration proposed to be paid				39.19
Designation	Total Remuneration			Total
	Salary	Perquisites	Commission	
(i) Managing Director	7.80	-	-	7.80
(ii) Whole-Time Director	12.00	9.14	-	21.14
(iii) Executive Director	10.25	-	-	10.25
Total	30.05	9.14	-	39.19
Managerial Remuneration paid is within 11% of the eligible profits of the Company				39.19

**D. Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006:**

The company has not maintained the records and details of its suppliers regarding their status as Micro, Small and Medium Enterprises as defined under "Micro, Small and Medium Enterprises Development Act, 2006". Since the details are not available in this regards it is not possible for us to give necessary disclosures required.

**E. Disclosure pursuant to Accounting Standard (AS) 5 Net Profit or loss for the period, Prior period Items & changes in Accounting Policies:**

The Extraordinary item of Rs. 2.21/- lakh (Rs. 9.52/- lakh Previous year) in profit & Loss reflects various donations made by the company.

**F. Disclosure pursuant to Accounting Standard (AS) 7 Construction Contracts:**

(In lakh)			
Sr. No	Particulars	As at 31st March 2014	As at 31st March 2013
(i)	Contract Revenue recognised and progress Billing	38577.72	37085.81
(ii)	Contract Cost Incurred	37341.21	37712.42
(iii)	Profit Recognised so far	4463.90	3802.13
(iv)	Advances Received	636.89	997.54
(v)	Retention Money and deposits	920.48	1166.01
<b>Gross amount due from customers disclosed as asset</b>		<b>3227.38</b>	<b>4428.73</b>

The stage of completion of contract is determined as the proportion that contract costs are incurred for execution of work to the estimated total contract costs as on reporting date. Revenue is recognised in percentage of stage of completion.

Expected variations in works contract, claims and incentive payments are included in contract revenue only when revenue is certain and capable of being measured reliably. Figures disclosed above are only relating to contracts in progress.

**G. Disclosure pursuant to Accounting Standard (AS) 15 Employees Benefits:**

- i) Defined Contribution Plan:  
Employer's contributions to defined Contribution Plan, recognised as expenses for the year are as under:

(In lakh)			
Sr. No.	Particulars	As at 31st March 2014	As at 31st March 2013
(i)	Provident Fund	4.59	4.57

(ii)	Administrative charges for Provident fund	0.41	0.41
<b>Total</b>		<b>5.01</b>	<b>4.99</b>

The above mentioned figures are as compiled and reported by the management.

ii) Defined Benefit Plan:

The present value of obligation for Defined benefit plan is based on the independent actuarial valuation for the year, it was provided on ad hoc basis for last year. The disclosures as required as per the Revised AS-15 are as under:

a) Actuarial Assumptions:

Sr. No.	Particulars	As at 31st March 2014	As at 31st March 2013
(i)	Discount Rate p.a.	9.00%	8.25%
(ii)	Rate of increase in Compensation levels p.a.	7.00%	7.00%
(iii)	Rate of Return on Plan Assets p.a.	Nil	Nil

The estimates of future salary increases, considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employee market. The expected rate of return on the plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risk, and historical results of returns on plan assets etc.

b) Changes in the present value of obligation

(In lakh)			
Sr.No.	Particulars	As at 31st March 2014	As at 31st March 2013
(i)	Present value of obligation as at beginning of the year	30.62	29.08
(ii)	Current Service Cost	2.02	3.24
(iii)	Interest Cost	2.76	2.40
(iv)	Benefits Paid	Nil	Nil
(v)	Actuarial Gain/(Loss)	14.06	(4.09)
(vi)	Present Value of Obligation as at the end of year	21.34	30.62

c) Changes in the fair value of Plan Assets

(In lakh)			
Sr.No.	Particulars	As at 31st March 2014	As at 31st March 2013
(i)	Fair value of Plan Assets as at beginning of the year	Nil	Nil
(ii)	Expected Return on Plan Assets	Nil	Nil
(iii)	Actuarial Gain / (Loss)	Nil	Nil
(iv)	Contribution by employer	Nil	Nil
(v)	Benefits paid	Nil	Nil
Fair Value of Plan Assets as at the end of year		Nil	Nil

d) Broad categories of plan assets as a percentage of total Assets:

(In lakh)			
Sr.No.	Particulars	As at 31st March 2014	As at 31st March 2013
(i)	Government of India Securities	Nil	Nil
(ii)	Corporate Bonds	Nil	Nil
(iii)	Special Deposit Scheme	Nil	Nil
(iv)	Insured Managed Funds	Nil	Nil
(v)	Other	Nil	Nil
Total		Nil	Nil



e) Expenses recognised in the Profit and Loss Account

(In lakh)

Sr.No.	Particulars	As at 31st March 2014	As at 31st March 2013
(i)	Current Service Cost	2.02	3.24
(ii)	Interest Cost	2.76	2.40
(iii)	Expected Return on Plan Assets	-	-
(iv)	Net Actuarial Gain / (Loss)	14.06	(4.09)
(v)	Total Expenses recognised in the Profit and Loss Account *( Included in Employee Cost- "Gratuity" Schedule ) **( Included in Other Income- "Gain on decrease in Gratuity" Schedule)	(9.28)**	1.55*

H. Disclosure pursuant to Accounting Standard (AS) II Effect of changes in foreign exchange rates :

The Company has debited to its profit & loss account Rs.3.63/- lakh being amount of exchange difference arising on foreign currency transactions.

I. Disclosure pursuant to Accounting Standard (AS) 17 Segment Reporting :

i) Primary Segment:

The company's operations predominantly relate to Engineering, Contracting and procurement segment which have been identified as primary reporting segment. Company also works in Real estate & Buildership activity which is a reportable segment for the current year. Following is the segment information :-

Particulars	2013-14			2012-13		
	Works Contracts Segment	Real Estate & Buildership Segment	Total	Works Contracts Segment	Real Estate & Buildership Segment	Total
<b>Business Segment</b>						(In Lakh)
Segment revenue						
Allocated & Unallocated income						
Domestic-Allocated	14,676.39	97.36	14,773.75	16,569.83	128.42	16,698.25
Domestic-Unallocated			257.39			-
Total			15,031.15			16,698.25
<b>Segment results</b>						
Operating Profit/Loss before tax - allocable	1,042.71	51.77	1,094.48	859.57	44.15	815.42
Operating Profit/Loss before tax - Unallocable			2.14			-
Unallocable Expenses (Extraordinary Items)			2.21			9.52
Unallocable Expenses (Interest)			327.14			274.88
Profit Before Tax			767.27			531.02
Provision for Taxation & Deferred Tax			247.73			163.79
Profit After Tax			519.54			367.24
<b>Segment Assets</b>						
Unallocated Asset	10,007.24	3,350.49	13,357.73	6,306.14	4,750.00	11,056.14
Total Assets			16,508.27			16,133.14
<b>Segment Liability</b>						
Unallocated Liability	3,889.79	132.77	4,022.56	2,150.84	160.59	2,311.44
Total Liability			5,967.21			6,131.61
Cost to acquire tangible & Intangible assets allocable	14.00	-	14.00	90.67	-	90.67
Cost to acquire tangible & Intangible assets unallocable			12.93			52.44
Non cash expenditure other than Depreciation & Amortization allocable	-	-	-	-	-	-
Non cash expenditure other than Depreciation & Amortization unallocable	-	-	-	-	-	1.55

Unallocated Assets includes investments, fixed assets and other current assets  
Unallocated Liabilities includes secured loans , unsecured loans , deferred tax liability , provision for tax Etc.



**J. Disclosure pursuant to Accounting Standard (AS) 18 Related Party Disclosures :**

Related parties have been identified on the basis of representation and information given by the Key Management Personnel.

