



ANNUAL REPORT 2018-19



PRABHAT TELECOMS (INDIA) LIMITED



Prabhat Telecoms (India) Limited
Annual Report
2018-19

TABLE OF CONTENTS

CORPORATE INFORMATION	04
CHAIRMAN’S MESSAGE	06
AWARDS	07
NOTICE OF ANNUAL GENERAL MEETING	09
DIRECTOR’S REPORT	34
EXTRACT OF ANNUAL RETURN	52
SECRETARIAL AUDITOR’S REPORT	64
MANAGEMENT DISCUSSION AND ANALYSIS	71
CORPORATE REPORT	79
STATUTORY AUDITOR’S REPORT ON STANDALONE FINANCIALS STATEMENTS	95
STANDALONE FINANCIALS STATEMENTS	109
STATUTORY AUDITOR’S REPORT ON CONSOLIDATED FINANCIALS STATEMENTS	144
CONSOLIDATED FINANCIALS STATEMENTS	158

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Vishwamani Matamani Tiwari
Mr. Parag Rameshchandra Malde
Ms. Nutan Birendra Pratap Singh

Chairman & Managing Director
Whole Time Director & CFO
Additional Whole - Time Woman
Director
Independent Director
Additional Independent Director
Additional Independent Director

Mr. Alberto Agostino Zummo
Mrs. Nidhi Prem Chand
Ms. Geeta Krishna Bhosle

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Meghana Ekanath Kashte

STATUTORY AUDITORS

Harish Arora & Associates, Chartered Accountants

INTERNAL AUDITORS

Bharat J. Rughani & Co., Chartered Accountants

SECRETARIAL AUDITORS

Jaya Sharma & Associates, Practising Company Secretaries

REGISTERED OFFICE

402, Western Edge I, Kanakia Spaces,
Western Express Highway,
Borivali (East), Mumbai 400066.
Tel: +91 22-40676000
Email: investors@prabhatgroup.net
Website: www.prabhatgroup.net

FACTORY

Prabhat House, H.No. 736/1, Indian Oil Compound,
Mankoli Naka, Dapodi Village, Bhiwandi 421302.

REGISTRAR & SHARE TRANSFER AGENTS

Cameo Corporate Services Limited
Subramanian building, No.1, Club House Road
Chennai - 600002
Tel: 044-28460390

ANNUAL GENERAL MEETING

Date: 28th September, 2019
Time: 2.00 P.M.
Venue: 402, Western Edge I, Kanakia Spaces,
Western Express Highway,
Borivali (East), Mumbai 400066.

Forward Looking Statement

In this Annual Report, we might have disclosed forward-looking statements that set out anticipated results based on the management's plans and assumptions. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Chairman's Message

It is my pleasure to write to you as the Managing Director & Chairman of Prabhat Telecoms (India) Limited and share with you the Annual Report of the Company for F. Y. 2018 - 19.

The world over economy is in bad shape and India is not untouched to this. The ongoing trade war has impacted the manufacturing and service sectors alike. These are hard times and as the head of family I am still very optimistic for the future.

Our Company has witnessed loss for yet another successive year. But we tried our level best to minimize the losses as compare to the previous year. As an innovative company we tried to keep the trend of innovation and company has invested the sizable amount in product development and for diversified expansion plans. The loss is a culmination of so many factors - some within and some beyond the control of the Company. As we look to F.Y. 2019 -20, we hope to build upon the foundation which has been put in place. We have challenges ahead but it shall be our endeavor to overcome these to the best of our capabilities.

The Indian economy continues to demonstrate a high level of optimism. Having already emerged as a bright spot on the globe, it has been steadily advancing on an accelerated growth path, aiming to become a USD 5 Trillion economy by 2024. India is expected to be the third largest consumer economy owing to its demographic structure, aspirational middle class, talented and productive youth.

As an entrepreneur I can see the world is changing and business trend is on change globally. We are committed to accept the change in favor of company and committed to contribute in the growth of nation at any condition.

