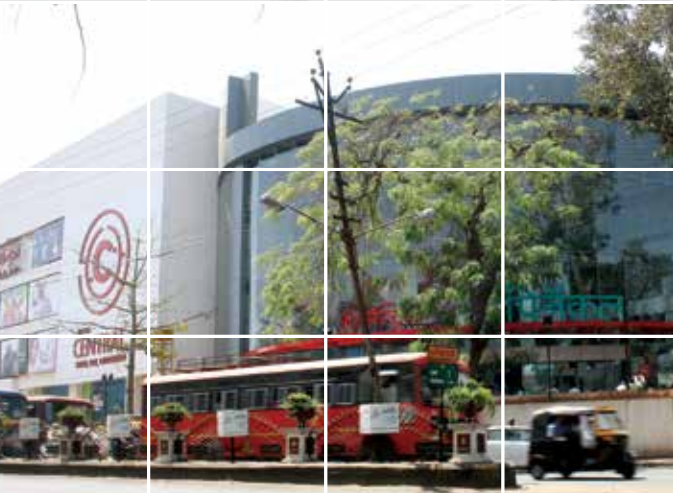




PRAKASH
Constrowell Limited



ANNUAL REPORT 2011-2012





“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’.

The 16th Annual General Meeting shall be held on Saturday, September 29, 2012, at Green View Hotels Pvt. Ltd. Trimbak Road, Nashik. Tel.: 2580777 / 6520510 at 2.00 P.M.

As a promoter of Green Initiative, copies of Annual Report will not be provided at the Annual General Meeting. Members are requested to bring their copies to the meeting.

MESSAGE FROM CHAIRMAN



My Dear Fellow Stake Holders,

There is a strong sense of responsibility even as I pen this note, in the first year of Prakash Constrowell Limited as a listed entity. Firstly I would like to thank each of our shareholders who have reposed faith in our Company at the time of the Initial Public Offering (IPO) and thereafter.

Further it gives me great pleasure to extend a very warm welcome to you all at the 16th Annual General Meeting Prakash Constrowell Limited (PCL) and especially because this is the first AGM post listing. The Notice convening the meeting, the Directors' Report and the Annual Audited Accounts are enclosed herewith for your reference.

Performance Overview

The financial year 2012 witnessed highly competitive environment in the Infrastructure & construction space. The world is witnessing economic slowdown and India is no exception to this. Overall industry scenario has been depressing on account of rising financial cost, shortage of labour and delays in clearances from various clients and government departments. I am delighted to report to you that despite all these factors, PCL has shown steady performance in the year. PCL has faced lower operating margins compared to previous years, but performance could be collectively termed as steady on account of diversified order book, healthy debt service coverage and growth in turnover. This is company's sixth consecutive year of booking stronger financial and operational performance figures compared to previous year.

Financial Review

(₹ in Crores)

| Particulars | Standalone | | Consolidated | |
|--|------------|-------------|--------------|-------------|
| | Current Yr | Previous Yr | Current Yr | Previous Yr |
| Turnover | 160.95 | 128.13 | 189.42 | 129.05 |
| Profit Before Interest, Depreciation and Tax | 12.02 | 17.34 | 13.46 | 19.36 |
| Profit After Tax | 6.21 | 9.69 | 6.37 | 10.58 |

Event of the year

Uncertain economic conditions and changing financial costs have always put pressure on company's organic growth and acquisitive expansion. The Company believes that access to Capital markets will not only fetch maximum value for the company but also enhance the public profile of the company.

With above vision company opened subscription on 19 Sept, 2011, with intention to raise equity to the tune of ₹ 60 Crore. Thanks to you all, and company's offering was oversubscribed 2.35 times, resulting in expected fund raising, and you people becoming shareowners. The company allotted 4347826 no. of equity shares of ₹ 10 each at premium of ₹ 128 per share, and company's shares hit the bourses on 4 Oct, 2011. The proceeds of the above referred issues were utilized for the purpose for which it was raised as stated in various outcomes, financial results and prospectus.

The fund raised is going to create the required liquidity in the company, which provides leverage to make our business model more asset oriented. The Company is also expanding its participation in private construction segment with this liquidity and profile.

Internal re-orientation

With clients, geography and service delivery having largely diversified aspects, it becomes difficult for the company to have complete operational and management control. Diversification also brings about higher operating costs and critical day to day management. Such Execution environment also affects the capacity of an enterprise to undertake strategic planning decisions.