Sr.No.	Name Of Party	Relationship with the party
(i)	Prakash Pusaram Laddha	Executive Director
(ii)	Trichur Ganpat Krishnan	Managing Director
(iii)	Suresh Girdharilal Sarda	Executive Director
(iv)	Hemant M. Rathi	Non Executive Director
(v)	Jayant V. Phalke	Non Executive Director
(vi)	Girish Vinayak Dani	Non Executive Director
(vii)	Prashant Prabhakar Gadkari	Non Executive Director
(viii)	Aruna Prakash Laddha	Relative of Director
(ix)	Punamraj Construwell Pvt Ltd	Wholly Owned Subsidiary Company
(x)	Unique Vastu Nirman & Projects Pvt Ltd	Subsidiary Company
(xi)	Vastukrupa Constructions (I) Private Limited	Associate Company
(xii)	Atal Buildcon Pvt Ltd	Associate Company
(xiii)	Q Fab Cements Pvt Ltd	Associate Company
(xiv)	Perfect Aggregates Pvt Ltd	Associate Company

Transaction with Related Parties:

(In lakh)

Sr.No.	Transaction	Name of the Party	Nature Of relationship	As at 31.03.2014	As at 31.03.2013
(i)	Payment of security deposit under leave & License arrangement	Atal Buildcon Pvt Ltd	Associate Company	1042.95	1132.99
(ii)	Advance Payment for Purchase of office premises	Prakash Pusaram Laddha	Director	625.15	400.00
(iii)	Purchase of Goods	Q Fab Cements Pvt. Ltd.	Associate Company	1.67	1.40
		Perfect Aggregates Pvt. Ltd.	Associate Company	0.40	1.27
(iv)	Remuneration Paid	Prakash Pusaram Laddha	Director	12.00	12.00
		Trichur Ganpat Krishnan	Director	7.80	6.20
		Suresh Girdharilal Sarda	Director	10.25	5.50
		Hemant Rathi	Director	0.10	0.12
		Jayant Phalke	Director	0.10	0.10
		Girish Vinayak Dani	Director	0.06	-
		Prashant Prabhakar Gadkari	Director	0.06	-
(v)	Advance Paid for purchase of land	Unique Vastu Nirman & Projects Pvt Ltd	Subsidiary Company	61.61	55.36
		Prakash Pusaram Laddha	Director	112.61	472.61

(vi)	Rent paid for premises on lease	Prakash Pusaram Laddha	Director	2.40	2.40
		Aruna Prakash Laddha	Relative Of Director	6.00	6.00
(vii)	Investment in Share application Money	Vastukrupa Constructions (I) Private Limited	Associate Company	174.35	-

**K. Disclosure pursuant to Accounting Standard (AS) 19 Leases:**

The company has entered into cancellable operating leasing arrangements for Commercial premises, Residential accommodation and Office premises.

(In lakh)

Sr. No.	Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
(i)	Operating lease Expenses recognised in profit and loss account	8.40	8.40

The lease terms do not contain any exceptional / restrictive covenants nor are there any options given by the lessor to purchase the properties. The agreements provide for changes in the rentals along with taxes leviable.

**L. Disclosure pursuant to Accounting Standard (AS) 20 Earnings Per Share :**

(In Lakh)

Sr. No.	Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
(i)	Profit(loss) after tax attributable to Equity Shareholders (Rs.)	519.54	367.24
(ii)	Extraordinary Items (Net of tax expense)	1.57	8.56
(iii)	Profit(loss) after tax but before extraordinary items ( net of tax ) attributable to Equity Shareholders (Rs.) ( (i) + (ii) )	521.11	375.80
(iv)	Weighted average number of Equity shares outstanding during the year (Nos.)	12,56,78,260	12,56,78,260
(v)	Nominal Value of Equity Share (Rs.)	1.00	1.00
(vi)	Earnings Per Share before Extraordinary Items Net of Tax Expenses(Rs.)		
	- Basic	0.41	0.30
	- Diluted	0.41	0.30
(vii)	Earnings Per Share After Extraordinary Items Net of Tax Expenses(Rs.)		
	- Basic	0.41	0.29
	- Diluted	0.41	0.29



**M. Disclosure pursuant to Accounting Standard (AS) 22 Taxes on Income :**

The company has recognised Deferred Tax, which results from the timing difference between Book Profit and Tax Profits for the period aggregating Rs 2.79/- lakh in Profit and Loss Account, the details of which are as under:

Sr. No.	Particulars	(In lakh)	
		As at 31st March 2014	As at 31st March 2013
(I)	Deferred Tax Assets		
	- Related to fixed assets	(2.79)	(1.19)
	- Disallowances under Income Tax Act, 1961.	-	(0.50)
	Total	(2.79)	(1.69)
	Net Deferred Tax Liability / (Asset)	(2.79)	(1.69)

N. The company has credited to the profit and loss account Rs. 0.44/- lacs being the excess provision of Income Tax for the Previous Year .

O. The Previous year figures are regrouped and rearranged wherever necessary, to confirm with current year's presentation.

As per our report of even date  
**For M/s. G.P. Pimpalikar & Associates**  
Chartered Accountants  
FRN: 119343W

Signature to Schedules A to O  
**For Prakash Constrowell Limited**

G.P. Pimpalikar  
Proprietor  
M.No. 107120

Prakash Laddha      Trichur Ganpat Krishnan  
Chairman                      Managing Director

Vipul Lathi                      Swapna Naphade  
Chief Financial Officer      Company Secretary

Place : Nashik  
Date: 30.05.2014

## Independent Auditor's Report

To The Board of Directors of  
**Prakash Constrowell Limited**

We have audited the accompanying consolidated financial statements of **Prakash Constrowell Limited** ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at **March 31, 2014**, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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



### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of the consolidated Balance Sheet, of the state of affairs of the Company as at **March 31, 2014**;
- In the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date; and
- In the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

### Other Matters

We did not audit the financial statements of subsidiaries whose financial statements reflect total assets of Rs. 3550.29 lakh, total revenue of Rs.6431.67 lakh, total profit before tax of Rs 972.58 lakh and net cash inflow of Rs.7.37 lakh in these financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion, is based solely on the reports of the other auditors.

For M/s G. P. Pimpalikar and Associates  
Chartered Accountants  
(FRN: 119343W)

G. P. Pimpalikar  
Proprietor  
Membership No: 107120

Place: Nashik  
Date: 30.05.2014

### Prakash Constrowell Limited Consolidated Balance Sheet as at 31 March, 2014

Particulars	Note No	As at 31 March	As at 31 March
		2014	2013
		Rs. in Lakh	Rs. in Lakh
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	1,256.78	1,256.78
(b) Reserves and Surplus	4	9,854.09	8,968.76
<b>(2) Share Application Money Pending Allotment</b>		373.66	373.66
<b>(3) Minority Interest</b>		517.50	199.05
<b>(4) Non-Current Liabilities</b>			
(a) Long-term borrowings	5	1,683.35	376.71
(c) Other Long term liabilities	6	449.36	545.22
(d) Long term provisions	7	44.89	54.17
<b>(5) Current Liabilities</b>			
(a) Short-term borrowings	8	1,713.82	2,681.15
(b) Trade payables		2,375.16	1,480.15
(c) Other current liabilities	9	1,428.61	1,992.61
(d) Short-term provisions	10	325.82	62.23
<b>Total</b>		<b>20,023.04</b>	<b>17,990.49</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	11		
(i) Tangible assets		354.72	413.52
(ii) Intangible assets		13.69	17.11
<b>Goodwill</b>		32.35	33.75
(b) Non-current investments	12	374.54	481.90
(d) Long term loans and advances	13	2,481.17	3,043.16
(e) Other non-current assets	14	600.71	712.14
<b>(2) Current assets</b>			
(a) Current investments	15	100.00	100.00
(b) WIP, Inventories & Stocks	16	3,611.30	4,821.88
(c) Trade receivables	17	5,259.82	938.02
(d) Cash and cash equivalents	18	392.72	1,197.83
(e) Short-term loans and advances	19	6,793.28	6,222.43
(f) Other current assets	20	8.74	8.74
<b>Total</b>		<b>20,023.04</b>	<b>17,990.49</b>
Notes to Accounts	27		

In terms of our report attached.  
For M/s G.P. Pimpalikar and Associates  
Chartered Accountants  
FRN:119343W

