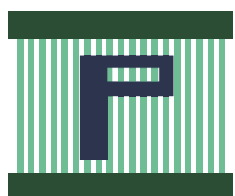


19th Annual Report 2014



PRATIBHA INDUSTRIES LIMITED

Delhi Metro Rail Corporation Project





Left to Right :

Sitting : Mr. Ravi A. Kulkarni, Mrs. Usha B. Kulkarni, Mr. Ajit B. Kulkarni, Mr. Sharad P. Deshpande.

Standing : Dr. S. L. Dhingra, Mr. Awinash Arondekar, Mr. V. Sivakumaran, Mr. Vilas B. Parulekar, Mr. Shrikant T. Gadre

Board of Directors

Mrs. Usha B. Kulkarni
Chairperson

Mr. Ajit B. Kulkarni
Managing Director

Mr. Ravi A. Kulkarni
Whole Time Director

Mr. Sharad P. Deshpande
Whole Time Director

Mr. Awinash M. Arondekar
Independent Director

Mr. Shrikant T. Gadre
Independent Director

Dr. S. L. Dhingra
Independent Director

Mr. V. Sivakumaran
Independent Director

Mr. Vilas B. Parulekar
Independent Director

Chief Executive Officer
Mr. Yogen Lal

Company Secretary
Mr. Pankaj S. Chourasia

Bankers To the Company

Bank of Baroda
Allahabad Bank
Axis Bank Limited
Bank of India
Canara Bank
Central Bank of India
ICICI Bank Limited
Indian Overseas Bank
Punjab National Bank
State Bank of India
Union Bank of India

Statutory Auditors
Jayesh Sanghrajka & Co.,
Chartered Accountants

Internal Auditors
Chokshi & Chokshi
Chartered Accountants

Registered Office

Shrikant Chambers, Phase - II,
Next to R. K. Studio, Sion Trombay Road,
Chembur, Mumbai - 400 071
(E) investors.relations@pratibhagroup.com
Website: www.pratibhagroup.com

Corporate Office

14th Floor, Universal Majestic,
P. L. Lokhande Marg, Off. Ghatkopar Mankhurd
Link Road, Behind RBK International School,
Govandi (W), Mumbai - 400 043.
Tel: 91 - 22 - 3955 9999
Fax: 91 - 22 - 3955 9900

Registrars and Transfer Agents

Link Intime India Private Limited,
C-13, Pannalal Silk Mills Compound, L.B.S.
Marg, Bhandup (W), Mumbai - 400 078
Tel No. 91 - 22 - 2596 3838
Fax: 91 - 22 - 2594 6969
Website: www.linkintime.co.in
E-Mail: rnt.helpdesk@linkintime.co.in

19th ANNUAL GENERAL MEETING

On 30th September, 2014 at 3.00 p.m.
The Bombay Presidency Golf Club Ltd.
Dr. C.G. Road, Chembur,
Mumbai - 400 071

Corporate Social Responsibility (CSR)

We, Pratibha, firmly believe in contributing actively to the social and economic development of the less privileged communities in which we socialize and have adopted approach beyond profit and look out for the overall development of society. Our main focus areas are healthcare, education, sustainable livelihood, infrastructure and espousing social causes.

We through our endeavor, however small they are, tries to empower communities to deal with health, civic amenities and education issues and also educate our employees/associates to ensure their own safety and be responsible civil society member by spreading awareness.

We, through Pratibha Foundation, directly or indirectly take up programs that benefit the communities in & around its business operation and project sites to enhance the quality of life & economic well-being of the local community and generate community goodwill for Pratibha and help reinforce a positive & socially responsible image of Pratibha.

We believe that every individual Indian should be free from hunger, malnutrition and should have basic facilities and be entitled to affordable sanitation, healthcare facilities, education and requisite opportunities by creating an enabling environment to reduce social and economic disparity.



Towards this larger common social goal, the Government has also taken commendable initiative whereby Corporate sector has to necessarily be part of Social Responsibility which will substantially enhance awareness and spending for social and charitable cause and related activities. Further, the Government has also suggested focused areas, which will have great multiplier effect in bringing out much greater sustenance and improvement of healthy ecosystems and the fostering of social inclusiveness and equity.