To ensure consistent growth path of the company, along with end to end visibility and optimum utilization of resources, arises a need to have integrated and real time system for reporting and information.

Company has already bought a "Enterprise Resources Planning" application, implementation of which is in process and we expect to deliver the results in a year or two. The company expects to streamline workflows and processes with improved efficiency and improved cost once the application is implemented totally.

Future Prospects

Civil construction remains as a backbone vertical for the company, but real future lies in development of infrastructure work with participation. Company currently has two projects under BOT segment for development of urban infrastructures, which are expected to be operational within the span of two years. PPP model is expected to come up with lot more projects in coming days considering the need for infrastructure and policy initiatives. And at PCL we are looking forward to bag every possible opportunity.

Another segment that company is currently in a process to unfold on large scale, is offering "affordable residential units". Housing shortage in India is no more a secret, but offering a right product considering all the aspects of the demand is a critical task. Company's objective is to deliver range of products, with suitable combination of customer mix.

Another significant development has been extension of our geographical boundaries beyond Maharashtra to the states of Karnataka, Uttar Pradesh, Andhra Pradesh and Tripura. Company intends to continue the widening of geographical boundaries.

In terms of figures, the majority of under execution projects of the company are to be executed in the current year, thus companies financial figures for the year 2012-13 are going to show all-round robust growth in top line and bottom line.

Vote of Thanks

Our years of experience and the professional team that has been with us for many years now, will help us continue to stay ahead of competition and enrich and add value for all our stake holders.

I'm also thankful to my colleagues on Board for their value addition and contribution in the governance of the Company. I'm grateful to you all for your support & trust shown in my team and seek your continued support in taking the Company through newer innovations to higher growth and success.

I assure, our journey to the mission has just begun and I request you to witness the future milestones.

PRAKASH LADDHA
Chairman



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VISION STATEMENT:

"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 STATEMENT:

"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."

PRAKASH CONSTROWELL LIMITED (PCL) – PROFILE

Prakash Constrowell Ltd is a construction company predominantly engaged in the business of civil construction. The company is a fast growing company that provides integrated engineering, procurement and construction services. The Company has undertaken projects for various Government / semi-government bodies and other private sector clients. It focuses on construction and maintenance of roads / highways, bridges, including projects on public private partnership model, industrial parks, workshops, hospitals, educational institutions and residential and commercial real estate construction.

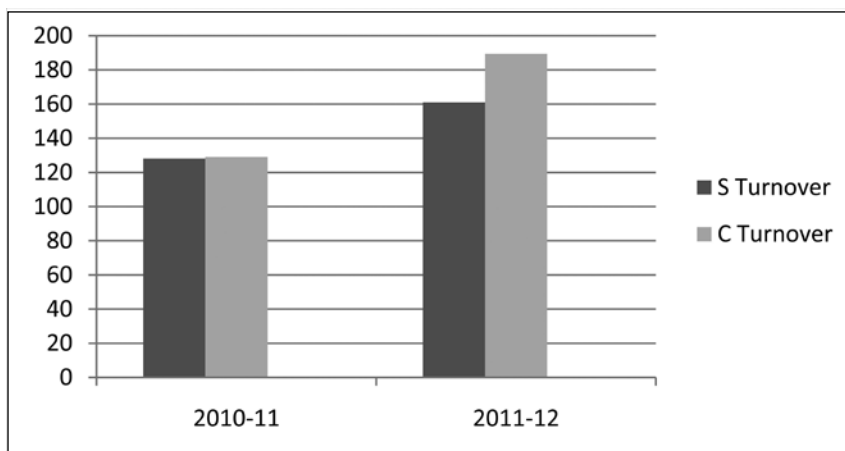
Prakash Constrowell Ltd was incorporated on January 04, 1996 as a private limited company with the name as Prakash Constrowell Pvt. Ltd. The company was established to acquire the construction contracts & maintenance business of Prakash Builders, a proprietorship concern established in 1978 by Prakash P. Laddha. Following are the highlights of growth:

- In the year 1996, company got registered as Class 1-A with Public Works Department, Government of Maharashtra.
- In 2002, the Company was awarded its first Infrastructure Construction work on Built Operate Transfer basis at Arni, Yevatmal, Maharashtra.
- In 2005, it laid the foundation of Global Pagoda at Gorai Village in north east suburb of Mumbai Maharashtra.
- In 2006, the Company was honored with Best Building of the year 2006-07 under the category of Institutional Building for college building at Nasik from 'Builders Association of India'.
- In the year 2007, the company initiated a major real estate work 'Acropolis' involving construction of 3 Towers.
- In 2008, the Company entered into Industrial Construction by taking up the work of 'Islampur Integrated Textile Park' at Sangli, Maharashtra.
- On January 05, 2011 converted into a public limited Company called Prakash Constrowell Limited.
- In the year 2011, the company was accredited with 'ISO 9001:2008' quality management system certificate for construction of Roads, Bridges, Buildings and Development of Land.
- Also, they received CIDC (Construction Industry Development Council) Vishwakarma Award for their project 'Police Training School' at Tasgoan, Sangli.
- On October 04, 2011, Company got listed on both the stock exchanges; BSE & NSE.
- The Company has got Best Building award from Builders Association of India, Nashik in Commercial Segment for Construction of "Pinnacle Mall" in the year 2011".

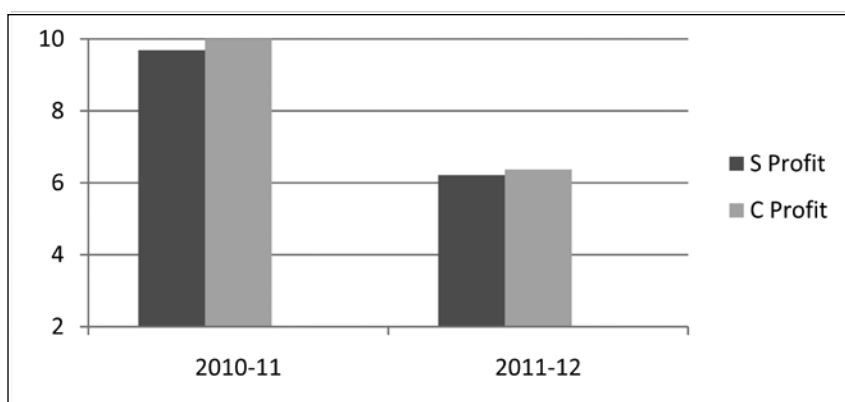


| Board of Director | | Registrar & Share Transfer Agent |
|--|--|--|
| <p>Mr. Trichur G Krishnan</p> <p>Mr. Prakash P Laddha</p> <p>Mr. Suresh G Sarda</p> <p>Mr. Hemant M Rathi</p> <p>Mr. Jayant V Phalke</p> <p>Mr. Nagesh W Mendhekar</p> | <p>Managing Director</p> <p>Chairman</p> <p>Executive Director</p> <p>Independent Director</p> <p>Independent Director</p> <p>Independent Director</p> | <p>Bigshare Services Private Limited</p> <p>E-2 & 3, Ansa Industrial Estate,</p> <p>Saki- Vihar Road, Saki Naka,</p> <p>Andheri(E), Mumbai- 400072.</p> <p>Maharashtra, India.</p> <p>Website: www.bigshareonline.com</p> <p>E-mail id: ipo@bigshareonline.com</p> |
| Chief Financial Officer & Compliance Officer | | Statutory Auditor |
| <p>Mr. Vipul D Lathi</p> | | <p>M/s G.P.Pimpalikar & Associates</p> |
| Company Secretary | | Board Committees |
| <p>Ms. Swapna S Naphade</p> <p>compliance@prakashconstro.com</p> <p>investorgrievance@prakashconstro.com</p> | | <ul style="list-style-type: none"> - Audit Committee - Shareholders'/ Investor Grievance Committee - Remuneration Committee |
| Registered Office | | Bankers |
| <p>Prakash Constrowell Limited</p> <p>6/7, Falcon Plaza,</p> <p>National Urdu High School Road,</p> <p>Near Sarda Circle, Nasik- 422001,</p> <p>Maharashtra, India.</p> <p>Website: www.prakashconstro.com</p> <p>E-mail id: info@prakashconstro.com</p> | | <p>Axis Bank Limited</p> <p>Mazda Towers, Trimbak Naka,</p> <p>GPO Road, Nashik- 422001.</p> <p>Bank of Maharashtra</p> <p>Janmangal, Tilak Road,</p> <p>Nashik- 422001.</p> |