For and on behalf of the Board of Directors of  
Prakash Constrowell Limited

G.P. Pimpalikar  
Proprietor  
M.No. : 107120

Prakash Laddha  
Chairman  
T G Krishnan  
Managing Director

Vipul Lathi  
Chief Financial Officer

Swapna Naphade  
Company Secretary

Place: Nashik  
Date: 30th May 2014

Place: Nashik  
Date: 30th May 2014



**Prakash Constrowell Limited**  
**Consolidated Profit and Loss statement for the year ended 31st March, 2014**

Particulars	Note No	As at 31 March 2014	As at 31 March 2013
		Rs. In Lakh	Rs. In Lakh
I. Revenue from operations	21	21,462.82	22,326.11
II. Other Income	22	130.98	315.67
<b>III Total Revenue</b>		<b>21,593.80</b>	<b>22,641.78</b>
<b>IV. Expenses:</b>			
Cost of materials /Construction Expenses	23	16,775.57	21,934.46
Change in Inventory		1,210.57	(1,794.41)
Employee benefit expense	24	399.43	346.51
Financial costs	25	541.33	499.65
Depreciation and amortization expense	11	78.14	75.77
Other expenses	26	836.51	725.03
<b>V Total Expenses</b>		<b>19,841.55</b>	<b>21,787.01</b>
VI. Profit before exceptional and extraordinary items and tax (III-V)	(III-V)	1,752.24	854.77
VII. Exceptional Items		-	-
VIII. Profit before extraordinary items and tax		1,752.24	854.77
IX. Extraordinary Items ( See Notes to Accounts No. 27)		12.39	10.35
X. Profit before tax	(VIII-IX)	<b>1,739.85</b>	<b>844.42</b>
XI. Tax expense:			
(1) Current tax		571.19	287.45
(2) Previous Tax		(0.44)	(8.26)
(3) Deferred tax		(0.34)	(0.92)
XII. Profit(Loss) from the period from continuing operations ( before adjustment of minority Interest and pre acquisition profits) (X-XI)		1,169.44	566.16
XIII. Minority Interest and pre acquisition profits		318.45	115.89
XIV. Profit(Loss) from the period from continuing operations ( after adjustment of minority Interest and pre acquisition profits) (XII-XIII)		850.99	450.26
XV. Profit(Loss) for the period		<b>850.99</b>	<b>450.26</b>
XIV. Earning per equity share: Basic and diluted		0.68	0.36

In terms of our report attached.  
For M/A G.P. Pimpalkar and Associates  
Chartered Accountants  
FRN:119343W

G.P. Pimpalkar  
Proprietor  
M.No. : 107120

Place : Nashik  
Date : 30th May 2014

For and on behalf of the Board of Directors of  
Prakash Constrowell Limited

Prakash Laddha  
Chairman  
T G Krishnan  
Managing Director  
Vipul Lathi  
Chief Financial Officer  
Swapna Naphade  
Company Secretary

Place: Nashik  
Date: 30th May 2014

**Prakash Constrowell Limited**  
**Consolidated Cash Flow Statement for the period ended 31 March, 2014**

Particulars	For the year ended 31 March, 2014		For the year ended 31 March, 2013	
	Rs. In Lakh	Rs. In Lakh	Rs. In Lakh	Rs. In Lakh
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		1,752.24		854.78
Adjustments for:				
Depreciation and amortisation	78.09		75.70	
Amortisation of share issue expenses and discount on shares	118.31		118.31	
Finance costs	541.33		499.27	
Profit on sale of Investment	-		(28.20)	
Profit on sale of Asset	-		(0.82)	
Excess Provision for Income Tax Written Off	-		-	
Interest income	(36.28)		(32.41)	
TDS & Others	(244.35)		(340.23)	
		457.10		291.62
Operating profit / (loss) before working capital changes		2,209.34		1,146.39
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	1,210.57		176.91	
Trade receivables	(4,321.80)		706.59	
Short-term loans and advances	(602.21)		925.87	
Long-term loans and advances	561.98		(547.20)	
Other current assets	-		(8.63)	
Other non-current assets	(6.42)		(181.59)	
		(3,157.88)		1,071.97
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	1,003.48		772.74	
Other current liabilities	(609.97)		(2,813.42)	
Other long-term liabilities	(95.86)		242.76	
Short-term provisions	141.20		(18.70)	
Long-term provisions	(9.28)		(23.06)	(1,839.67)
Cash flow from extraordinary items		12.39		10.35
Net income tax (paid) / refunds		205.68		152.49
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>(737.04)</b>		<b>215.85</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances		(29.60)		(175.85)
Purchase of long-term investments				
- Subsidiaries		-		(0.95)
- Others		(99.35)		(175.55)
Sales of long-term investments				
- Subsidiaries		17.86		249.45
- Others		-		-
Interest received				
- Banks		36.28		27.32
- Others		-		5.09
Purchase of Current Investment		-		-
Sales of Fixed Assets		-		4.65
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(74.82)</b>		<b>(65.84)</b>



<b>C. Cash flow from financing activities</b>			
Proceeds from issue of equity shares / Share Application Money	-		373.66
Proceeds from long-term borrowings	1,320.40		-
Repayment of long-term borrowings	(13.76)		(548.20)
Proceeds from short-term borrowings	-		1,213.10
Repayment of other short-term borrowings	(757.36)		-
Finance cost	(541.33)		(499.27)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>7.95</b>		<b>539.29</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(803.92)</b>		<b>689.29</b>
Cash and cash equivalents at the beginning of the year	1,196.64		508.54
<b>Cash and cash equivalents at the end of the year</b>	<b>392.72</b>		<b>1,197.83</b>
<b>Cash and cash equivalents at the end of the year *</b>			
* Comprises:			
(a) Cash on hand	61.61		57.16
(b) Balances with banks			
(i) In current accounts	328.61		1,140.67
(ii) In deposit accounts	2.50		-

In terms of our report attached.  
For M/s G.P. Pimpalkar and Associates  
Chartered Accountants  
FRN:119343W

For and on behalf of the Board of Directors of  
Prakash Constrowell Limited

G.P. Pimpalkar  
Proprietor  
M.No. : 107120

Prakash Laddha  
Chairman  
T.G. Krishnan  
Managing Director

Vipul Lathi  
Chief Financial Officer  
Swarna Naphade  
Company Secretary

Place : Nashik  
Date : 30th May 2014

Place: Nashik  
Date: 30th May 2014

## PRAKASH CONSTROWELL LIMITED & ITS SUBSIDIARIES F.Y.2013-2014

### NOTES TO ACCOUNTS

#### Note 1 : PRINCIPLES OF CONSOLIDATION:

The Consolidated Financial Statements comprise Prakash Constrowell Ltd. ("the Company") and its subsidiary companies as at 31st March 2014 and for the year ended on that date. List of subsidiary companies included in consolidation are as under:

Name of the Subsidiary	Nature of Holding	% holding	Nature of relationship
Unique Vastu Nirman & Projects Pvt Ltd	Equity	70%	Subsidiary
Jaikumar Real Estate Pvt Ltd	Equity	51%	Subsidiary

The Consolidated Financial Statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra company balances in accordance with the Accounting Standard 21 on "Consolidated Financial Statements" of the Companies (Accounting Standards) Rules, 2006.
- The financial statements of the subsidiaries are drawn-up upto the same reporting dates as that of the Company, i.e. March 31, 2014.
- The Consolidated Financial Statements are prepared to the extent possible using uniform accounting policies for the like transactions and other events in similar circumstances and are presented in the manner as the Company's separate financial statements.
- The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve, as the case maybe.
- Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

#### Note 2 : SIGNIFICANT ACCOUNTING POLICIES:

##### A. Basis of preparation of financial statements

The financial statements of the Company & its subsidiaries are prepared in accordance with Generally Accepted Accounting Principles (GAAP) applicable in India under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 1956.



Accounting policies have been consistently applied except where specifically stated in financial statement and notes to accounts of the non-conformity with the relevant Accounting Standard. The management evaluates all recently issued or revised accounting standards on an ongoing basis.

**B. System of Accounting**

- a) The Company and its subsidiaries follows the mercantile system of accounting and recognises income and expenditure on accrual basis.
- b) Financial statements are based on historical cost. These costs are not adjusted to reflect the impact of change in value in the purchasing power of money.