We as company would like to place special thanks to our banker for extending their support at this hard time of company.

Our commitment towards the Society remains steadfast. The Company did its fair share of community service through its Trust namely - Saahas.

Our constant endeavor has been to build trust and deliver long term value and we remain steadfast to this commitment. I would like to take this opportunity to thank all the people within and outside the organization who have placed their faith in the Company. We look forward to your continued support to take the Company forward.

Warm Regards,

S/d

Vishwamani M Tiwari

Managing Director and Chairman

Prabhat Group of Companies

AWARDS

- Awarded with Certificate of Excellence as Best SME in Telecom Sector by Navbharat SME Business Excellence Award 2017





2nd Edition

नवभारत PANTOMATH
SME BUSINESS
EXCELLENCE
AWARDS
2017

SME BUSINESS EXCELLENCE AWARDS OCTOBER 2017

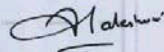
Certificate of Excellence

Awarded to

Prabhat Telecoms

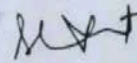
*In recognition of outstanding performance and
splendid growth in*

Best SME in Telecom Sector



Nimish Maheshwari
Managing Director
NAVBHARAT





Mahavir Lunawat
Managing Director
Pantomath Advisory Group

PRABHAT TELECOMS (INDIA) LIMITED

CIN: L72100MH2007PLC169551

Regd Office: Unit No. 402, Western Edge I, Kanakia Spaces, Western Express Highway,
Borivali (East), Mumbai 400066.

Contact: 022-40676000

Email: investors@prabhatgroup.net website: www.prabhatgroup.net

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 12TH ANNUAL GENERAL MEETING OF THE MEMBERS OF PRABHAT TELECOMS (INDIA) LIMITED WILL BE HELD AT THE REGISTERED OFFICE SITUATED AT UNIT NO. 402, 4TH FLOOR, WESTERN EDGE - 1, WESTERN EXPRESS HIGHWAY, BORIVALI (EAST), MUMBAI - 400066, ON SATURDAY, 28TH SEPTEMBER, 2019 AT 2.00 P.M. TO TRANSACT THE FOLLOWING BUSINESS:

Ordinary Business:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March 2019 together with reports of the Directors and Auditors thereon.
2. To re-appoint Mr. Parag Malde, Director (DIN: 05354513), who retires from office by rotation and being eligible, offers himself for reappointment.
3. To re-appoint Statutory Auditors and fix their remuneration and in this regard pass the following resolution with or without modification(s) as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. Harish Arora & Associates, Chartered Accountant, (Firm Registration No. 015226C) be and is hereby re-appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of this Annual General Meeting till the conclusion of 17th Annual General Meeting of the Company, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable GST and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.

RESOLVED FURTHER THAT the Board of Directors of the Company or the Company Secretary be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

Special Business

4. To appoint Ms. Nutan Birendrapratap Singh (DIN: 07680135) as a Director of the Company.

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

“**RESOLVED THAT** Ms. Nutan Birendrapratap Singh (DIN: 07680135), who was appointed as an Additional Director on the recommendation of the Nomination and Remuneration committee by the Board of Directors (Board) of the Company with effect from September 21, 2018, in terms of Section 161 of the Companies Act, 2013 read with the applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modification(s) or re-enactment thereof for the time being in force), and who holds office up to the date of this Annual General Meeting be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT Ms. Nutan Birendrapratap Singh, be paid such fees and commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.

RESOLVED FURTHER THAT any Directors or the Company Secretary thereof be and are hereby authorized severally to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To appoint Mrs. Nidhi Prem Chand Dodhia (DIN: 08327516) as an Independent Director of the Company.

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, Schedule IV and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Nidhi Prem Chand Dodhia (DIN: 08327516), who was appointed as an Additional Non-Executive Independent Director by the Board of Directors with effects from January 11, 2019 on the recommendation of the Nomination and Remuneration Committee, pursuant to Section 149 , 152, 178, 161 and any other