Drawing Competition For Children



Free Medical Checkup



Five Years at a Glance (Consolidated)

(₹ in Millions)

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Total Income	23,204.16	21,821.51	16,894.19	12,734.22	10,134.33
Operating Expenses	19,801.87	18,733.99	14,465.47	10,960.61	8,705.24
Operating Profit	3,402.28	3,087.52	2,428.72	1,773.61	1,429.09
Finance Charges	2,574.94	1,582.95	960.69	635.55	522.35
Depreciation	445.39	309.98	227.89	170.17	140.43
Profit before Tax	381.95	1,194.60	1,106.09	967.89	766.31
Provision for Tax	228.06	367.65	295.06	253.59	201.21
Profit after Tax	153.89	826.95	811.03	714.30	565.10
What we owned					
Fixed Assets					
Gross Block	12,457.41	9,568.61	5,461.23	3,585.58	3,169.00
Less : Depreciation	1,345.51	908.00	615.55	427.17	278.43
Net Block	11,111.90	8,660.60	4,845.68	3,158.41	2,890.57
Capital Work in Progress	619.25	303.71	2,766.26	544.85	113.66
Investments	3.22	3.22	29.68	1.43	51.43
Working Capital	6,528.74	10,107.85	7,235.43	5,701.72	4,176.18
Miscellaneous Expenditure	-	-	-	0.67	0.87
Total	18,263.11	19,075.38	14,877.06	9,407.08	7,232.71
What we owed					
Secured Loans	10,790.57	11,675.45	7,026.67	3,270.38	3,047.78
Unsecured Loans	579.23	733.64	2,034.55	1,118.03	1,300.09
Deferred Tax Liability	431.89	335.11	240.67	183.96	131.10
Total	11,801.69	12,744.20	9,301.89	4,572.37	4,478.97
Networth					
Share Capital	202.11	202.11	348.85	348.85	166.85
Reserves & Surplus	6,259.31	6,129.07	5,226.32	4,485.86	2,586.89
Total	6,461.42	6,331.18	5,575.17	4,834.71	2,753.74
EPS	1.52	8.20	8.15	7.90	33.87
Dividend per Share	0.20	0.60	0.60	0.60	3.00
Book Value per Share	63.94	62.65	56.07	48.62	165.04
Debt Equity Ratio	1.76	1.96	1.47	0.77	1.58

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Notice

NOTICE is hereby given that the Nineteenth Annual General Meeting of the members of Pratibha Industries Limited will be held on Tuesday, September 30, 2014 at 3.00 p.m. at The Bombay Presidency Golf Club Ltd., Dr. C. G. Road, Chembur, Mumbai - 400 071, to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2014, the reports of the Board of Directors and Auditors thereon;
2. To declare dividend on equity shares;
3. To appoint a Director in place of Mrs. Usha B. Kulkarni (DIN: 002520331), who retires by rotation at this Annual General Meeting and being eligible has offered herself for re-appointment;
4. **Appointment of Auditors**

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 any other applicable provisions of the Companies Act, 2013 and the rules frame thereunder, as amended from time to time, M/s. Jayesh Sanghrajka & Co., Chartered Accountants, Mumbai (firm Registration No. 104184W) be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESSES

5. **To appoint Mr. Awinash Arondekar as an Independent Director**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, read with Schedule IV 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) Mr. Awinash Arondekar (DIN: 00025527), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting 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 Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years effective from the date of this Annual General Meeting."

6. **To appoint Mr. Shrikant T. Gadre as an Independent Director**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, read with Schedule IV 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) Mr. Shrikant T. Gadre (DIN: 00025584), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting 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 Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years effective from the date of this Annual General Meeting."

7. **To appoint Dr. Sunder Lall Dhingra as an Independent Director**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, read with Schedule IV 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) Dr. Sunder Lall Dhingra (DIN: 02841602), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting 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 Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years effective from the date of this Annual General Meeting."

8. **To appoint Mr. Vaidyanathan Sivakumaran as an Independent Director**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, read with Schedule IV 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) Mr. Vaidyanathan Sivakumaran (DIN: 00552059), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting 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 Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years effective from the date of this Annual General Meeting."

9. To appoint Mr. Vilas B. Parulekar as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, read with Schedule IV 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) Mr. Vilas B. Parulekar (DIN: 01259349), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting 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 Director, be and is hereby

appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years effective from the date of this Annual General Meeting."