**C. Use of estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles except where specifically stated in financial statement and notes to accounts of the non-conformity with the relevant Accounting Standard, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expense for the year. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates will be recognised prospectively in the current and future periods

**D. Prior Period Items:**

Expenses relating to earlier period are debited to profit and loss Account. As per information and explanation and records kept by the company & its subsidiaries, the amount of such expenses and incomes are not fully quantifiable.

**E. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company & its subsidiaries are segregated based on the available information.

**F. Fixed Assets**

- a) Fixed assets are stated at cost of acquisition or construction less depreciation. Cost includes the purchase price and all other costs incurred for bringing the assets to its working conditions for intended use.
- b) Intangible assets are recorded at the consideration paid for acquisition.
- c) All categories of assets costing less than Rs. 5,000/- each and items of soft furnishing are fully depreciated in the year of purchase.

**G. Revenue Recognition**

Revenue is recognized when it is realized or realizable or earned. Revenue is considered as realized or realizable or earned when it has persuasive evidence of an arrangement, delivery has occurred, the sales price is fixed or determinable and collect ability is reasonably assured.

- a) The revenue from construction contracting activity is recognized by following percentage completion method of accounting as prescribed in Accounting Standard 7 issued by the Institute of Chartered Accountants of India. The stage of completion of a project is determined by the proportion of the contract cost incurred for work performed up to the Balance Sheet date bears to the estimated total contract cost. In the case where the contract revenue or the stage of completion can not be determined reliably, the cost incurred on the contract is carried forward as Work In Progress. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on current estimates.
- b) While recognizing profits on contracts / projects substantially completed, due provision for incomplete work / pending bill etc. and probable cost of defect liability is made. Provision for defect liability is made at the amount equal to the amount of retention money (Security deposit retained) plus the bank guarantee offered for defect liability.
- c) In case of Real Estate projects which have commenced as well as the first revenue has been recognised before 1<sup>st</sup> April 2012, the company has followed the completion method. While in case of other Real Estate projects company has followed Percentage of completion method.
- d) Profit/loss from write-off of excess / short provision for defect liability is recognized in the year in which there is unconditional release of retained amount / bank guarantee by the contractee.
- e) Scrap is accounted for only on realisation.
- f) Incomes from interest are recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

**H. Depreciation and Amortization**

- a) Depreciation has been provided in the accounts from the date of its installations/use and on written down value method at the rates prescribed in schedule XIV to the Companies Act, 1956. The depreciation in respect of fixed assets specifically used on a particular work is charged to the contract account of that particular work. The depreciation on other assets is charged to the Profit and Loss Account.
- b) Expenses on computer software are recognised as Intangible assets as per the criteria specified in Accounting Standard 26 "Intangible Assets".
- c) Additions to fixed assets individually costing Rs. 5,000 or less are charged to revenue in the year of acquisition.

**I. Effects of Changes in Foreign Exchange Rates**

Exchange differences arising on foreign currency transactions are included in the profit and loss account.

**J. Investments**

Long term investments are stated at cost. While short term Investments are stated at cost or net realisable value whichever is lower.



**K. Employee Benefits**

a) **Post Employment Benefits:**

- i) **Defined Contribution Plan:** The Company contributes on a defined basis to Employee's Provident Fund and Employees State Insurance Schemes which are administered by the respective government authorities and has no further obligation beyond making its contribution which is expensed off in the year to which it pertains.
- ii) **Defined Benefit Plan:** The Company has a defined benefit plan for gratuity covering all of its employees in India. The present Value of the obligation under such defined benefit plans is determined based on the independent actuarial valuation.

b) **Short Term Employment Benefits:**

All the employee benefits payable within twelve months of rendering services are classified as short term benefits. Such benefit includes salaries, wages, bonus etc. and the same are recognised in the period in which the employee renders the relevant services.

**L. Borrowing Cost**

- a) Borrowing costs directly attributable to acquisition, construction or production of qualifying assets till the month in which the asset is ready to use, are capitalized.
- b) Other borrowing costs are recognised as expenses in the period in which these are incurred.

**M. Segment Reporting**

- a) **Identification of segment:** The Company identified the business segments based upon engagement of providing an individual product or service or a group of related products or services.
- b) **Allocation of common cost:** Common costs are allocated to each segment according to the turnover of each segment to the total sales of the company.
- c) **Unallocated items:** corporate assets and liabilities, income and expenses which relate to the company as a whole and are not allocable to segment, have been included under unallocated items.

**N. Leases**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

**O. Earnings Per Share**

Earnings per share is calculated by dividing the net profit or loss after tax and prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

**P. Taxes on Income**

- a) Tax expense comprises both current and deferred tax. Provision for current tax is made on the basis of taxable profit computed for the current accounting period in accordance with Income Tax Act, 1961.
- b) Deferred tax resulting from timing difference between book profit and tax profit is accounted for on the concept of prudence, at prevailing or substantially enacted rate of tax to the extent timing differences are expected to crystallise in case of deferred tax liabilities with reasonable certainty and in case of deferred tax assets with reasonable certainty that there would be adequate future taxable income against which deferred tax assets can be realised.

**Q. Provisions and Contingent Liabilities**

The company has recognized necessary provisions when there are present obligations that arise out of past events prior to the Balance Sheet date entailing future outflow of economic resources and a reliable estimate can be made of the amount of the obligation. Such provisions reflect best estimates based on available information.

However, a disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



**Prakash Constrowell Limited**  
Notes forming part of the consolidated financial statements for the year ended 31st March, 2014

**Note 3 Share Capital**

Share Capital	As at 31 March 2014		As at 31 March 2013	
	Number	Rs In Lakh	Number	Rs In Lakh
<b>Authorised</b>				
Equity Shares of Rs.1 each	150,000,000	1,500.00	150,000,000	1,500.00
<b>Issued, Subscribed &amp; Paid up</b>				
Equity Shares of Rs.1 each	125,678,260	1,256.78	125,678,260	1,256.78
<b>Subscribed but not fully Paid up</b>				
Equity Shares of Rs. 1 each, not fully paid up	-	-	-	-
<b>Total</b>	<b>125,678,260</b>	<b>1,256.78</b>	<b>125,678,260</b>	<b>1,256.78</b>

**Note 4 Reserves & Surplus**

Reserves & Surplus	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
<b>(a) Securities Premium Account</b>		
Opening Balance	5,565.22	5,565.22
Add : Securities premium credited on Share issue	-	-
Closing Balance	<b>5,565.22</b>	<b>5,565.22</b>
<b>(b) General Reserve</b>		
Opening Balance	3,437.89	2,962.28
Less : Utilised for Issue of Bonus Shares	-	9.00
Closing balance	<b>3,437.89</b>	<b>2,953.28</b>
<b>(c) Profit &amp; Loss Account</b>		
	850.99	450.26
<b>Total</b>	<b>9,854.09</b>	<b>8,968.76</b>

**Note 5 Long Term Borrowings**

Long Term Borrowings	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
<b>Secured</b>		
<b>(a) Term loans</b>		
from banks		
<b>Axis Bank Car Loan</b> (Secured By hypothication of movable asset i.e. vehicle) Terms of Repayment - monthly for F.Y. 2014-15 - Rs. 15,92,569/- @ 10.39 % p.a.	15.13	28.89
<b>State Bank of India</b> ( Secured by mortgage of land ) Terms of Repayment - Quarterly for F.Y. 2014-15 - Rs. 3.67 Crore @ 12.70% p.a. for F.Y. 2015-16 - Rs. 11 Crore @ 12.70% p.a. for F.Y. 2016-17 - Rs. 1.83 Crore @ 12.70% p.a.	1,668.22	347.82
<b>Total</b>	<b>1,683.35</b>	<b>376.71</b>

**Note 6 Other Long Term Liabilities**

Other Long Term Liabilities	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
<b>(a) Others</b>		
<b>(i) Trade Deposits</b> (Includes Security Deposits, Royalty Deposits, Labour Cess Deposits, Labour Insurance Deposits & Retentions of Works Executors)	449.36	544.92
<b>(ii) Shop Rent Deposits</b>	-	0.30
<b>Total</b>	<b>449.36</b>	<b>545.22</b>