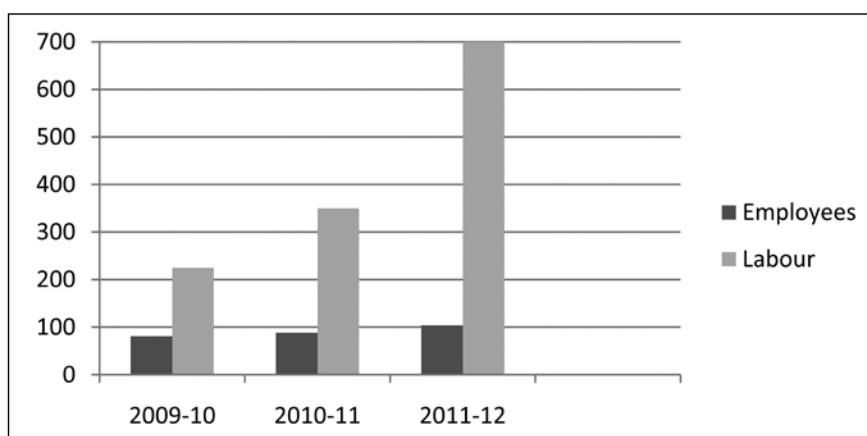
Standalone & Consolidated Results of PCL (Turnover)



Standalone & Consolidated Results of PCL (Profit)



Growth in Human Resource- Employees & Labours



To The Members of,

PRAKASH CONSTROWELL LIMITED

Your directors are pleased to present the 16th Annual Report together with the Auditor's Report and Audited Accounts of the Company for the year ended on March 31st, 2012.

Financial Results

The standalone financial results of the Company for the year ended March 31st, 2012 is summarized below:

(₹ in Crores)

| Particulars | March 31st, 2012 | March 31st, 2011 |
|--|------------------|------------------|
| Net Sales | 160.95 | 128.13 |
| Profit Before Interest Depreciation & Tax | 12.02 | 17.34 |
| Less : Interest | 2.18 | 1.68 |
| Profit Before Depreciation & Tax | 9.84 | 15.66 |
| Less: Depreciation | 0.43 | 2.47 |
| Profit before Tax (PBT) | 9.41 | 13.19 |
| Less: Provision for Taxation including Deferred Tax Charge | 3.20 | 3.50 |
| Profit after Taxation (PAT) | 6.21 | 9.69 |
| Add: Profit Brought Forward from previous year | 22.11 | 18.78 |
| Surplus available for appropriation | 28.32 | 28.47 |
| Appropriations: | | |
| Proposed dividend on equity shares | - | - |
| Dividend Tax | - | - |
| Transfer from/ to General Reserves | - | - |
| Transfer for Bonus Shares | - | 6.36 |
| Transfer to Debenture Redemption Reserve | - | - |
| Balance transferred to Balance Sheet | 28.32 | 22.11 |

Financial Performance

During the year, your Company has made total turnover of ₹ 160.95 Crore & the total profit after tax (PAT) of your Company for the year under review is ₹6.21 Crore which is reasonable considering the current scenario. On consolidated basis, the total turnover of your Company and its subsidiaries stands at ₹189.42 Crore. The consolidated profit after tax (PAT) stood at ₹6.37 Crore. The earning per share (EPS), on an equity share having face value of ₹ 10/-, stands at ₹ 5.99/- considering the total equity capital of ₹ 12.57 Crore.

Dividend

This being the first year of listing, your company proposes to utilize the reserves and surplus of company for further expansion and upcoming projects instead of declaring dividend. We assure you that the company funds would be utilized in the best possible manner to give better returns.

Public Issue

Your Company had initiated an Initial Public Offer (IPO) of its Equity Shares through Book Building Process for an amount of ₹6, 000 Lakhs. The price band arrived for this purpose was ₹130/- to ₹138/- per equity share, face value being ₹ 10/- each and Securities Premium being ₹ 120/- to ₹ 128/- per equity share. The final price arrived was ₹138/- (face value ₹ 10/- and Securities Premium ₹ 128/- per share) for Public offer of 43,47,826 equity shares aggregating to ₹6000 Lakhs. The issue was oversubscribed. The shares were listed on National Stock Exchange of India Ltd (NSE) & Bombay Stock Exchange Ltd (BSE), both on October 04, 2011.

Management Discussion And Analysis Report

Management Discussion and Analysis Report is presented separately, which forms part of annual report.