10. Reclassification of Authorized Share Capital

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

"RESOLVED THAT pursuant to the provisions of section 13 and 61 and all other applicable provisions, if any, of the Companies Act, 2013, existing 16,31,000 Compulsorily Convertible Participatory Preference Shares (CCPPS) of ₹92/- (Rupees Ninety Two Only) each aggregating ₹15,00,52,000/- (Rupees Fifteen Crores Fifty Two Thousand Only) forming part of the Authorized Share Capital of the Company be and are hereby reclassified as 7,50,26,000 equity shares of ₹2/- (Rupees Two Only) each so that the Authorized Share Capital of the Company shall be ₹40,00,52,000/- (Forty Crores Twenty Thousand) divided into 20,00,26,000 Equity Shares of ₹2/- (Rupees Two Only) each.

RESOLVED FURTHER THAT Clause V of the Memorandum of Association of the Company be substituted in the following manner:

"The Authorized Share Capital of the Company is ₹40,00,52,000 (Rupees Forty Crores Fifty Two Thousand only) divided into 20,00,26,000 (Twenty Crores Twenty Six Thousand) equity shares of ₹2 (Rupees Two) each.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do such other acts and deeds as may be necessary for giving effect to this resolution."

Registered Office:

Shrikant Chambers, 5th Floor, Phase II,
Next to R. K. Studio, Sion Trombay Road,
Chembur, Mumbai – 400 071.
CIN: L45200MH1995PLC090760

Date : 14th August, 2014
Place : Mumbai

By the Order of the Board of Directors

For Pratibha Industries Limited

Pankaj S. Chourasia
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Corporate Members intending to send their Authorized Representatives to attend the meeting are requested to send a certified copy of the Board Resolution / Power of Attorney authorizing their representatives to attend and vote on their behalf at the meeting.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays, during business hours up to the date of the Meeting.
8. (a) The Company has notified closure of Register of Members and Share Transfer Books from Thursday, September 25, 2014, to Tuesday, September 30, 2014 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.

(b) The dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched on or after October 1, 2014, to those members whose names shall appear on the Company's Register of Members on September 24, 2014, and in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
9. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts shall be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, Link Intime India Private Limited cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
10. Pursuant to Section 72 of the Companies Act, 2013, read with Rule 19(1) of the Rules made thereunder, Shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH - 13, which can be obtained from the Company's Registrar and Transfer Agent.
11. Non-Resident Indian Members are requested to inform RTA, immediately of:
 - (a) Change in their residential status on return to India for permanent settlement.
 - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
12. Members who have not registered their e-mail addresses so far are requested to register/update their e-mail address, to the Company/Depository Participants, for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

13. E-voting

Pursuant to the provisions of Section 108 of the Companies Act, 2013, and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Clause 35B of the Listing Agreement, the Company is pleased to provide members the facility to exercise their right to vote at the Nineteenth Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Services Limited. E-voting is optional.

The instructions for Shareholders for e-voting are as under:

In case of Shareholders' receiving e-mail from NSDL

- (i) Open e-mail and open PDF file viz; "PIL_Info e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-voting opens. Click on e-voting: Active Voting Cycles.
- (vii) Select "EVEN" (i.e. E-voting Event Number) of Pratibha Industries Limited.
- (viii) Now you are ready for e-voting as Cast Vote page opens. Voting period commences on September 24, 2014, at 10.00 a.m. onwards and ends on September 26, 2014 upto 6.00 p.m.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail: dinesh.deora@yahoo.com or pankaj.cs@pratibhagroup.com with a copy marked to evoting@nsdl.co.in.

14. For members who wish to vote using Ballot Form

Pursuant to Clause 35 of the Listing Agreement with the stock exchanges, members may fill in the Ballot Form enclosed with the Notice and submit the same in a sealed envelope to the Scrutiniser, Mr. Dinesh Kumar Deora, Practising Company Secretary, C/o. Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400 078, so as to reach by 6.00 p.m. on or before September 26, 2014. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM NO. 5 TO 9

Mr. Awinash Arondekar and Mr. Shrikant T. Gadre are on the Board of the Company as a Non-Executive Independent Director since 12th September 2005 and Dr. S. L. Dhingra, Mr. V. Sivakumaran and Mr. Vilas B. Parulekar are on the Board of the Company as Non-Executive Independent Director since 24th September, 2009.

Pursuant to provisions of Section 149 of the Companies Act, 2013 and rules made thereunder, every listed Company is required to have atleast one third of the total number of directors as Independent Directors if the Chairman is non executive and one half if the chairman is Executive and shall also not liable to retire by rotation with commencement of Companies Act, 2013, i.e. 1st April, 2014.

Pursuant to provisions of Section 149 of the Companies Act, 2013, and as per revised Clause 49 of the Listing Agreement (to be effective from 1st October, 2014), Re-appointment of all above directors for a further period