**Note 7 Long Term Provisions**

Long Term Provisions	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
<b>(a) Provision for employee benefits</b>		
Gratuity (unfunded)	21.34	30.62
<b>(b) Others</b>		
Provision for Defect Liabilities	23.54	23.54
<b>Total</b>	<b>44.89</b>	<b>54.17</b>



**Prakash Constrowell Limited**  
Notes forming part of the consolidated financial statements for the year ended 31st March, 2014  
**Note 8 Short Term Borrowings**

Short Term Borrowings	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
<b>Secured</b>		
<b>(a) Loans repayable on demand from banks</b>		
State Bank of India Cash Credit (Secured By Stock, WIP, Book debts and immovable property)	1,713.82	1,971.18
Bank of Maharashtra Cash Credit Account (Secured By Stock, WIP and Book debts)	-	209.97
<b>(b) Loan Against Pledge of Shares From others</b>		
Ganjam Trading Company Pvt. Ltd. (Secured against pledge of shares of the director)	-	500.00
<b>Total</b>	<b>1,713.82</b>	<b>2,681.15</b>

**Note 9 Other Current Liabilities**

Other Current Liabilities	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
<b>(a) Other payables</b>		
(i) Statutory Remittances (Contribution to Provident Fund, Profession Tax, Employees State Insurance, Tax Deducted at Sources, Service Tax etc.)	121.56	67.05
(ii) Advance From Customers	759.50	1,322.29
(iii) Payable to Work Executers	535.55	562.11
(iv) Advance Against Land	12.00	12.00
(v) Other	-	29.17
<b>Total</b>	<b>1,428.61</b>	<b>1,992.61</b>

**Note 10 Short Term Provisions**

Short Term Provisions	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
<b>(a) Provision for employee benefits</b>		
Salary & Reimbursements	29.87	29.25
Contribution to PF	0.78	0.74
	30.65	29.99
<b>(b) Others</b>		
(i) Provision for Income Tax	386.17	191.94
Less: Income Tax Receivable	242.47	171.28
Provision for Income Tax	143.70	20.66
(ii) Provision for VAT Payable	-	0.45
(iii) Provision for Other Expenses	151.48	111.14
<b>Total</b>	<b>325.82</b>	<b>62.23</b>

**Note 11 Fixed Assets**  
Notes forming part of the consolidated financial statements for the year ended 31st March, 2014  
(Rs. In Lakhs)

Fixed Assets	Balance as at 1 April 2015		Additions (Deposits)		Gross Block		Revaluations/ (Impairments)		Balance as at 31 March 2014		Balance as at 1 April 2013		Accumulated Depreciation		On disposal		Balance as at 31 March 2014		Balance as at 1 April 2014		Balance as at 31 March 2013	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>a</b>																						
<b>Tangible Assets</b>																						
Land (Rehold)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Shops	35.77	-	-	-	35.77	11.08	-	-	46.85	11.08	-	-	-	1.23	-	-	12.31	23.45	-	-	24.69	
Plant and Equipment	382.89	17.33	-	-	400.22	125.03	-	-	525.25	400.22	125.03	-	-	37.32	-	-	102.35	237.87	-	-	257.86	
Furniture and Fixtures	8.21	0.24	-	-	8.46	3.17	-	-	11.63	8.46	3.17	-	-	0.96	-	-	4.13	4.33	-	-	5.04	
Vehicles	197.30	9.60	-	-	206.90	97.69	-	-	304.59	206.90	97.69	-	-	29.48	-	-	127.17	79.73	-	-	99.61	
Office Equipment	30.52	2.43	-	-	32.94	17.94	-	-	50.88	32.94	17.94	-	-	5.68	-	-	23.62	9.31	-	-	12.58	
Computer	654.69	29.60	-	-	684.29	254.91	-	-	939.20	684.29	254.91	-	-	74.68	-	-	329.58	354.72	-	-	399.78	
<b>Total</b>																						
<b>b</b>																						
<b>Intangible Assets</b>																						
Computer software	20.37	-	-	-	20.37	3.26	-	-	23.63	20.37	3.26	-	-	3.42	-	-	6.68	13.69	-	-	17.11	
<b>Total</b>																						



**Prakash Constrowell Limited**  
Notes forming part of the consolidated financial statements for the year ended 31st March, 2014  
**Note 12 Non Current Investment**

Non Current Investments	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
<b>Investments (at Cost)</b>		
<b>A Trade</b>		
(a) Investment in Equity instruments		
Vastakrupa Constructions Private Limited (Share Application Money with associates Private Limited Company)	174.35	-
Thakkar Housing Pvt Ltd (1,67,000 Equity Shares of Rs 10 Each (as at 31st March 2013: 1,67,000) Fully Paid up) (1,67,000 Shares purchase for Rs 60 each)	175.16	175.16
Rajlaxmi Co-operative Bank Ltd (10 Equity Shares of Rs 100 Each (as at 31st March 2013: 10) Fully Paid up) (10 Shares purchase for Rs 100 each)	0.01	0.01
Panamburkar Marketing Pvt Ltd (7,50,000 Equity Shares of Rs. 10/- Each Fully Paid Up)	25.00	75.00
Virendra Marketing Pvt Ltd (2,50,000 Equity Shares of Rs. 10/- Each Fully Paid Up)	-	25.00
Vishwas Bank Shares (20 Equity Shares of Rs. 100/- Each Fully Paid Up)	0.02	0.02
of Other Entities	-	206.71
<b>Total (A)</b>	<b>374.54</b>	<b>481.90</b>
<b>B Less : Provision for diminution in the value of Investments</b>	-	-
<b>Total</b>	<b>374.54</b>	<b>481.90</b>

**Note 13 Long Term Loans & Advances**

Long Term Loans and Advances	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
<b>Unsecured, considered good</b>		
(a) <b>Security Deposits</b> (Includes Security Deposits, Royalty Deposits, Labour Cess Deposits, Water Deposits Labour Insurance Deposits, Retentions etc. by Clients)	1,323.23	1,795.16
Less: Provision for doubtful deposits	-	-
	1,323.23	1,795.16
(b) <b>Other loans and advances</b>		
Unsecured, considered good		
Advance against lease of premises	1,157.95	1,247.99
Less: Provision for doubtful deposits	-	-
	1,157.95	1,247.99
<b>Total</b>	<b>2,481.17</b>	<b>3,043.16</b>

**Prakash Constrowell Limited**  
Notes forming part of the consolidated financial statements for the year ended 31st March, 2014  
**Note 14 Other Non Current Assets**

Other Non Current Assets	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
<b>(a) Unamortised Expenses</b>		
Share Issue Expenses		
Opening Balance	354.92	473.22
Add: Issue Expenses for the year	-	-
Less: Amortised during the year (1/5th for the year)	118.31	118.31
Closing Balance	236.61	354.92
<b>(b) Accruals</b>		
Interest accrued on deposits	-	19.82
<b>(c) Deferred Tax Asset</b>	10.74	10.29
<b>(d) Fixed Deposits with banks</b>	353.36	327.12
<b>Total</b>	<b>600.71</b>	<b>712.14</b>

**Note 15 Current Investment**

Current Investments	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
<b>Investments (at Cost)</b>		
<b>A Trade</b>		
(a) Investment in Equity instruments	100.00	100.00
<b>Total (A)</b>	<b>100.00</b>	<b>100.00</b>
<b>B Less : Provision for diminution in the value of Investments</b>	-	-
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

**Note 16 Inventories**

Inventories	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
<b>Work-in- Progress, Inventories &amp; Stock</b>	3,611.30	4,821.88
<b>Total</b>	<b>3,611.30</b>	<b>4,821.88</b>



**Prakash Constrowell Limited**  
Notes forming part of the consolidated financial statements for the year ended 31st March, 2014

**Note 17 Trade Receivable**

Trade Receivable	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
(a) Trade receivable outstanding for a period exceeding six months from the date they were due for payment		
Secured, Considered Good	3,344.03	895.55
Unsecured, Considered Good	1,915.79	42.47
Doubtful	-	-
Less: Provision for doubtful receivable	5,259.82	938.02
(b) Other Trade receivables	5,259.82	938.02
<b>Total</b>	<b>5,259.82</b>	<b>938.02</b>

**Note 18 Cash & Cash Equivalents**

Cash & Cash Equivalents	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
(a) Cash on hand	61.61	57.16
(b) Balance With Banks		
(i) In Current Account	328.61	1,140.67
(ii) In Deposit Account	2.50	-
<b>Total</b>	<b>392.72</b>	<b>1,197.83</b>

**Note 19 Short Term Loans & Advances**

Short Term Loans & Advances	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
<b>Unsecured, considered good</b>		
(a) Loans & Advances to related parties		
Advances for expenses to directors	-	2.10
(b) Loans & Advances to employees		
Advance against salary to staff	3.98	1.86
(c) Prepaid expenses	2.77	3.02
(d) Balance with Government Authorities		
(i) Income Tax/TDS/TCS Receivable	243.15	349.20
Less: Provision for Income Tax	242.47	171.28
(iii) Vat Receivable	0.67	177.92
(ii) Income Tax Refund	527.01	315.70
(iv) CENVAT Credit	180.51	11.61
(v) Other	23.07	7.44
(e) Advances to Suppliers	260.87	95.23
(f) Advances for Purchase of Land & TDR	4,242.14	4,366.19
(g) Advances to Work Executors	1,328.39	1,133.97
(h) Electricity, Telephone & Other Deposits	12.01	10.30
(i) Other Advances	211.86	97.10
<b>Total</b>	<b>6,793.28</b>	<b>6,222.43</b>

**Prakash Constrowell Limited**  
Notes forming part of the consolidated financial statements for the year ended 31st March, 2014

**Note 20 Other Current Assets**

Other Current Assets	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
(a) Other	8.74	8.74
<b>Total</b>	<b>8.74</b>	<b>8.74</b>

**Note 21 Revenue from Operations**

Revenue from Operations	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
(a) Income from Operations	21,462.82	22,326.11
<b>Total</b>	<b>21,462.82</b>	<b>22,326.11</b>

**Note 22 Other Income**

Other Incomes	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
(a) Rent Received	0.75	1.05
(b) Interest Received on Deposit with bank and others	36.28	32.41
(c) Misc. Receipts (net)	84.67	253.19
(d) Profit on sale of Investment	-	28.20
(e) Profit on sale of Asset	-	0.82
(f) Gain on decrease in Gratuity	9.28	-
<b>Total</b>	<b>130.98</b>	<b>315.67</b>

**Note 23 Construction Expenses**

Material Consumed & Direct Expenses	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
(a) Purchases of Materials & land	8,484.75	8,876.55
(b) Work Execution Expenses	4,714.26	9,015.77
(c) Labour Expenses	2,058.46	3,415.81
(d) Machinery Expenses	497.78	185.92
(e) Other Construction & Miscellaneous Expenses	1,020.33	440.71
<b>Total</b>	<b>16,775.57</b>	<b>21,934.46</b>

**Note 24 Employee Benefit Expenses**

Employees Benefit Expenses	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
(a) Staff Salary & Allowances	304.44	266.71
(b) Directors Remuneration & Allowances	54.46	49.99
(c) Staff Training Expenses	-	1.40
(d) Staff Welfare Expenses	24.45	10.76
(e) Staff Placement Expenses	0.71	1.01
(f) Rent Of Staff House	10.37	10.11
(g) Contribution to Provident Fund & Administration Charges	5.01	4.99
(h) Provision for Gratuity	-	1.55
<b>Total</b>	<b>399.43</b>	<b>346.51</b>



**Prakash Constrowell Limited**

Notes forming part of the consolidated financial statements for the year ended 31st March, 2014

**Note 25 Finance Cost**

Finance Cost	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
(a) Interest on Loans	443.87	399.77
(b) Bank Guarantee Charges	13.10	22.32
(c) Bank Charges & Commission	84.36	77.56
<b>Total</b>	<b>541.33</b>	<b>499.65</b>

**Note 26 Other Expenses**

Other Expenses	As at 31 March 2014	As at 31 March 2013
	Rs In Lakh	Rs In Lakh
(a) Audit Fees	5.11	5.94
(b) Legal & Professional Fees	94.54	58.07
(c) Printing & Stationery Expenses	9.92	9.42
(d) Insurance Expenses	9.51	19.58
(e) Telephone Expenses	10.73	9.34
(f) Electricity Expenses	50.38	63.45
(g) Travelling & Conveyance Expenses	56.72	29.64
(h) Rent, Rates & Taxes	16.17	20.45
(i) Advertisement Expenses	86.85	76.56
(j) Postage & Courier Expenses	1.00	0.85
(l) Vat Tax	274.16	136.84
(m) Machinery & Vehicle Repairs & Maintenance Expenses	12.39	9.77
(n) Office Furniture Repairs & Maintenance Expenses	0.58	0.78
(o) Listing Expenses	120.02	121.38
(p) Office Expenses	42.46	31.76
(q) Tender Expenses	8.89	5.02
(r) Other Expenses	15.00	7.97
(s) Interest on Delayed payment of Statutory Dues	9.15	21.55
(t) Penal Interest	0.38	0.29
(v) Fuel Expenses	0.85	-
(w) Membership charges	1.93	0.20
(x) Brokerage & Commission	9.78	93.96
(z) Pollution Expenses	-	2.20
<b>Total</b>	<b>836.51</b>	<b>725.03</b>

**PRAKASH CONSTROWELL LIMITED & ITS SUBSIDIARIES**  
**F.Y.2013-2014**

Note 27: Notes to the Balance Sheet as at 31<sup>st</sup> March 2014 and Profit and Loss Account for the year ended on that date.

**A. Contingent Liabilities not provided for:**

(In lakh)

Sr. No.	Particulars	As at 31st March 2014	As at 31st March 2013
(i)	Performance Guarantees given by banks on behalf of the company	1231.11	1605.02
(ii)	Income Tax Proceedings (Income Tax Department has filed appeal with ITAT For Block Period from 01/04/96 to 09/10/2002)	175.86	175.86
	<b>Total</b>	<b>1406.97</b>	<b>1780.88</b>

The company does not expect any future outflow in respect of above mentioned contingent liabilities. Provisions are made in the accounts in respect of those contingencies which are likely to be materializing into liabilities after the year end, till the finalisation of accounts and have material effect on the position stated in Financial Statement.

**B. Payment to Auditor**

(In lakh)

Sr. No	Particulars	As at 31st March 2014	As at 31st March 2013
(i)	Statutory Auditor for		
	- Audit Fees	5.11	5.69
	<b>Total</b>	<b>5.11</b>	<b>5.69</b>

**C. Managerial Remuneration:**

Managerial Remuneration has been computed as per Sec. 198,349 and 350 of Companies Act, 1956 wherever applicable. There is no violation by any of the companies regarding computation of managerial remuneration.

**D. Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006:**

The company has not maintained the records and details of its suppliers regarding their status as Micro, Small and Medium Enterprises as defined under "Micro, Small and Medium Enterprises Development Act, 2006". Since the details are not available in this regards it is not possible for us to give necessary disclosures required.

**E. Disclosure pursuant to Accounting Standard (AS) 5 Net Profit or loss for the period, Prior period Items & changes in Accounting Policies:**

The Extraordinary item of Rs. 12.39/- lakh (Rs. 10.35/- lakh Previous year) in profit & Loss reflects various donations made by the company.



**F. Disclosure pursuant to Accounting Standard (AS) 7 Construction Contracts:**

The stage of completion of contract is determined as the proportion that contract costs are incurred for execution of work to the estimated total contract costs as on reporting date. Revenue is recognised in percentage of stage of completion.  
Expected variations in works contract, claims and incentive payments are included in contract revenue only when revenue is certain and capable of being measured reliably.  
Calculation of construction cost is based on accounting estimate. There are deviations in some instances in accounting estimate from last year as compared to this year. Same are dealt with while recognising revenue as per Accounting Standard 7.

**G. Disclosure pursuant to Accounting Standard (AS) 15 Employees Benefits:**

- i) Defined Contribution Plan:  
Employer's contributions to defined Contribution Plan, recognised as expenses for the year are as under:

(In lakh)			
Sr. No.	Particulars	As at 31st March 2014	As at 31st March 2013
(i)	Provident Fund	4.59	4.57
(ii)	Administrative charges for Provident fund	0.41	0.41
	<b>Total</b>	<b>5.01</b>	<b>4.99</b>

The above mentioned figures are as compiled and reported by the management.

- ii) Defined Benefit Plan:  
The present value of obligation for Defined benefit plan is based on the independent actuarial valuation for the year, it was provided on ad hoc basis for last year. The disclosures as required as per the Revised AS-15 are as under:

a) Actuarial Assumptions:

(In lakh)			
Sr. No.	Particulars	As at 31st March 2014	As at 31st March 2013
(i)	Discount Rate p.a.	9.00%	8.25%
(ii)	Rate of increase in Compensation levels p.a.	7.00%	7.00 %
(iii)	Rate of Return on Plan Assets p.a.	Nil	Nil

The estimates of future salary increases, considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employee market. The expected rate of return on the plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risk, and historical results of returns on plan assets etc.

b) Changes in the present value of obligation

(In lakh)			
Sr.No.	Particulars	As at 31st March 2014	As at 31st March 2013
(i)	Present value of obligation as at beginning of the year	30.62	29.08
(ii)	Current Service Cost	2.02	3.24
(iii)	Interest Cost	2.76	2.40
(iv)	Benefits Paid	Nil	Nil
(v)	Actuarial Gain/(Loss)	14.06	(4.09)
(vi)	Present Value of Obligation as at the end of year	21.34	30.62

c) Changes in the fair value of Plan Assets

Sr.No.	Particulars	As at 31st March 2014	As at 31st March 2013
(i)	Fair value of Plan Assets as at beginning of the year	Nil	Nil
(ii)	Expected Return on Plan Assets	Nil	Nil
(iii)	Actuarial Gain/(Loss)	Nil	Nil
(iv)	Contribution by employer	Nil	Nil
(v)	Benefits paid	Nil	Nil
	Fair Value of Plan Assets as at the end of year	Nil	Nil

d) Broad categories of plan assets as a percentage of total Assets:

Sr.No.	Particulars	As at 31st March 2014	As at 31st March 2013
(i)	Government of India Securities	Nil	Nil
(ii)	Corporate Bonds	Nil	Nil
(iii)	Special Deposit Scheme	Nil	Nil
(iv)	Insured Managed Funds	Nil	Nil
(v)	Other	Nil	Nil
	<b>Total</b>	<b>Nil</b>	<b>Nil</b>

e) Expenses recognised in the Profit and Loss Account

(In lakh)			
Sr.No.	Particulars	As at 31st March 2014	As at 31st March 2013
(i)	Current Service Cost	2.02	3.24
(ii)	Interest Cost	2.76	2.40
(iii)	Expected Return on Plan Assets	-	-
(iv)	Net Actuarial Gain/(Loss)	14.06	(4.09)
(v)	Total Expenses recognised in the Profit and Loss Account *( Included in Employee Cost- "Gratuity" Schedule ) **( Included in Other Income- "Gain on decrease in Gratuity" Schedule)	(9.28)**	1.55*

**H. Disclosure pursuant to Accounting Standard (AS) 11 Effect of changes in foreign exchange rates :**

The Company has debited to its profit & loss account Rs.3.63/- lakh being amount of exchange difference arising on foreign currency transactions.



**I. Disclosure pursuant to Accounting Standard (AS) 17 Segment Reporting :**

i) Primary Segment:

The company's operations predominantly relate to Engineering, Contracting and procurement segment which have been identified as primary reporting segment. Company also works in Real estate & Buildership activity which is a reportable segment for the current year. Following is the segment information :-

**Business Segment**

Particulars	2013-14			2012-13		
	Works Contracts Segment	Others	Total	Works Contracts Segment	Others	Total
Segment revenue						
Allocated & Unallocated income						
Domestic-Allocated	14,676.39	6,786.42	21,462.82	16,569.83	5,789.55	22,359.38
<b>Total</b>			<b>21,462.82</b>			<b>22,359.38</b>
Segment results						
Operating Profit/Loss before tax - allocable	1,042.71	1,160.80	2,203.51	850.05	269.24	1,119.30
Unallocable Expenses (Extraordinary Items)			12.39			10.35
Unallocable Expenses (Interest)			453.40			264.53
Profit Before Tax			465.78			274.87
Provision for Taxation & Deferred Tax			570.41			278.26
Profit After Tax			1,036.18			553.13
Segment Assets						
Unallocated Asset	10,007.24	6,839.16	16,846.41	6,306.14	6,381.85	12,687.99
<b>Total Assets</b>			<b>20,061.83</b>			<b>18,109.20</b>
Segment Liability						
Unallocated Liability	3,889.79	3,079.97	6,969.76	2,150.84	1,009.71	3,160.55
<b>Total Liability</b>						
Cost to acquire tangible & Intangible assets allocable	14.00	3.33	17.33	90.67	32.84	123.50
Cost to acquire tangible & Intangible assets unallocable	-	-	12.93	-	-	52.44
Non cash expenditure other than Depreciation & Amortization allocable	-	-	-	-	-	-
Non cash expenditure other than Depreciation & Amortization unallocable	-	-	-	-	-	1.55

Unallocated Assets includes investments, fixed assets and other current assets  
Unallocated Liabilities includes secured loans, unsecured loans, deferred tax liability, provision for tax etc.

**J. Disclosure pursuant to Accounting Standard (AS) 18 Related Party Disclosures :**

Related parties have been identified on the basis of representation and information given by the Key Management Personnel.

Sr.No.	Name Of Party	Relationship with the party
(i)	Prakash Pusaram Laddha	Executive Director
(ii)	Trichur Ganpat Krishnan	Managing Director
(iii)	Suresh Girdharilal Sarda	Executive Director
(iv)	Hemant M. Rathi	Non-executive Director
(v)	Jayant V. Phalke	Non-executive Director
(vi)	Girish Vinayak Dani	Non-executive Director
(vii)	Prashant Prabhakar Gadkari	Non-executive Director
(viii)	Vijaygopal Parshram Atal	Director in Subsidiary
(ix)	Prakash Pusaram Laddha	Director in Subsidiary
(x)	Manoj Jaikumar Tibrewala	Director in Subsidiary
(xi)	Merziyan Hosi Patel	Director in Subsidiary
(xii)	Hiten Haridas Rajkotia	Director in Subsidiary
(xiii)	Mr. Pradeep Kisan Khandgale	Director in Subsidiary
(xiv)	Aruna Prakash Laddha	Relative of Director
(xv)	Nishit V. Atal	Relative of Director of Subsidiary
(xvi)	Gunwanti J. Tibrewala	Relative of Director of Subsidiary
(xvii)	Prakash Constrowell Limited	Holding Company
(xviii)	Jaikumar Real Estates Pvt Ltd	Subsidiary Company
(xix)	Unique Vastu Nirman & Projects Pvt Ltd	Subsidiary Company
(xx)	Vastukrupa Constructions (I) Private Limited	Associate Company
(xxi)	Atal Buildcon Pvt Ltd	Associate Company
(xxii)	Q Fab Cements Pvt Ltd	Associate Company
(xxiii)	Perfect Aggregates Pvt Ltd	Associate Company
(xxiv)	Atal Realtech Pvt Ltd	Associate Company of Subsidiary Company
(xxv)	Atal Buildwell Pvt Ltd	Associate Company of Subsidiary Company
(xxvi)	Unique Vastuship & Projects Pvt. Ltd.	Associate Company of Subsidiary Company

- Transaction with Related Parties:

1. Prakash Constrowell Limited

(In Lakh)

Sr.No.	Transaction	Name of the Party	Nature of relationship	As at 31.03.2014	As at 31.03.2013
(i)	Payment of security deposit under leave & License arrangement	Atal Buildcon Pvt Ltd	Associate Company	1042.95	1132.99
(ii)	Advance Payment for Purchase of office premises	Prakash Pusaram Laddha	Director	625.15	400.00



(iii)	Purchase of Goods	Q Fab Cements Pvt. Ltd.	Associate Company	1.67	1.40
		Perfect Aggregates Pvt. Ltd.	Associate Company	0.40	1.27
(iv)	Remuneration Paid	Prakash Pusaram Laddha	Director	12.00	12.00
		Trichur Ganpat Krishnan	Director	7.80	6.20
		Suresh Girdharilal Sarda	Director	10.25	5.50
		Hemant Rathi	Director	0.10	0.12
		Jayant Phalke	Director	0.10	0.10
		Girish Vinayak Dani	Director	0.06	-
		Prashant Prabhakar Gadkari	Director	0.06	-
(v)	Advance Paid for purchase of land	Unique Vastu Nirman & Projects Pvt Ltd	Subsidiary Company	61.61	55.36
		Prakash Pusaram Laddha	Director	112.61	472.61
(vi)	Rent paid for premises on lease	Prakash Pusaram Laddha	Director	2.40	2.40
		Aruna Prakash Laddha	Relative of Director	6.00	6.00
(vii)	Investment in Share Application Money	Vastukrupa Constructions (I) Private Limited	Associate Company	174.35	-

2. Jaikummar Real Estates Private Limited

(In Lakh)

Sr.No.	Transaction	Name of the Party	Nature of relationship	As at 31.03.2014	As at 31.03.2013
(i)	Remuneration Paid	Vijaygopal Parshram Atal	Director	9.00	9.00
		Hiten Haridas Rajkotia	Director	6.55	-
(ii)	Professional Fees Paid	Nishit Vijaygopal Atal	Relative of Director	3.55	3.00
		Merziyan Patel	Director	13.48	20.54
		Hiten Haridas Rajkotia		2.40	7.14
(iii)	Purchase of Goods	Perfect Aggregate Pvt. Ltd.	Associate Company of Subsidiary Company	80.53	101.31
		Q-Fab Cement Pvt. Ltd.	Subsidiary Company	27.32	99.84
(iv)	Work Execution Charges Paid	Atal Realtech Pvt Ltd	Associate Company of Subsidiary Company	67.30	38.09
(v)	JCB Rent Paid	Atal Buildwell Pvt. Ltd	Associate Company of Subsidiary Company	7.80	7.80
(vi)	Advance Paid for purchase of land	Manoj J. Tibrewala	Director	1025.19	1092.87
		Prakash P. Laddha		995.00	407.00
		Vijaygopal P. Atal		65.20	265.00
		Gunwanti Tibrewala	Relative of Director	535.00	672.15

3. Unique Vastu Nirman & Projects Pvt. Ltd.

(In Lakh)

Sr.No.	Transaction	Name of the Party	Nature of relationship	As at 31.03.2014	As at 31.03.2013
(i)	Advance against Land Development	Unique Vastuship & Projects Pvt. Ltd	Associate Company	8.87	4.70
(ii)	Share application Money received	Pradeep Khandagale	Director	5.66	5.66
(iii)	Advance received for land	Prakash Constrowell Limited	Holding Company	61.61	55.36

K. Disclosure pursuant to Accounting Standard (AS) 19 Leases:

The company has entered into cancellable operating leasing arrangements for Commercial premises, Residential accommodation and Office premises.

Sr. No.	Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
(i)	Operating Lease Expenses recognised in profit and loss account	8.40	8.40

The lease terms do not contain any exceptional / restrictive covenants nor are there any options given by the lessor to purchase the properties. The agreements provide for changes in the rentals along with taxes leviable.

L. Disclosure pursuant to Accounting Standard (AS) 20 Earnings Per Share :

(In Lakh)

Sr. No.	Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
(i)	Profit(loss) after tax and Minority Interest attributable to Equity Shareholders (Rs.)	859.44	462.99
(ii)	Extraordinary Items (Net of tax expense)	8.45	12.76
(iii)	Profit(loss) after tax but before extraordinary items ( net of tax ) attributable to Equity Shareholders (Rs.) ( (i) + (ii) )	850.99	450.23
(iv)	Weighted average number of Equity shares outstanding during the year (Nos.)	12,56,78,260	12,56,78,260
(v)	Nominal Value of Equity Share (Rs.)	1.00	1.00
(vi)	Earnings Per Share before extra ordinary items net of tax (Rs.)	0.68	0.37
	- Basic	0.68	0.37
	- Diluted		
(vii)	Earnings Per Share after extra ordinary items net of tax (Rs.)	0.68	0.36
	- Basic	0.68	0.36
	- Diluted		

M. Disclosure pursuant to Accounting Standard (AS) 22 Taxes on Income :

The company has recognised Deferred Tax, which results from the timing difference between Book Profit and Tax Profits for the period aggregating Rs 0.34/- lakh in Profit and Loss Account, the details of which are as under:



(In Lakh)			
Sr. No.	Particulars	As at 31st March 2014	As at 31st March 2013
(i)	Deferred Tax Assets		
	- Related to fixed assets	(0.34)	(0.42)
	- Disallowances under Income Tax Act, 1961.	-	(0.50)
	Total	(0.34)	(0.92)
	Net Deferred Tax Liability / (Asset)	(0.34)	(0.92)

N. The Company has availed the exemption granted by the Ministry of Corporate Affairs vide its circular dated 23rd February 2011 regarding attachment of the Financial Statements and the individual annual report of each subsidiary. Consequently the details of each subsidiary as required by the said letter are disclosed here under-

Sr No	Particulars	Jaikummar Real Estates Pvt Ltd	Unique Vastu Nirman & Projects Pvt Ltd
a	Capital	10.00	5.00
b	Reserve & Surplus	1,041.60	2.37
c	Total Assets	3,462.42	87.87
d	Total Liabilities	2,410.81	80.50
e	Investments	99.98	0.00
f	Turnover	6,433.05	0.00
g	Profit before Taxation	972.58	0.00
h	Provision for Taxation	322.68	0.00
i	Profit after Taxation	649.90	0.00
j	Proposed Dividend	0.00	0.00

O. The company has credited to the profit and loss account Rs. 0.44/- Lakh being the excess provision of Income Tax for the Previous Year .

P. The Previous year figures are regrouped and rearranged wherever necessary, to confirm with current year's presentation.

As per our report of even date  
**For M/s. G.P. Pimpalikar & Associates**  
Chartered Accountants  
FRN: 119343W

G.P. Pimpalikar  
Proprietor  
M.No. 107120

Place : Nashik  
Date: 30.05.2014

Signature to Schedules A to O  
**For Prakash Constrowell Limited**

Prakash Laddha      Trichur Ganpat Krishnan  
Chairman                      Managing Director

Vipul Lathi                      Swapna Naphade  
Chief Financial Officer      Company Secretary

**PRAKASH CONSTROWELL LIMITED**  
Regd Off: 6/7, Falcon Plaza, National Urdu High School Rd,  
Near Sarda Circle, Nashik- 422001.

**ATTENDANCE SLIP**

The 18<sup>th</sup> ANNUAL GENERAL MEETING On Monday, 29<sup>th</sup> September, 2014 at 02.30 P.M at 3<sup>rd</sup> Floor, Pinnacle Mall, Trimbak Road, Nashik.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING PLACE.

Joint Shareholder may obtain additional Attendance Slips on request

<b>Name and Address of the Registered Member/ Proxy</b>	<b>No. of Shares</b> :
	<b>Folio No/ Client Id.:</b>
	<b>D.P. Id.</b> :

I hereby record my presence at the 18<sup>th</sup> ANNUAL GENERAL MEETING of the company at the abovementioned venue.

Signature of Shareholder                      OR                      Signature of Proxy

**PRAKASH CONSTROWELL LIMITED**  
Regd Off: 6/7, Falcon Plaza, National Urdu High School Rd,  
Near Sarda Circle, Nashik- 422001.

**PROXY FORM**

I/We ..... resident of ....., being a member(s) of Prakash Constrowell Limited, hereby appoint ..... of ..... or failing him/her ..... of ..... as my/our proxy to attend and vote for me/us in my/ our absence at ANNUAL GENERAL MEETING of the Company to be held on Monday, 29<sup>th</sup> September, 2014 at 2:30 P.M at 3rd Floor, Pinnacle Mall, Trimbak Naka, Nashik- 422001.  
Signed this.....day of..... 2014.                      Signature

<b>No. of Shares</b> :
<b>Folio No/ Client Id. :</b>
<b>D.P. Id.</b> :

Affix  
Re. 1  
Revenue

\*Notes: 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. The Company shall provide additional forms on request where shares held by more 1 member:



