

PROSPECT



PROSPECT COMMODITIES LIMITED

2nd
ANNUAL
REPORT

2023-2024



PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Table of Contents

Sr. No.	Particulars	Page No.
1	Corporate Information	1-2
2	Notice of the Meeting	3-19
3	Attendance Slip	20
4	Ballot Paper	21-22
5	Proxy Form	23-24
6	Board's Report	25-41
7	Annexures to Board's Report	42-51
8	Management discussion and Analysis Report	52-61
9	Independent Audit Report to the Members	62-71
10	Standalone Financial Statements	72-92
11	Route Map	

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

CORPORATE INFORMATION

Registered Office

Prospect Commodities Limited 417, Sun Orbit, B/h. Rajpath Club Road, Bodakdev, Ahmedabad - 380054, Gujarat, India. CIN: L01400GJ2022PLC128482 Website: www.prospectcommodities.com Email: info@prospectcommodities.com Contact No. 079-48000696

Board of Directors

Mr. Vimal Sureshbhai Mishra	Chairman and Managing Director
Mrs. Priyanka Vimal Mishra	Executive Director
Mrs. Riddhi Bharatkumar Vasita	Non-executive Director
Mr. Nevil Prameshkumar Soni Soni	Non-executive Independent Director
Mr. Divya Shaileshbhai Shah	Non-executive Independent Director

Key Managerial Personnel (KMP)

Mr. Vimal Sureshbhai Mishra	Chief Financial officer
Mrs. Bhargavi Jay Pandya	Company Secretary

Committee of Board of Directors

Audit Committee

Mr. Nevil Prameshkumar Soni	Chairman
Mr. Divya Shaileshbhai Shah	Member
Mrs. Riddhi Bharatkumar Vasita	Member

Nomination & Remuneration Committee

Mr. Divya Shaileshbhai Shah	Chairman
Mrs. Riddhi Bharatkumar Vasita	Member
Mr. Nevil Prameshkumar Soni	Member

Stakeholder's Relationship Committee

Mrs. Riddhi Bharatkumar Vasita	Chairman
Mr. Nevil Prameshkumar Soni	Member
Mr. Divya Shaileshbhai Shah	Member

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Statutory Auditor	Secretarial Auditor
C. R. Sharedalal & Co. Chartered Accountants 304 & 305 - North Tower, One42, Near Ashok Vatika, Ambli Bopal Road, Ahmedabad 380054, Gujarat, India Contact No. +91 9824055181 Email id: info@crsharedalalco.com	Kadambari Dave & Associates Practicing Company Secretaries I-14, Hariom Park, Nr. Ghosha Society, Jay Ambe Nagar Road, Thaltej, Ahmedabad - 380054 Gujarat, India Contact No: +91 93761 36121 Email id: kadambaridave2000@yahoo.com

Registrar and Share Transfer Agent
Bigshare Services Private Limited Registered office address: E-3 Ansa Industrial Estates, Sakivihar Road, Sakinaka, Mumbai- 400072, Maharashtra, India Website: www.bigshareonline.com Contact No. +91 22-62638200 Email id: info@bigshareonline.com Ahmedabad office address: A-802, Samudra Complex, Near Girish Cold Drinks, Off. C.G. Road, Navrangpura, Ahmedabad-380009, Gujarat, India. Contact No. 079 40392571 Email id: bssahd@bigshareonline.com

Banker
ICICI Bank Limited

Shares Listed at
BSE LIMITED (SME PLATFORM) Listed on 20.03.2023 Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Second Annual General Meeting of the members of Prospect Commodities Limited will be held on Friday, 6th day of September, 2024 at 1.00 P.M. at 417, Sun Orbit, B/h. Rajpath Club Road, Bodakdev, Ahmedabad - 380054, Gujarat, India to transact the following business:

ORDINARY BUSINESS

1. To consider and take note of Audited Standalone Financial Statements of the Company comprising the Balance sheet as on 31st March, 2024, Statement of Profit & Loss and Notes thereto for the financial year ended 31st March, 2024 together with the Reports of the Board of Directors and the Auditors thereon. To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT the Audited Standalone Financial Statements of the Company comprising the Balance sheet as on 31st March, 2024, Statement of Profit & Loss and Notes thereto for the financial year ended 31st March, 2024 together with the Reports of the Board of Directors and the Auditors thereon laid before this meeting, be and are hereby considered and taken on record.”

2. To appoint a Managing Director in place of Mr. Vimal Sureshbhai Mishra (DIN: 06820041), who retires by rotation and being eligible, offer himself for reappointment. 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 152 of the Companies Act, 2013, Mr. Vimal Sureshbhai Mishra (DIN: 06820041), Managing Director of the Company, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment, be and is hereby re - appointed as a Managing Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS

3. To Appoint Mr. Prakash Mishra as Non- Executive Non 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 Section 152 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force) (the “Act”), on the recommendation of Nomination and Remuneration Committee and the Board of Directors, Mr. Prakash Mishra , in respect of whom the Company has received notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as Non-

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Executive Non Independent Director, of the Company, who will be liable to retire by rotation.”

4. To change the name of Company from “PROSPECT COMMODITIES LIMITED” to “PROSPECT CONSUMER PRODUCTS LIMITED” and consequent Alterations in Memorandum of Association (“MOA”) and Articles of Association (“AOA”) of the Company.

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 13 of the Companies Act 2013 and other applicable provisions of the Companies Act, 2013 if any, read with rules made thereunder (including any amendment thereto or re-enactment thereof) and subject to the approval of the Registrar of Companies & Ministry of Corporate Affairs (“MCA”) and any other authority as may be necessary, the consent of the shareholders of the Company be and are hereby accorded, to change the name of the Company from “PROSPECT COMMODITIES LIMITED” to “PROSPECT CONSUMER PRODUCTS LIMITED” as approved by Central Registration Centre (“CRC”), Ministry of Corporate Affairs..

FURTHER RESOLVED THAT pursuant to the provisions of Section 13, 14 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any amendment thereto or re-enactment thereof), approval of the shareholders be and is hereby accorded, for alteration and substitution of the following clauses of Memorandum of Association and Articles of Association of the Company:

- i. The existing Clause 1 of the Memorandum of Association of the Company be altered and substituted by the following as Clause 1
 1. The name of the Company is ‘PROSPECT CONSUMER PRODUCTS LIMITED’
- ii. The name ‘PROSPECT COMMODITIES LIMITED’ wherever it appears in Memorandum of Association and Articles of Association of the Company be substituted by name ‘PROSPECT CONSUMER PRODUCTS LIMITED’

FURTHER RESOLVED THAT the name of the Company appearing on all other Company records shall be amended and substituted.

FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby severally and/ or jointly authorised to sign, execute and file necessary applications, forms, deeds, documents and writings as may be necessary for and on behalf of the Company and to settle and finalise all issues that may arise in this regard and to do all such acts, deeds, matters and things as may be deemed necessary, proper, expedient or incidental for giving effect to the foregoing resolutions and to further authorise and delegate all or any of the powers conferred herein in any manner as they may deem fit”.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

**By Order of the Board of Directors of
PROSPECT COMMODITIES LIMITED**

Sd/-

Bhargavi Jay Pandya
Company Secretary & Compliance officer
(Membership No-A62039)

Date: 10/08/2024
Place: Ahmedabad

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Act relating to Items no. 3 and 4 of the Notice of the AGM, is annexed hereto.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM and is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company.
A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting power. A member holding more than 10% of the total share capital of the company may appoint single person as proxy and such person shall not act as a proxy for any other shareholder. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting.

Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

Members and Proxies attending the Meeting should bring the attendance slip duly filled in for attending the Meeting. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification for attendance at the Meeting.

3. Members are informed that in case of joint holders attending the meeting, only such Joint holder who is higher in the order of the names will be entitled to vote.
4. A route map showing direction to reach the venue of the AGM is given at the end of this notice as per the requirement of Secretarial Standard-2 on General Meeting.
5. The Annual Report including Notice of the AGM of the Company inter alia indicating the process and manner of e-voting is being sent only by Email, to all the Shareholders whose Email IDs are registered with the Company/Depository Participant(s) for communication purposes to the Shareholders and to all other persons so entitled. Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the said Circulars issued by MCA and said SEBI Circular, the Annual Report including Notice of the AGM of the Company will also be available on the website of the Company at www.prospectcommodities.com. The same can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com respectively and on the website of CDSL i.e. www.evotingindia.com.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

6. Electronic copy of the Notice of the 2nd Annual General Meeting of the Company indicating, inter alia, the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s)/RTA for communication purposes unless any member has requested for a hard copy of the same.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, August 31, 2024 to Friday, September 6, 2024 (both days will be inclusive).
8. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Bigshare Services Private Limited ("the RTA") to provide efficient and better services.
9. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts.
10. Members may now avail the facility of nomination by nominating, in the prescribed form, a person to whom their shares in the Company shall vest in the event of their death. Interested Members may write to the Registrars and Share Transfer Agents for the prescribed form.
11. The documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during working hours between 10:00 a.m. to 5:00 p.m. except on holidays.
12. Members seeking any information with regard to the accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
13. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
14. The Company's Registrar and Transfer Agent for its Share Registry Work (Physical and Electronic) is Bigshare Services Private Limited having their registered office at E-3 Ansa Industrial Estates, Sakivihar Road, Sakinaka, Mumbai- 400072, Maharashtra, India and office in Ahmedabad at address A- 802, Samudra Complex, Near Girish Cold Drinks, Off. C.G. Road, Navrangpura,

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Ahmedabad-380009, Gujarat, India.

15. There is no record date for the purpose of Dividend as the same is not recommended by the Board of Directors for the financial year 2023-24.
16. Electronic dispatch of Annual Report and process for registration of email id for obtaining copy of Annual Report: In compliance with the aforementioned MCA and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Registrar and Share Transfer Agent/Depository Participant. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website www.prospectcommodities.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com.

VOTING THROUGH ELECTRONIC MEANS:

17. In terms of the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 (as amended from time to time) and Regulation 44 of the SEBI Listing Regulations and the said Circulars, the Company is pleased to provide the facility of "e-voting" to its Shareholders, to enable them to cast their votes on the resolutions proposed to be passed at the AGM, by electronic means. The instructions for e-voting are given herein below. The Company has engaged the services of Central Depository Securities Limited ("CDSL"), who will provide the e-voting facility of casting votes to a Shareholder using remote e-voting system (e-voting from a place other than venue of the AGM) ("remote e-voting"). Further, in accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed Friday, August 30, 2024 as the "cut-off date" to determine the eligibility to vote by remote e-voting or e-voting at the AGM.
18. In addition the facility for voting through Ballot Papers shall also be made available at the AGM and the Members attending the AGM who have not cast their votes through Remote e-voting shall be eligible to vote at the Annual General Meeting.
19. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners as on the cut-off date, i.e. Friday, August 30, 2024, shall be entitled to avail the facility of remote e-voting. Only those Shareholders, who will be present at the AGM and who would not have cast their vote by remote e-voting prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote at the AGM.
- 20. The instructions for shareholders voting electronically are as under:**
- (i) The voting period begins on Tuesday, September 3, 2024 from 9.00 A.M. and ends on Thursday, September 5, 2024 at 5.00 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 i.e. Friday, August 30, 2024 may

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

cast their vote Electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in Demat mode with CDSL Depository</p>	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

	<p>provider website for casting your vote during the remote e-Voting period.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at.: 022-4886 7000 and 022-2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

	<ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Prospect Commodities Limited on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; info@prospectcommodities.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

(self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

**By Order of the Board of Directors of
PROSPECT COMMODITIES LIMITED**

Sd/-

Bhargavi Jay Pandya
Company Secretary & Compliance officer
(Membership No-A62039)

Date: 10/08/2024
Place: Ahmedabad

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

Item No.3

The Board of Directors in its Meeting held on Saturday, 10th August, 2024 upon the recommendation of the Nomination and Remuneration Committee, approved the proposal for appointment of Mr. Prakash Mishra as Non-Executive, Non Independent Director of the Company in Annual General Meeting of the Company subject to approval of Members in compliance with Section 152 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force). The Company has in terms of Section 160(1) of the Companies Act, 2013 received a notice in writing from a Member proposing his candidature for the office of Non-Executive, Non-Independent Director of the Company.

Mr. Prakash Mishra has provided his consent in writing to act as Director and has further affirmed that he is not disqualified to act as Director. He possess the requisite qualification for appointment as a Non-Executive, Non-Independent Director of the company. Brief resume of Mr. Prakash Mishra is attached as Annexure to the Explanatory Statement attached herewith.

The Board of directors seeks approval of shareholders of the Company by way of Ordinary resolutions for appointment Mr. Prakash Mishra as Non-Executive, Non Independent Director on the Board of the Company.

Except Mr. Vimal Sureshbhai Mishra and Mrs. Priyanka Vimal Mishra, None of the Directors, Key Managerial Personnel or their respective relatives are in any way concerned or interested, financially or otherwise in the Resolution.

Item No.4

The Board at its meeting held on Wednesday, July 10, 2024 had passed the resolution for application to Central Registration Centre, Ministry of Corporate Affairs for reservation of new name of Company i.e PROSPECT CONSUMER PRODUCTS LIMITED. The Central Registration Centre, Ministry of Corporate Affairs has approved the application to the availability of the new proposed name 'PROSPECT CONSUMER PRODUCTS LIMITED' vide its letter dated July 18, 2024 which will remain valid for 60 days.

The Board at its Meeting held on Saturday, 10th August, 2024 passed the resolution for change of name of the Company from "PROSPECT COMMODITIES LIMITED" to "PROSPECT CONSUMER PRODUCTS LIMITED" in compliance with the provisions of Section 13 of the Companies Act 2013 and other applicable provisions of the Companies Act, 2013 and rules and regulations made thereunder.

In accordance with Sections 13 and 14 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules and regulations made thereunder, the change of Company's name including change in the Name clause of the Memorandum of Association and Articles of Association of the Company require approval of Shareholders by way of a Special Resolution.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

The proposed change in name of the Company would not result in change of the legal status or constitution or operations or activities of the Company, nor would it affect any rights or obligations of the Company or the Members / stakeholders. The Board of Directors is of the opinion that the proposed change of name is in the interest of the Company.

As required under Regulation 45 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a certificate from a Practicing Chartered accountant stating compliance with conditions provided in regulation 45 (1) is enclosed and forming part of this explanatory statement of the notice.

The Directors therefore recommends the Special Resolution set out at Item No. 4 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors, Key Managerial Personnel or their respective relatives are in any way concerned or interested, financially or otherwise in the Resolution Except as Shareholders of the Company.

**By Order of the Board of Directors of
PROSPECT COMMODITIES LIMITED**

Sd/-

Bhargavi Jay Pandya
Company Secretary & Compliance officer

Date: 10/08/2024

Place: Ahmedabad

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

ANNEXURE TO NOTICE OF AGM

BRIEF PROFILE OF THE DIRECTOR RETIRE BY ROTATION/SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

1. Mr. Vimal Sureshbhai Mishra

<i>DIN</i>	06820041
Date of Appointment	06/01/2022
Qualifications	Graduate in Commerce
Expertise in specific functional areas	Mr. Vimal Mishra is Managing Director of the Company. He has over all more than 17 years of experience in different field like sales in charge, project manager and working with the logistic company. He is Expertise in Negotiations, handling Operations, team building, Administration & Finance Sectors. He handles the overall affairs of the Company.
Directorship/Committee memberships in other companies	NIL
Chairman/Membership of the committee of the Board of companies on which he/she is a Director	NIL
Number of shares held in the Company	1205000 Equity Shares 150000 Convertible Warrants
Relationship with Directors	The appointee and Director Mrs. Priyanka Vimal Mishra are related to each other as Husband and Wife
Number of meeting of the Board attended during the year	7
Terms and Conditions of appointment-reappointment	Terms and condition is mentioned in the Agreement of Managing Director executed between Company and Mr. Vimal Sureshbhai Mishra

2. Mr. Prakash Mishra

DIN	Not holding DIN, it will be applied through filing of Form DIR-3 before his appointment in Annual General Meeting
Date of Appointment	Date of Appointment will be 06/09/2024 i.e. Date of AGM subject to approval of Members
Qualifications	MBA in Sales and Marketing
Expertise in specific functional areas	Mr. Prakash Mishra has done his MBA in sales & marketing from NIBM. He has worked in corporates for 22 years primary responsible for Sales &

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

	Marketing function. He has been part of management team and was responsible for overall revenue and P&L of the company. He has wide experience of handling sales & Marketing function of the Company.
Directorship/Committee memberships in other companies	NIL
Chairman/Membership of the committee of the Board of companies on which he/she is a Director	NIL
	NIL
Number of shares held in the Company	1,00,000 Equity Shares 84,000 Convertible Warrants
Relationship with Directors	Mr. Prakash Mishra is Brother of Managing Director Mr. Vimal Sureshbhai Mishra
Number of meeting of the Board attended during the year	NA
Terms and Conditions of Appointment	He will be appointed as Non-Executive Non Independent Director of the Company liable to retire by rotation

**By Order of the Board of Directors of
PROSPECT COMMODITIES LIMITED**

Sd/-

Bhargavi Jay Pandya
Company Secretary & Compliance officer
(Membership No-A62039)

Date:10/08/2024

Place: Ahmedabad

To
The Board of Directors,
Prospect Commodities Limited,
CIN: L01400GJ2022PLC128482
417, Sun Orbit B/H. Rajpath Club Road,
Bodakdev, Ahmedabad,
Gujarat, India, 380054

Certificate of compliance in terms of Regulations 45(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 for change of name of Company

We, C.R. Sharedalal & Co., Chartered Accountants have verified the relevant records and documents of PROSPECT COMMODITIES LIMITED (the Company) for the purpose of ascertaining its compliance with regulation 45 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations") with respect to its change of name from "PROSPECT COMMODITIES LIMITED" to "PROSPECT CONSUMER PRODUCTS LIMITED".

In accordance with the information and explanations given to us and based on our examination of the records and documents of the company, we hereby confirm and certify that the company is in compliance with the following conditions as specified in Regulation 45(1) of the Listing Regulation: -

- a) time period of at least one year has elapsed from the last name change - Not Applicable.

The Company was incorporated as Private Limited Company on 06/01/2022 with name Prospect Commodities Private Limited. Company was converted into Public company as on 03/01/2023 and name of the company was changed from Prospect Commodities Private Limited to Prospect Commodities Limited. Then after there is no change in name of the Company.

- b) at least fifty percent of the total revenue in the preceding one-year period has been accounted for by the new activity suggested by the new name -


There is no change in the activity of the Company. Therefore, the condition relating to at least fifty percent of the total revenue in the preceding one-year period has been accounted for by the new activity suggested by the new name is not applicable to the company.



- c) the amount invested in the new activity/project is at least fifty percent of the assets of the listed entity -

The Company proposes to change its name to encompass all the current activities of the Company, therefore, the said condition relating to the amount invested in the new activity/project being at least fifty percent of the assets of the listed entity is not applicable.

For, C. R. SHAREDALAL & CO.
CHARTERED ACCOUNTANTS
(Firm Reg. No.: 109943w)



J. C. SHAREDALAL
PARTNER
M. No. 033189
UDIN: 24033189BJZXYZ9967



Place: Ahmedabad

Date: 07-08-2024

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

PROSPECT COMMODITIES LIMITED

CIN: L01400GJ2022PLC128482

Reg. Office: 417, SUN ORBIT B/H. RAJPATH CLUB ROAD, BODAKDEV AHMEDABAD GJ
380054 IN

Email: info@prospectcommodities.com | Phone no.: +91 7948000696 |

Website: www.prospectcommodities.com

Attendance Slip Second Annual General Meeting

Please Fill Attendance Slip and hand it over at The Entrance of the Meeting Hall. Joint shareholders may obtain additional slip at the venue of the meeting.

Folio No.	
DP Id	
Client ID	
No. of shares	

I/We hereby record my presence at the 2nd Annual General Meeting of the Company at 417, Sun Orbit B/h. Rajpath Club Road, Bodakdev Ahmedabad- 380054, Gujarat, India on Friday, September 6, 2024 at 1:00 P.M.

Name of the Shareholder		Signature of Shareholder	
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Notes:

1. Only Member/Proxy holder can attend the meeting.
2. Please complete the folio no./DP ID No., Client ID No. and Name of the Member/proxy holder, sign this attendance slip and hand it over duly signed at the entrance of the meeting hall.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Form No. MGT-12 Polling paper

[Pursuant to Section 109(5) of the Companies Act, 2013 and rule 21 (1) (c) of the Companies (Management and Administration) Rules, 2014]

BALLOT PAPER

S. No.	Particulars	Details		
1.	Name of the First Shareholder			
2.	Postal Address			
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)			
4.	Class of Share			
I hereby exercise my vote in respect of Ordinary / Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:				
No	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
Ordinary Businesses:				
1.	To consider and the Audited Standalone Financial Statements of the Company comprising the Balance sheet as on 31st March, 2024, Statement of Profit & Loss and Notes thereto for the financial year ended 31st March, 2024 together with the Reports of the Board of Directors and the Auditors thereon.			
2.	To appoint a Managing Director in place of Mr. Vimal Sureshbhai Mishra (DIN: 06820041), who retires by rotation and being eligible, offer himself for reappointment.			
Special Businesses:				
3.	To Appoint Mr. Prakash Mishra as Non-Executive Non Independent Director of the Company.			
4.	To change the name of Company from "PROSPECT COMMODITIES LIMITED" to "PROSPECT CONSUMER PRODUCTS LIMITED" and consequent Alterations in Memorandum of Association ("MOA") and Articles of Association ("AOA") of the Company.			

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Place:

Date:

(Signature of the Shareholder)

INSTRUCTIONS:

1. Members may fill up the Ballot Form printed and submit the same to the Scrutinizer.
2. 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.
3. In case the member casts his votes through both the processes i.e., E-voting and Physical Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
4. The right of voting by Ballot Form shall not be exercised by a proxy.
5. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/ demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the registrar and share transfer agent of the Company i.e. Bigshare Services Private Limited. Members are requested to keep the same updated.
6. The votes should be cast either in favour or against by putting the tick (/) mark in the column provided for asset or dissent. Ballot Form bearing tick marks in both the columns will render the Ballot Form invalid.
7. Voting rights shall be reckoned on the paid up value of the shares registered in the name(s) of the Member(s) / Beneficial Owner(s) on the date of dispatch of the Notice.
8. There will be only one Ballot Form for every Folio/ DP ID & Client ID irrespective of the number of joint members
9. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot form signed by a joint shareholder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
10. Where the Ballot Form has been signed by an authorized representative of the Body Corporate/ Trust/ Society etc., a certified copy of the relevant authorization/ Board Resolution to vote should accompany the ballot Form.
11. Instructions for e-voting procedure are available in the Notice of the Annual General Meeting. Please follow the steps for e-voting procedure as given in the Notice of AGM or as available on www.evoting.nsdl.com
12. The date of declaration of the results of ballot shall be taken to be the date of passing of the resolution.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Form No. MGT-11 Proxy form
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L01400GJ2022PLC128482

Name of the Company: PROSPECT COMMODITIES LIMITED

Registered Office: 417, Sun Orbit, 8/h. Rajpath Club Road, Bodakdev, Ahmedabad-380054, Gujarat, India

Name of the Member(s) :
Registered Address :
Folio No.
Client ID:
DP ID:

I/We, being the member(s) of _____ shares of the above named company hereby appoint:

1	Name:		
.	Address:	Signature	
	E-mail ID:		
or failing him/her			
2	Name:		
.	Address:	Signature	
	E-mail ID:		
or failing him/her			
3	Name:		
.	Address:	Signature	
	E-mail ID:		

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 2nd Annual General Meeting of the company, to be held on the Friday, September 6, 2024 at 1:00 P.M. at 417, Sun Orbit, 8/h. Rajpath Club Road, Bodakdev, Ahmedabad- 380054, Gujarat, India and/or at any adjournment thereof in respect of such resolutions as are indicated below:

Particulars		Vote	
Sr. No.	Ordinary Business	For	For
1	To consider and the Audited Standalone Financial Statements of the Company comprising the Balance sheet as on 31st March, 2024, Statement of Profit & Loss and Notes thereto for the financial year ended 31st March, 2024 together with the Reports of the Board of Directors and the Auditors thereon.		

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

2	To appoint a Managing Director in place of Mr. Vimal Sureshbhai Mishra (DIN: 06820041), who retires by rotation and being eligible, offer himself for reappointment.		
Special Business			
3	To Appoint Mr. Prakash Mishra as Non-Executive Non Independent Director of the Company.		
4	To change the name of Company from "PROSPECT COMMODITIES LIMITED" to "PROSPECT CONSUMER PRODUCTS LIMITED" and consequent Alterations in Memorandum of Association ("MOA") and Articles of Association ("AOA") of the Company.		

Signed this _____ day of _____ 2024

Signature of Shareholder _____ Signature of Proxy holder(s) _____

Notes:

1. A Proxy need not be a member of the Company.
2. This form of Proxy must be deposited at the Registered Office of the Company at : 417, Sun Orbit, 8/h. Rajpath Club Road, Bodakdev, Ahmedabad-380054, Gujarat, India , not less than 48 hours before the commencement of the Meeting.
3. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

DIRECTORS' REPORT

To,
The Members,
PROSPECT COMMODITIES LIMITED

Your Directors have pleasure in submitting their 2nd Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2024.

1. FINANCIAL RESULTS

The Company's financial performances for the year under review are given hereunder:

(Rs. In Lakhs)

Particulars	For the year ended on 31 st March, 2024	For the year ended on 31 st March, 2023
Revenue From Operations	2426.65	1269.30
Other Income	42.39	0
Total Income	2469.04	1269.30
Less Total Expenses	2243.39	1189.42
Profit / Loss before Tax	225.65	79.88
Tax Expense:		
Current Tax	60.74	32.90
Deferred Tax	-7.60	-7.69
Profit/Loss For the Period	172.51	54.67
Basic & Diluted Earnings per equity share (in Rupees Face Value Rs. 10)	4.22	4.53

2. SHARE CAPITAL:

As on 31 March, 2024, The Authorized Capital of the Company was Rs.6,50,00,000 (Rupees Six Crore Fifty Lakh) consisting of 65,00,000 (Sixty Five Lakh) equity shares of Rs.10 each and the Issue and Paid up Capital of the Company was Rs. 4,09,05,000 (Rupees Four Crore Nine Lakh Five Thousand) consisting of 40,90,500 (Forty Lakh Ninety Thousand Five Hundred) equity shares of Rs.10 each.

3. LISTING ON BSE –SME PLATFORM:

Company is listed on SME Platform of BSE Limited.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

4. DIVIDEND:

The Board decided that the profits should be retained for the expansion of the Company, which is in pipeline for more growth and value addition to the company and forming a strong business base so that revenue flows from many channels and hence the Directors of your Company do not recommend any dividend for FY 2023-24.

5. AMOUNTS PROPOSED TO BE CARRIED TO RESERVES:

Net Profit of the Company after tax is Rs. 172.51 Lakhs and same is transferred to Reserves and Surplus under the head Surplus/ (Deficit) in the statement of Profit and Loss.

6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

There is no unpaid/unclaimed Dividend required to be transferred to Investor Education and Protection Fund as prescribed under the provisions of Section 125 of the Companies Act, 2013.

7. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:

During the year, your Company has achieved the Total Revenue from Operation of Rs. 2426.65 Lakhs. Other income during the year is Rs.42.39 Lakh. Total expense of the company during the year is Rs. 2243.39 Lakhs. After meeting the expenses your Company has earned profit of Rs. 172.51 Lakhs. The management of the Company is putting all efforts for better performance in coming period.

8. DEPOSITS FROM PUBLIC:

Your Company has not accepted any Deposits from public as prescribed under Section 73 of the Companies Act, 2013 and rules framed thereunder.

9. CHANGE IN NATURE OF THE BUSINESS:

There is no change in the nature of business of the Company during the year under review.

10. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There is no material changes and commitment which can affect the financial position of the company occurred between the end of the financial year to which financial statements relate and the date of the report.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are:

<ul style="list-style-type: none"> the steps taken or impact on conservation of energy; 	<p>The Corporation is taking due care for using electricity in the office and its sites. The Company usually takes care for optimum utilization of energy. We are trying to minimize use of energy by</p> <p>Using good rated and energy efficient appliances in factory as well as office premises.</p>
<ul style="list-style-type: none"> the steps taken by the company for utilizing alternate sources of energy; 	
<ul style="list-style-type: none"> the capital investment on energy conservation equipments; 	

A. Technology absorption

<ul style="list-style-type: none"> the efforts made towards technology absorption; 	<p>The Company had purchased the Machinery in FY 2022-23 to enhance the Production capacity</p>
<ul style="list-style-type: none"> the benefits derived like product improvement, cost reduction, product development or import substitution; 	<p>Product Improvement, Product development due to enhanced Technology</p>
<ul style="list-style-type: none"> in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- <ul style="list-style-type: none"> (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; 	<p>NIL</p>
<ul style="list-style-type: none"> the expenditure incurred on Research and Development 	<p>NIL</p>

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

B. Foreign Exchange Earnings and outgo

Particulars	2023-24 (Amt in Lakhs.)	2022-23 (Amt in Lakhs.)
Foreign exchange earnings in terms of actual Inflows	19.22	1.76
Foreign exchange outgo in terms of actual Outflows	Nil	Nil
Purchase of Raw material and traded goods	806.52	117.44

12. REMUNERATION OF DIRECTORS AND EMPLOYEES OF THE COMPANY

No employee of the Company was in receipt of remuneration in excess of the limits specified under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, during the financial year ended March 31, 2022.

13. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any Risk Management Policy as the element of risk threatening the Company's existence is very minimal.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of Loan, Guarantee and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All contracts/transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. After conversion of Company from Private Limited to Public Limited, Board of Directors of the Company has formulated the Policy on Related Party Transactions.

The particulars of Contracts or Arrangements made with related parties made pursuant to Section 188 is furnished in Annexure I and is attached to this report.

16. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There is no a qualification, reservations or adverse remarks made by the Statutory

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Auditor in their Report.

Below Remarks made by Practicing Company Secretary in Secretarial Audit reports.

Sr. No	Qualification/Adverse Remarks	Comments of Board
1	Company is non-compliant with provisions of Reg. 3(5) and/or Reg. 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015. BSE has also conducted the virtual Inspection of SDD software maintained by company on 16th August, 2023, 9th November, 2023 and 22nd March, 2024.	As per the requirement of Reg. 3(5) and/or Reg. 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015, Company has updated its SDD Software. Company has informed the Exchange about SDD Software update. Stock Exchange will conduct further Inspection to check the Compliance of Reg. 3(5) and/or Reg. 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015
2	Company has filed Form CHG-1 for Modification of charge of HDFC Bank Limited after due date.	Form CHG-1 was filed by Bank on behalf of the Company. There is no delay by company.

17. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

Pursuant to provisions of Section 178 (1) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has framed a policy for selection, nomination, appointment and remuneration of Directors suitably containing the criteria determining qualifications, positive attributes and independence of a Director.

The said policy is available on the website of the company at https://prospectcommodities.com/docs/policies/nomination_and_remuneration_policy.pdf

18. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company comprises of Five (5) Directors. As on the date of this report, the Board of the company constitutes of the following directors:

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Sr. No.	Name of Directors/KMP	Designation	DIN	Date of Appointment/ Change in Designation
1.	Mr. Vimal Sureshbhai Mishra	Managing Director	06820041	Appointed as a Director on 06.01.2022 and change in Designation from Director to Managing Director w.e.f. 01.01.2023 in Extra ordinary General Meeting held on 05.01.2023
2.	Mrs. Priyanka Vimal Mishra	Chairman and Executive Director	09459276	Appointed as a Director on 06.01.2022 and appointed as Chairman Director w.e.f. 01.01.2023 in Extra ordinary General Meeting held on 05.01.2023
3.	Mrs. Riddhi Bharatkumar Vasita	Non-Executive Director	06876566	Appointed as Additional Director in Board Meeting held on 23.12.2022 and appointed as regular Director w.e.f. 29.09.2023 in Annual General Meeting held on 29.09.2023
4.	Mr. Nevil Prameshkumar Soni	Non-Executive Independent Director	08206415	Appointed as Independent Director w.e.f. 01.01.2023 in Extra ordinary General Meeting held on 05.01.2023
5.	Mr. Divya Shaileshbhai Shah	Non-Executive Independent Director	09842159	Appointed as Independent Director w.e.f. 01.01.2023 in Extra ordinary General Meeting held on 05.01.2023

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

6.	Mr. Vimal Sureshbhai Mishra	CFO	06820041	Appointed as CFO w.e.f. 01.01.2023 in Board Meeting held on 04.01.2023
7.	Mrs. Bhargavi Jay Pandya	Company Secretary		Appointed as Company Secretary w.e.f. 01.01.2023 in Board Meeting held on 04.01.2023

i. Retire by Rotation- Mr. Vimal Sureshbhai Mishra

Pursuant to Sections 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of the directors of the company are liable to retire by rotation, and if eligible, they can offer themselves for the re-appointment. In this Annual General Meeting Mr. Vimal Sureshbhai Mishra (DIN: 06820041), Managing Director of the Company is liable to retire by rotation and being eligible to offer himself for re-appointment.

ii. Appointment of Mr. Prakash Mishra as Non-Executive, Non Independent Director of the Company in Ensuing Annual General Meeting

The Board of Directors in its Meeting held on Saturday, 10th August, 2024 upon the recommendation of the Nomination and Remuneration Committee, approved the proposal for appointment of Mr. Prakash Mishra as Non-Executive, Non Independent Director of the Company in Annual General Meeting of the Company subject to approval of Members in compliance with Section 152 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force). The Company has in terms of Section 160(1) of the Companies Act, 2013 received a notice in writing from a Member proposing his candidature for the office of Non-Executive, Non-Independent Director of the Company.

19. CHANGE IN BOARD COMPOSITION:

Mrs. Riddhi Bharatkumar Vasita (DIN: 06876566), who was appointed as Additional Non-Executive Director of the company in Board Meeting held on 23rd December, 2023, her appointment is regularized based on recommendation Nomination and Remuneration committee in Annual General Meeting held on 29th September, 2023.

20. DETAILS OF MANAGERIAL REMUNERATION

The information relating to remuneration paid to directors as required under Section Section 197(12) of the Companies Act, 2013 Read with Rule 5 of the Companies(Appointment & Remuneration of Managerial Personnel) Rules, 2014, is given under Annexure-II.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

21. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Board meets at regular interval with gap between not exceeding 120 days. Additional meetings are held as and when necessary. During the year 2023-24, the Board of Directors met Seven times scheduled as under:

Sr. No.	Date of Board Meeting
1	26.05.2023
2.	10.08.2023
3.	01.09.2023
4.	23.09.2023
5.	03.10.2023
6.	27.10.2023
7.	15.02.2024

Attendance of Directors during the Board Meeting

Sr.No.	Name of Directors	No. of Meeting	
		No of Meeting entitled to attend	Attended
1	Vimal Sureshbhai Mishra	7	7
2	Priyanka Vimal Mishra	7	7
3.	Riddhi Bharatkumar Vasita	7	7
4.	Nevil Prameshkumar Soni	7	7
5.	Divya Shaileshbhai Shah	7	7

The company has complied with the applicable Secretarial Standard issued by the Institute of the Company Secretaries of India.

22. COMMITTEE OF BOARD:

A. AUDIT COMMITTEE:

The Board of Directors has constituted Audit Committee comprising of three directors including two Independent Director and all having financial literacy. The committee was constituted on 04.01.2023 with the following members on the committee:

Name of the Member	Nature of Directorship	Designation in Committee
Nevil Prameshkumar Soni	Independent Director	Chairman
Divya Shaileshbhai Shah	Independent Director	Member
Riddhi Bharatkumar Vasita	Non-executive Director	Member

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Meeting of Audit Committee

During the year 2023-24, the Audit committee Members met four times scheduled as under:

Sr. No.	Date of Audit committee Meeting
1	17.05.2023
2	31.07.2023
3	25.10.2023
4	05.02.2024

B. NOMINATION AND REMUNERATION COMMITTEE:

The Board of Directors has constituted Nomination and Remuneration Committee comprising of three directors including two Independent Director and one Non-executive director and all having financial literacy. The committee was constituted on 04.01.2023 with the following members on the committee:

Name of the Member	Nature of Directorship	Designation in Committee
Divya Shaileshbhai Shah	Independent Director	Chairman
Nevil Prameshkumar Soni	Independent Director	Member
Riddhi Bharatkumar Vasita	Non-executive Director	Member

Meeting of Nomination and Remuneration Committee

During the year 2023-24, the Nomination and Remuneration committee Members met one time scheduled as under:

Sr. No.	Date of Nomination and Remuneration Committee Meeting
1	31.07.2023

C. STAKEHOLDER RELATIONSHIP COMMITTEE:

The Board of Directors has constituted Stakeholder Relationship Committee comprising of three directors including two Independent Director and all directors having financial literacy. The committee was constituted on 04.01.2023 with the following members on the committee:

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Name of the Member	Nature of Directorship	Designation in Committee
Riddhi Bharatkumar Vasita	Non-executive Director	Chairman
Divya Shaileshbhai Shah	Independent Director	Member
Nevil Prameshkumar Soni	Independent Director	Member

Meeting of Stakeholder Relationship Committee

During the year 2023-24, the Nomination and Remuneration committee Members met One time scheduled as under:

Sr. No.	Date of Stakeholder Relationship Committee Meeting
1	05.02.2024

23. EVALUATION OF THE PERFORMANCE OF THE BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 read with Rules framed there under and in compliance with the requirements of SEBI (LODR) Regulations, 2015, The Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board/Committee Governance. The evaluation covered functioning and composition of the Board and its committees, understanding of the roles and responsibilities, experience, competencies, participation at the Board and Committee meetings, corporate governance practices etc. Evaluation of the Board and its compositions was carried out through a defined process covering the areas of the Boards functioning viz. composition of the Board and Committees, understanding of roles and responsibilities, experience and competencies, contribution at the meetings etc.

24. INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate internal financial controls commensurate with the nature & size of business of the Company.

25. DECLARATION OF INDEPENDENT DIRECTORS

The Company has received Declaration from all Independent Directors as required under Section 149 of the Companies Act, 2013 confirming that they meet criteria of

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Independence as per relevant provisions of Companies Act, 2013 and SEBI (LODR) Regulations.

26. DECLARATION IN RESPECT OF COMPLIANCE WITH THE CODE OF CONDUCT

The Company has received declaration from Chief Financial officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management. The said Declaration is attached as Annexure IV to this report.

27. WEBLINK OF ANNUAL RETURN

In accordance with the provisions of Section 134(3) read with Section 92(3) of the Companies Act, 2013, the Annual Return as on March 31, 2024 is available on website of the Company and can be viewed at www.prospectcommodities.com . By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's report.

28. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:—

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis;
- (e) The Directors had device and implemented adequate systems and procedures for adequate internal financial controls over financial reporting and the Board believed that the same were operative effectively for the financial year under review.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. STATUTORY AUDITORS

M/s. C.R Sharedalal & Co., Chartered Accountants (Firm Registration No.:109943W) is appointed as the Statutory Auditor of the Company in Annual General Meeting held on 29th September, 2023. They will hold position as Statutory Auditor of the company till Annual General Meeting to be held in the year 2028.

30. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mrs. Kadambari Dave, proprietor of M/s. Kadambari Dave & Associates, Company Secretary in practice (COP No. 5854) to undertake the Secretarial Audit of the Company for the year under review. The Board has duly reviewed the Secretarial Auditor's Report and the comments, appearing in the report are self-explanatory and do not call for any further explanation by the Board of Directors as provided under section 134 of the Act.

The Secretarial Audit Report is annexed herewith as "Annexure-III".

31. INTERNAL AUDITORS

In terms of Section 138 of the Companies Act, 2013 and Rules made there under, M/s. Dhruvil Shah & Co., Chartered Accountants, Ahmedabad have been appointed as an Internal Auditors of the Company. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of works includes, Review of the accuracy and reliability of the Corporation accounting records and financial reports, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths, opportunities for cost saving and recommending company for improving cost efficiencies.

32. REPORT ON CORPORATE GOVERNANCE

Our company provides utmost importance at best Governance Practices and are designated to act in the best interest of its stakeholders. Better governance practice enables the company to introduce more effective internal controls suitable to the changing nature of business operations, improve performance and also provide an opportunity to increase stakeholders understanding of the key activities and policies of the organization.

Our Company has incorporated the appropriate standards for corporate governance. Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, company is not filing Corporate Governance Report to stock exchange quarterly and not providing the Corporate Governance Report as the part of this Annual Report.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

33. MANAGEMENT AND DISCUSSION ANALYSIS REPORT:

A Separate report on Management Discussion and Analysis Report as required under clause 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been presented in a separate section forming part of this Annual Report.

34. VIGIL MECHANISM /WHISTLE BLOWER POLICY:

As per the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Regulation 22 of Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has a Whistle Blower Policy with a view to provide vigil mechanism to Directors, employees and other stakeholders to disclose instances of wrong doing in the workplace and report instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Whistle Blower Policy also states that this mechanism should also provide for adequate safeguards against victimization of Director(s)/ Employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The Policy is available on the Company's website at link https://prospectcommodities.com/docs/policies/whistle_blower_policy.pdf

35. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Pursuant to the provisions of Section 21 of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition, Redressal) Act, 2013, the Company formulated a Policy on Prevention of Sexual Harassment at Workplace. All employees (permanent, contractual, temporary, trainees, etc) are covered under this policy. An Internal Complaints Committee (ICC) is constituted which is responsible for redressal of complaints related to sexual harassment at the workplace.

Following are the members of the committee:

Name	Role
Rashmikaben Maheshbhai Bhoi	Presiding officer
Punamben Ravibhai Patel	Member
Ronak Rajeshkumar Khambhati	Member
Swatiben Ketankumar Patel	External Member

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules thereunder, the Internal Complaints Committee of the Company has not received any complaint of Sexual Harassment during the year under review and no complaint was pending as of

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

31st March, 2023.

No. of Complaints received: NIL

No. of Complaints disposed of: NIL

Company has formulated the policy for prevention of sexual Harassment as work place. Said policy is available on the website of company at link https://prospectcommodities.com/docs/policies/prevention_of_sexual_harassment.pdf

36. BUSINESS RESPONSIBILITY REPORT:

As stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective is not applicable to your company being SME listed company, as per the exemptions provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

37. POLICY ON CODE OF CONDUCT AND ETHICS:

Being a SME listed Company exemption has been provided to the Company from formulating of Code of Conduct for Board of Directors and Senior Management Personnel. However, Board of Directors has formulated and adopted Code of Business Conduct Ethics for Director & Senior Management Executive policy. As an organization your Company places a great importance in the way business is conducted and the way each employee performs his/her duties. Your Company encourages transparency in all its operations, responsibility for delivery of results, accountability for the outcomes of our actions, participation in ethical business practices and being responsive to the needs of our people and society. Towards this end, your Company has laid down a Code of conduct applicable to all the employees of your Company.

The detailed Code of Business Conduct Ethics for Director & Senior Management Executive policy available on website https://prospectcommodities.com/docs/policies/code_of_conduct.pdf

38. DISCLOSURE WITH RESPECT TO MAINTENANCE OF COST RECORDS:

Your Company doesn't fall within the scope of Section 148(1) of the Companies Act, 2013 and hence does not require to maintain cost records as specified by the Central Government.

39. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES.

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

40. LISTING FEES:

The Company affirms that the annual listing fees for the year 2024-25 to the BSE Limited (BSE SME) has been duly paid.

41. REPORTING OF FRAUDS:

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to the Audit Committee under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in boards report.

42. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company' future operations.

43. COMPLIANCE OF SECRETARIAL STANDARDS:

The Company hereby affirms that during the year under review the Company has complied with all the applicable mandatory secretarial standards (including any modifications or amendments thereto) issued by the Institute of Company Secretaries of India. The Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India on Board and General Meetings.

44. PREVENTION OF INSIDER TRADING

The Board has Insider Trading Policy for regulating, monitoring and reporting of Trading of Shares by Insiders. The Code lays down guidelines, procedures to be followed and disclosures to be made while dealing with shares of the Company. The copy of the same is available on the website of the Company at https://prospectcommodities.com/docs/policies/code_of%20internal_procedure_conduct_for_prevention_of_insider_trading.pdf

45. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Ventures and Associate Companies.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

46. DEPOSITS AND DISCLOSURE OF MONEY RECEIVED FROM DIRECTORS AND THEIR RELATIVES:

The Company has not invited deposit to public during the year under review.

Disclosure of money received during the year under review from Directors and their relatives Pursuant to Rule 2 (vii) of The Companies (Acceptance of Deposits) Rules, 2014

(Rs. In Lakhs)

	Loans from Directors and their Relatives
Amount Outstanding at the beginning of the financial year	30.85
Change during the financial year	
* Addition	-
* Reduction	28.51
Net Change	28.51
Total amount at the end of the financial year	2.34

47. SHARE CAPITAL

a. Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees

The Company has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees as per Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

b. Issue of Sweat Equity Shares

The Company has not issued any sweat equity share during the financial year in accordance with the provisions of Section 54 of Companies Act, 2013 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

c. Issue of Equity Shares With Differential Rights

The Company has not issued any equity shares with differential voting rights during the financial year as per Rule 4(4) of Companies (Share Capital and Debentures) Rules, 2014.

d. Issue of Employee Stock Options

The Company has not issued any employee stock option during the financial year as per Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014.

48. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on Behalf of Board of Directors

Sd/-

Sd/-

Date: 10/08/2024
Place: Ahmedabad

Vimal Sureshbhai Mishra
Managing Director
(DIN: [06820041](#))

Priyanka Vimal Mishra
Director
(DIN: [09459276](#))

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

ANNEXURE I

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

NIL

2. Details of contracts or arrangements or transactions at arm's length basis: **NIL**

(Rs. In Lakh)

Sl. No.	Name of the related party and nature of relationship (a)	Nature of contracts / arrangements / transactions (b)	Duration of contracts / arrangements / transactions (c)	Justification for entering into such contracts / arrangements / transactions (e)	Date(s) of approval by the Board (f)	Amount paid /Received
-	-	-	-	-	-	-

For and on Behalf of Board of Directors

Sd/-

Sd/-

Date: 10/08/2024
Place: Ahmedabad

Vimal Sureshbhai Mishra
Managing Director
(DIN: [06820041](#))

Priyanka Vimal Mishra
Director
(DIN: [09459276](#))

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

ANNEXURE II

Particulars Pursuant to Section 197(12) of the Companies Act, 2013 Read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014:

A. Ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the Financial Year 2022-23 is as follows:

Name of Director	Designation	Total Remuneration F.Y 2023-24	Ratio of remuneration of each director to median remuneration of employees
Vimal Sureshbhai Mishra	Managing Director	12,00,000	4.54
Priyanka Vimal Mishra	Executive Director and Chairman	12,00,000	4.54
Riddhi Bharatkumar Vasita	Non-Executive Director	-	-
Nevil Prameshkumar Soni	Non-Executive Independent Director	-	-
Divya Shaileshbhai Shah	Non-Executive Independent Director	-	-

Notes:

1. Independent Directors receiving only sitting fees for attending the board meeting. The sitting fees paid to Independent Directors is not covered in the above table.

2. Median remuneration of the Company for all its employees is Rs. 2,64,000/- per annum for the financial year 2023-24.

3. The aforesaid details are calculated on the basis of remuneration for the financial year 2023-24.

B. Details of percentage increase in the remuneration of each Director, Chief Executive Officer, Chief Financial Officer & Company Secretary in the financial year 2023-24 is as follows:

Name	Designation	Remuneration (in Rs.)		Increase (%)	Decrease (%)
		2023-24	2022-23		

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Vimal Sureshbhai Mishra	Managing Director and CFO	12,00,000	7,20,000	66.67	NA
Priyanka Vimal Mishra	Executive Director and Chairman	12,00,000	7,20,000	66.67	NA
Riddhi Bharatkumar Vasita	Non-Executive & Non-Independent Director	-	NA	NA	NA
Nevil Prameshkumar Soni	Non-Executive & Independent Director	-	NA	NA	NA
Divya Shaileshbhai Shah	Non-Executive & Independent Director	-	NA	NA	NA
Bhargavi Jay Pandya	Company Secretary	3,00,000	45000 (from January 2023 to March 2023)	66.67	NA

C. Percentage increase in the median remuneration of all employees in the Financial Year 2022-23: 22.22%

D. Number of permanent employees on the rolls of the Company as on 31st March, 2023: 9

E. Comparison of average percentage increase in salary of employees other than the Managerial personnel and the percentage increase in the managerial remuneration:

Remuneration to Directors is provided in point B of Annexure-II. While Average salary of all employees other than Managerial Personnel is increase by 33.37 % in FY 2023-24 compared to FY 2022-23.

F. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on Behalf of Board of Directors

Sd/-

Sd/-

Date: 10/08/2024
Place: Ahmedabad

Vimal Sureshbhai Mishra
Managing Director
(DIN: [06820041](#))

Priyanka Vimal Mishra
Director
(DIN: [09459276](#))

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024

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

To,
The Members
PROSPECT COMMODITIES LIMITED
CIN: L01400GJ2022PLC128482
417, Sun Orbit,B/h. Rajpath Club Road,
Bodakdev, Ahmedabad - 380054,
Gujarat, India.

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company as per Annexure A for the Financial Year ended on 31st March, 2024 according to the provisions of:

- a. The Companies Act, 2013 (the Act) and the rules made thereunder;
- b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- c. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- d. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- e. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

- i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- iv. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the period)
- v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;(Not applicable to the Company during the period)
 - vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;(Not applicable to the Company during the period)
 - viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;(Not applicable to the Company during the period)
 - ix. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015;
 - x. The Food Safety and Standards Act, 2006 (“FSS Act”)

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

- i. Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS- 2) issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with the BSE Ltd read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the point mentioned in Notes.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Note: We report that below non-compliance was observed during the financial year 2023-24

1. BSE through its email dated 8th July, 2023 inform the company that, the Company is non-compliant with provisions of Reg. 3(5) and/or Reg. 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015. Hence, as per Exchange Circular No. 20230125-33 dated January 25, 2023, Exchange has displayed the company is non-compliant with SDD and also mentioned the name of Compliance Officer under the "Get Quote" page of the Exchange Website of the Listed Entity. The said shall remain to be displayed on the Exchange Website till the Exchanges have satisfactorily verified that the company has completely complied.

BSE has also conducted the virtual Inspection of SDD software maintained by company on 16th August, 2023, 9th November, 2023 and 22nd March, 2024.

After Virtual inspection held on 22nd March, 2024, below observation was made by BSE official

1. Company is SME and FR for March 2024 is yet to be approved by BOD. Post last inspection by Exchange, company has completed recording UPSI for Preferential issue. However, it is observed and confirmed by compliance officer during inspection that entries related to Preferential issue were made prior to changes made software as observed in earlier inspection. Further, there is no other UPSI event which got completed after changes made in software post earlier inspection.
2. In view of the same, observation provided in earlier inspection remains: "Currently there is no facility to capture Date and time of sharing of UPSI in the system and hence Company is not capturing the same".
3. In view of the details mentioned above, Exchange is unable to verify that DP can make UPSI entry at any time post sharing of UPSI.

The company is advised to comply fully with the requirements of Reg. 3(5) & 3(6) of SEBI(Prohibition of Insider Trading) Regulations, 2015.

2. Company has filed Form CHG-1 for Modification of charge of HDFC Bank Limited after due date.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision of Board and committee meeting were carried with requisite majority.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

I further report that based on the information provided and the representation made by the Company and also on the review of the compliance certificates, in our opinion, there are adequate systems and processes in the Company, commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the Audit Period, the Company has not undertaken any specific event / action that can have a bearing on the Company's compliance responsibility in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc. and during the year:

The Authorized Capital of the Company increased from ₹ 4,10,00,000/- (Rupees Four Crore Ten Lakh only) divided into 41,00,000 (Forty-One Lakh) Equity Shares of ₹ 10/- each to ₹ 6,50,00,000 (Rupees Six Crore Fifty Lakh only) divided into 65,00,000 (Sixty-Five Lakh) Equity Shares of ₹ 10/- each.

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Date:
Place: Ahmedabad

For, Kadambari Dave & Associates
Company Secretaries

Sd/-

Kadambari Dave
Proprietor
M. No.: F7545
C P No.: 5854
Peer Review No.: 1646/2022
UDIN: F007545F000947429

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

ANNEXURE - A

To,

The Members

PROSPECT COMMODITIES LIMITED

417, Sun Orbit, B/h. Rajpath Club Road,

Bodakdev, Ahmedabad - 380054,

Gujarat, India.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
4. Considering the effectiveness of information technology tools in the audit processes, we have conducted only online verification and examination of records, as facilitated by the Company, for the purpose of issuing this Report. In doing so, we have followed the guidance as issued by the Institute.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

8. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: 10/08/2024

Place: Ahmedabad

For, Kadambari Dave & Associates

Company Secretaries

Sd/-

Kadambari Dave

Proprietor

M. No.: F7545

C P No.: 5854

Peer Review No.: 1646/2022

UDIN: F007545F000947429

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

ANNEXURE IV

DECLARATION IN RESPECT OF COMPLIANCE WITH THE CODE OF CONDUCT

It is hereby declared that all Board Members, Key Managerial Personnel and Senior Management Personnel of the company have affirmed Compliance with the Code of Conduct of the Company, for the financial year ended March 31, 2024.

FOR, PROSPECT COMMODITIES LIMITED

Sd/-

Vimal Sureshbhai Mishra
Managing Director and CFO
(DIN: 06820041)

Date: 10/08/2024
Place: Ahmedabad

Management Discussion and Analysis Report

Pursuant to Schedule V of the Listing Regulations, the Management Discussion and Analysis Report is given below:

1. Industry Structure and Developments

Global Economic Outlook:

The global economic outlook for the coming years indicates steady but modest growth, accompanied by a gradual easing of inflationary pressures. Despite earlier predictions of a global recession, the world has navigated through pandemic-related disruptions, geopolitical conflicts, and a significant inflation surge without major economic crises.

According to the International Monetary Fund (IMF), the world economy is projected to maintain a consistent growth rate of 3.2% in both 2024 and 2025, with most indicators pointing towards a soft landing scenario. This overall stability, however, masks divergent trends between advanced economies and emerging markets. Advanced economies are expected to see a slight acceleration in growth, moving from 1.6% in 2023 to 1.7% in 2024 and 1.8% in 2025.

In contrast, emerging market and developing economies are anticipated to experience a modest slowdown, decelerating from 4.3% in 2023 to 4.2% in both 2024 and 2025. On the inflation front, a steady decline is forecasted globally, with rates expected to fall from 6.8% in 2023 to 5.9% in 2024 and further to 4.5% in 2025.

Financial markets have responded positively to the prospect of central banks adopting tighter monetary policies, resulting in improved conditions and increased capital flows to many emerging markets. The economic recovery has been marked by strong employment growth in numerous regions, reflecting both resilient demand and favorable supply-side factors, including the fading of earlier energy price shocks and improvements in labor supply.

While inflation trends are generally encouraging, there are areas of concern, particularly in the services sector where inflation remains stubbornly high. Additionally, there is notable divergence in economic performance across countries, with some major economies facing fiscal sustainability issues.

The pace of economic convergence for middle and lower-income countries has slowed, raising concerns about persistent global economic disparities. Potential upside risks include the possibility of faster-than-expected inflation declines or productivity boosts from technological advancements like artificial intelligence.

Forward-Looking Considerations:

Policymakers face the complex task of fine-tuning monetary policy to ensure a smooth landing for inflation while simultaneously addressing medium-term fiscal consolidation. The implementation of supply-enhancing reforms and the promotion of multilateral cooperation will be vital in tackling global challenges, mitigating the risks of economic fragmentation, and fostering sustainable, inclusive growth. This multifaceted approach

PROSPECT COMMODITIES LIMITED

ANNUAL REPORT 2023-24

underscores the intricate balance required to navigate the current economic landscape and work towards a more equitable global economy.

Indian Economic Outlook:

India's economy is demonstrating strong growth and resilience in 2024, as highlighted by recent United Nations projections. The UN has significantly revised its growth forecast for India upwards, now predicting an economic expansion of 6.9% in 2024, up from the earlier estimate of 6.2%. This substantial increase underscores India's impressive economic performance and positive outlook.

The growth momentum is expected to continue into 2025, with a projected growth rate of 6.6%. These figures position India as one of the fastest-growing major economies globally, underscoring its economic strength and potential amidst various global economic challenges.

India's economic performance stands out when compared to other large developing economies. Alongside countries like Indonesia and Mexico, India is benefiting from strong domestic and external demand. This favorable position contrasts with many economies in Africa and Latin America, which are grappling with high inflation, elevated borrowing costs, and political instability.

The primary drivers of economic expansion include strong public investment and resilient private consumption. The government's commitment to increasing capital investment while gradually reducing the fiscal deficit exemplifies a balanced approach to economic management. This strategy is yielding positive results, as evidenced by improved labor market indicators and higher labor force participation. Despite subdued global demand affecting overall merchandise exports, domestic factors remain robust.

Overall, India's economic outlook for 2024 and 2025 is positive, with steady growth projected and key economic indicators showing improvement. The country's ability to maintain this growth trajectory will depend on sustained strong domestic demand, effective navigation of global economic challenges, and a continued focus on key growth drivers such as public investment and private consumption.

Global Cashew Market Overview

The global cashew market is experiencing vigorous growth, driven by increasing health consciousness and a shift towards nutritious food options. As of 2024, the market size is estimated at USD 7.82 billion, with projections indicating a climb to USD 9.20 billion by 2029. This represents a steady Compound Annual Growth Rate (CAGR) of 3.31% during the forecast period of 2024-2029.

Cashews, known for their rich nutritional profile, have gained popularity among health-conscious consumers worldwide. These nuts are packed with healthy carbohydrates, protein, and beneficial fats, as well as essential vitamins and minerals such as vitamin B, vitamin K, copper, iron, magnesium, manganese, phosphorus, and zinc. This nutritional density has positioned cashews as a favored choice for those seeking healthier dietary options.

Key Market Drivers and Trends

PROSPECT COMMODITIES LIMITED **ANNUAL REPORT 2023-24**

- The global trend towards vegan and plant-based diets has significantly boosted demand. In 2022, the United States alone saw its vegan population rise to approximately 19.6 million, accounting for 6% of the population. This shift has led to increased consumption of nuts and nut-infused foods, with cashews being a prime beneficiary.
- Another prominent trend is the rising consumption of cashews as a healthy snack. According to the International Nut and Dried Fruits Council, global per capita consumption of cashews increased from 0.48 kg/year in 2019 to 0.54 kg/year by 2021. This growth is partly attributed to the various health benefits associated with cashew consumption, including potential improvements in blood sugar levels, heart health, and cholesterol management.
- The versatility of cashews has also contributed to their market expansion. Beyond snacking, cashews are increasingly used as key ingredients in various sweet and savory dishes, particularly in Asian cuisine. They've also found their way into popular products like mueslis, energy bars, cookies, chocolates, and ice creams, further driving market growth.

Production and Consumption Landscape

In terms of production, global output of cashew nuts (in shell) reached 3,852,868.11 metric tons in 2022, with Côte d'Ivoire leading at 970,000 metric tons, followed by India (752,000 metric tons), Vietnam (341,680.33 metric tons), and Tanzania (216,906.63 metric tons).

On the consumption side, the United States stands as the largest consumer of cashew nuts, followed by Germany, the Netherlands, China, the United Arab Emirates, and the United Kingdom. The U.S. market is primarily supplied by imports, with Vietnam being the dominant exporter, accounting for 88.7% of U.S. cashew imports in 2022.

Asia-Pacific Dominates the Market

Cashew Market: Growth Rate in %, Region, 2024-2029



Source: Mordor Intelligence



- The Asia-Pacific region plays a pivotal role in the global cashew market, dominating both production and consumption. Countries like Vietnam, India, Sri Lanka, Indonesia, and the Philippines are major producers, with over 80% of cashew cultivation carried out by smallholding farms ranging from 0.5 to 5 hectares.

PROSPECT COMMODITIES LIMITED **ANNUAL REPORT 2023-24**

- India and Vietnam stand out as the region's cashew powerhouses. In 2022, India produced 752,000 metric tons of cashews, while Vietnam's output reached 341,680.33 metric tons. Despite being major producers, these countries are also significant importers due to high domestic demand. India, for instance, saw its estimated per capita consumption rise from 0.19 kg in 2019 to 0.22 kg in 2021.
- The region is also at the forefront of cashew processing and trade. Vietnam, while leading in production, is also a major exporter to international markets. Meanwhile, countries like China have seen increased cashew consumption due to national health policies promoting nut consumption and innovative marketing strategies by local manufacturers.

Overall, the cashew market presents a dynamic landscape with strong growth potential. As health consciousness continues to rise globally and the food industry innovates with cashew-based products, the market is poised for continued expansion, with Asia-Pacific remaining at its core.

India's Cashew Market Overview

India Cashew Market
Market Size in USD Billion
CAGR 3.80%



Source : Mordor Intelligence

Study Period	2019 - 2029
Base Year For Estimation	2023
Forecast Data Period	2024 - 2029
Market Size (2024)	USD 2.40 Billion
Market Size (2029)	USD 2.9 Billion
CAGR (2024 - 2029)	3.80 %

India's cashew market holds a significant position in the global cashew industry. The country is one of the world's largest producers and exporters of cashew nuts. India's unique climate and geographical conditions make it ideal for cashew cultivation, with the crop being grown across several states, primarily along the coastal regions.

Cashew cultivation in India spans approximately 0.7 million hectares, yielding an annual production of around 0.8 million tons. The industry contributes significantly to India's foreign exchange earnings and provides employment to millions in both the agricultural and processing sectors. The cashew market's economic importance extends beyond direct production, influencing various related industries and supporting rural livelihoods.

There's a growing demand for flavored and value-added cashew products, reflecting

PROSPECT COMMODITIES LIMITED

ANNUAL REPORT 2023-24

changing consumer preferences and increased health consciousness. The market now offers a variety of cashew-based products, including roasted, salted, and flavored nuts, as well as cashew powder, butter, and beverages.

India Processed Cashew Market Size

The Indian processed cashew market is expected to grow at a CAGR of 9.33% during the forecast period (2020-2025).

Key Market Trends

- Consumption patterns have shifted recently, with flavored assorted cashew products gaining increased market share in the retail space.
- Growing health consciousness has led consumers to prefer healthier snacking options, driving demand for flavored cashews.
- However, market growth may be constrained by local preferences for alternative, more affordable snack options.

Government Initiatives and Support

- In collaboration with the Cashew Export Promotion Council, it provides non-financial assistance such as organizing trade delegations, facilitating buyer-seller meets, and sharing research and development data to boost exports.
- The government has reduced the Basic Customs Duty on raw cashew nuts from 5% to 2.5% and lowered the Goods and Services Tax (GST) from 12% to 5%. Import policies for cashew kernels have been revised, and standard input-output norms for cashew exports have been modified to facilitate efficient sourcing of raw materials.
- To modernize the industry, the government approved a Medium-Term Framework scheme with a financial outlay of Rs. 60 crore (US\$ 8 million) for process mechanization and automation of cashew processing units. To ensure a steady supply of raw materials, duty-free import of raw cashew nuts from least developed countries has been allowed under the Duty-Free Tariff Preference (DFTP) Scheme.
- The government has also extended financial assistance to the Cashew Export Promotion Council of India (CEPCI) for organizing buyer-seller meets and participating in international fairs. This support comes under the Market Access Initiative (MAI) scheme, which aims to help the industry tap into new markets.

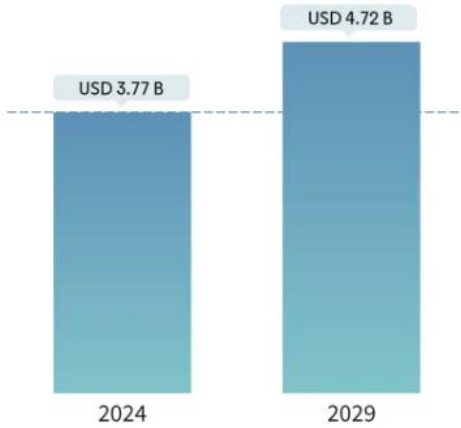
These comprehensive initiatives demonstrate the government's commitment to addressing challenges in the cashew industry, enhancing its competitiveness, and promoting growth in both domestic and international markets.

Cashew Kernel Market Analysis

Cashew Kernel Market

Market Size in USD Billion

CAGR 4.56%



Source : Mordor Intelligence



Study Period	2019 - 2029
Market Size (2024)	USD 3.77 Billion
Market Size (2029)	USD 4.72 Billion
CAGR (2024 - 2029)	4.56 %
Fastest Growing Market	Europe
Largest Market	Asia-Pacific

Cashew Kernel Market : Growth Rate By Region (2023-28)



Source: Mordor Intelligence



The Cashew Kernel Market is projected to grow from USD 3.77 billion in 2024 to USD 4.72 billion by 2029, reflecting a compound annual growth rate (CAGR) of 4.56% during the forecast period (2024-2029).

The cashew kernel market has seen a significant shift in consumption patterns, particularly in North America and Asia-Pacific, driven by the increased market share of assorted cashew products.

Asia-Pacific remains the largest consumer, with growing demand for cashew kernels in daily diets and healthy ready-to-eat snacks. Additionally, the rise in processing units in African countries for raw cashew nuts is expected to further drive market demand in the coming years.

Company Overview:

Prospect Commodities Limited, established in 2022, has rapidly positioned itself as a significant player in the highly competitive cashew processing and supply industry. Based in the commercially vibrant state of Gujarat,

PROSPECT COMMODITIES LIMITED

ANNUAL REPORT 2023-24

India, the company has carved out a niche for itself by focusing on the processing, export, and supply of premium cashew kernels and associated products. Their operations cater to both domestic and international B2B markets under their proprietary brand, DRIFRUTZ.

At the heart of Prospect Commodities' operations is a diverse product range centered around cashews. The company's primary offering includes an array of cashew kernels, catering to various market segments and customer preferences. The company has strategically expanded its product line to include valuable by-products such as cashew husk, cashew husk pellets, and cashew shells. This comprehensive utilization of the cashew nut not only maximizes resource efficiency but also opens up additional revenue streams and markets for the company.

Snapshot:

15+ Years of Experience

15+ Products Available

1,200 MT Current Capacity

International Quality Standards

Delivers excellence Nationwide

Launching New Products

Technological Edge:

The company boasts a state-of-the-art processing facility that leverages cutting-edge technology throughout the production process. This technological integration serves multiple purposes:

1. It ensures consistent product quality, meeting and often exceeding stringent customer requirements.
2. It enhances production efficiency, allowing the company to optimize its operational costs.
3. It provides the flexibility to adapt to changing market demands and product specifications.

Vision and Market Strategy:

The company's vision extends beyond its current market position. Prospect Commodities aims to establish itself as an industry leader, with a two-pronged market approach:

1. Deepening its penetration in the retail sector, possibly through the introduction of consumer-packaged products or partnerships with retail chains.
2. Maintaining and strengthening its presence in the B2B market, which currently forms the core of its business.

This dual focus suggests a forward-thinking approach, aiming to capture value across the entire cashew supply chain.

Supply Chain Management:

The company has established its robust and diversified global supply chain, including various African countries, South Asian nations, and domestic Indian sources.

This strategic sourcing approach offers several advantages:

1. It ensures a steady supply of high-quality raw cashew nuts, the primary input for the company's operations.
2. It helps mitigate risks associated with geopolitical issues, climate-related crop failures, or other disruptions in any single sourcing region.
3. It allows the company to optimize costs by leveraging price differentials across different markets.

Overall, With its focus on quality, technological innovation, strategic sourcing, and market expansion, the company appears well-positioned for future growth in the dynamic and evolving cashew market.

Growth Drivers:

1) Product Diversification:

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

- Expanded product range to include flavored cashews (Almond, Pista, and assorted flavors)
 - Catering to evolving consumer preferences in both traditional and emerging snack markets
- 2) Market Expansion:**
- Strategic focus on both B2B and B2C segments
 - Penetration into retail sector to maximize market presence and revenue streams
- 3) Operational Efficiency:**
- Implementation of new hi-tech machinery in production facilities
 - Set to double processing capacity while maintaining current operational expenditure
- 4) Strategic Partnerships:**
- Joint venture with Africa Negoce Industries
 - Resulted in over 20% cost reduction through direct procurement from manufacturers
- 5) Retail Collaborations:**
- Partnerships with major e-commerce platforms including Amazon, JioMart, and ONDC
 - Secured premium shelf space, enhancing brand visibility and market presence
- 6) Supply Chain Optimization:**
- Weekly shipments to reduce inventory and improve capital management
 - Multiple supplier alliances to ensure steady supply and adapt to market fluctuations
- 7) Capacity Expansion:**
- Ongoing facility expansion to increase production capabilities
 - Expected to support a 50% CAGR for revenue with sustainable 10-15% EBITDA margin
- 8) Quality Assurance:**
- State-of-the-art manufacturing facility ensuring end-to-end quality control
 - Commitment to meeting stringent customer requirements
- 9) Government Support:**
- Favorable policies acknowledging the importance of the cashew industry
 - Initiatives supporting efficient sourcing of raw cashew nuts
- 10) Market Trends:**
- Capitalizing on the shift in consumption patterns towards flavored and assorted cashew products
 - Increasing share of flavored cashews in the retail market space

These growth drivers collectively position Prospect Commodities Limited for sustained expansion and market leadership in the cashew processing and supply industry.

2. Opportunities & Threats

Global economic and political factors that are beyond control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending.

Company derive 100% of its revenue from operations in India and, consequently, performance and the quality and growth of business are dependent on the health of the economy of India. However, the Indian economy may be adversely affected by factors such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities or interest rates changes, which may also affect the microfinance industry. Any such factor may contribute to a decrease in economic growth in India which could adversely impact business and financial performance.

3. Segment wise performance

The Company is primarily engaged in the business of trading of cashew in to B2B Market. Business of Company come under Single Segment reporting.

4. Outlook & Risk and Concern

The Management has to regularly monitor the changing market conditions and the trends. Further, any slowdown of the economic growth or volatility in the financial market could also adversely affect the Company's performance.

5. Internal control systems and their adequacy

The Company maintains an adequate system of Internal Controls including suitable monitoring procedures to ensure accurate and timely financial reporting of various transactions, efficiency of operations and compliance with statutory laws, regulations and Company policies. Suitable delegation of powers and guidelines for accounting have been issued for uniform compliance. The Audit Committee periodically reviews the significant findings of different Audits, as prescribed in the Companies Act, 2013 and in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

6. Financial and Operational Performance

Financial Highlights (H2 FY24):

- Total Revenue: ₹12.54 crore (62.55% YoY growth)
- EBITDA: ₹1.76 crore (14.07% margin, 37.90% YoY growth)
- PAT: ₹1.03 crore (8.20% margin, 95.72% YoY growth)
- EPS: ₹2.51

Financial Highlights (FY24):

- Total Revenue: ₹24.69 crore (55% YoY growth)
- EBITDA: ₹3.02 crore (12.21% margin, 40% YoY growth)
- PAT: ₹1.73 crore (6.99% margin, 85% YoY growth)
- EPS: ₹4.22

7. Material developments in Human Resources / Industrial Relations front including number of people employed

The Company gives utmost importance to the capacity-building and well-being of its employees. The Industrial Relations in the Company continued to be on a cordial note. There are regular interactions between the management and Employees. The Company has an atmosphere of trust and cooperation, which results in a motivated work force and consistent growth in the performance. The total employee strength as on March 31, 2023 was Eight.

8. Significant changes in Key Financial Ratios

Detail of Significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanation therefore as under:

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Particulars	Numerator	Denominator	2023-24(%)	2022-23(%)	Change in Ratio (%)	Explanation if deviation is more than 25%
Current Ratio	Current assets	Current liabilities	4.12	7.11	-42.02%	Due to increase in short term borrowing so this ratio has been reduced.
Debt-Equity Ratio	Total debt	Equity	0.22	0.11	95.38%	Due to increase in short term borrowing so this ratio has been increased
Debt Service Coverage Ratio	Profit before Interest & Tax	Interest on Borrowings and current installment	6.62	6.06	9.33%	NA
Interest coverage ratio	Profit before Interest & Tax	Interest		13.74	-100.00%	
Return on Equity Ratio	Net profit - Preferred Dividend	Shareholder equity	14%	5.02%	172.37%	Company operation and efficiency has been increased because of which sales and profit has been increased.
Inventory turnover ratio	Sales	Average Inventory	6.66	7.26	-8.23%	NA
Trade Receivables turnover ratio	Net Sales	Average Accounts Receivables	4.23	2.08	103.65%	Due to increase in sales in current year as compared to change in average trade receivable.
Trade payables turnover ratio	Net Purchase	Average trade payable	18.22	15.82	15.16%	NA
Net capital turnover ratio	Net sales	Working Capital	1.97	1.19	66.30%	Due to increase in sales in current year as compared to working capital
Net profit ratio	Net Profit	Net Sales	7%	4%	62.21%	Due to increase in income so this ratio has been increased .
Return on Capital employed	Earning before Interest and Taxes	Capital employed	21%	13.46%	52.30%	Company operation and efficiency has been increased because of which sales and profit has been increased.
Return on investment	Income from Investment	Average Cost of Investment	1%	-	NA	NA

9. Cautionary Statement

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry- global or domestic or both, significant changes in political and economic environment in India, applicable statues, litigations etc.

INDEPENDENT AUDITOR'S REPORT

To the Members of Prospect Commodities Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Prospect Commodities Limited** (“the Company”), which comprise the Balance Sheet as at 31st March 2024, the statement of Profit and Loss, the statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, its profits and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

In our opinion and based on the audit of the financial statements of the Company, we have determined that there are no key audit matters to communicate in our report.

Information Other than the Standalone Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Board’s Report including Annexures to the Board’s Report, but does not include the standalone financial statements and our auditor’s report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accountings records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Board of directors and management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the “Annexure A” a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules.
 - e. On the basis of written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
 - g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations to report on its financial position in its financial statements as reported by management.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

- v. The company has not declared or paid any dividend during the year hence provisions of section 123 of the Companies Act, 2013 are not applicable.

- vi. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the limit prescribed by section 197 for maximum permissible managerial remuneration has been complied with.

- vii. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For. C.R. SHAREDALAL & CO.
CHARTERED ACCOUNTANTS,
(Registration No.109943W)

PLACE: MUMBAI
DATE : 23rd May, 2024

Anuj J. Sharedalal

Annexure 'A' to Independent Auditors' Report

[Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date]

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment and intangible assets.
- (b) As explained to us, physical verification of property, plant and equipment was conducted by the management during the year. In our opinion, frequency of physical verification is reasonable. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of relevant documents, the title deeds of immovable property are held in the name of the company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year and there are no discrepancies of 10% or more. In our opinion the frequency of such verification is reasonable. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (b) During any point of time in the year, the company has not been sanctioned working capital limit in excess of 5 crore rupees from bank or financial institutions.
- (iii) (a) In terms of Information and explanation sought by us, and given by the company and books of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, during the financial year, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or any other parties. Accordingly, para 3(iii)(a) of the Order is not applicable to the company.
- (b) In our opinion and according to the information and explanation given to us, during the course of audit, company has not made any investments, guarantees provided, security given to any other entity in relation to loans and advances. Accordingly, para 3(iii)(b) of the Order is not applicable to the company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the provisions of Sections 185 and 186 of the Companies Act, 2013 are not applicable to the company.
- (v) The Company has not accepted any deposits or any amount which are deemed to be deposits from the public to which the directives issued by the Reserve bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 apply. Accordingly, para 3(v) of the Order is not applicable to the company.
- (vi) According to the information and explanation given to us the maintenance of cost records has not been prescribed under sub-section (1) of Section 148 of the Companies Act, 2013.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Value Added Tax, Wealth Tax, Custom duty, Excise duty, Service Tax, Cess, Goods and Service Tax and any other statutory dues whichever is applicable during the year with the appropriate authorities and no undisputed dues payable in respect of outstanding statutory dues were in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no amounts in respect of sales tax/ income tax/ custom duty / excise duty/ service tax/ Goods and Service Tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, there are no unrecorded transactions in the books of accounts that have been surrendered or disclosed as income during the year in tax assessment under the Income Tax Act, 1961.
- (ix) (a) As informed to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender, hence clause 3(ix)(a) is not applicable to the company.
- (b) As informed to us, the company has not declared willful defaulter by any bank or financial institution or other lender, hence clause 3(ix)(b) is not applicable to the company.
- (c) According to the information and explanation given to us, the company has applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us, the company has not utilized funds raised on short term basis for long term purposes, hence clause 3(ix)(d) is not applicable to the company.
- (e) According to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, hence clause 3(ix)(e) is not applicable to the company.
- (f) According to the information and explanations given to us, the company has not raised any loan during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies, hence clause 3(ix)(f) is not applicable to the company.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

- (x) (a) During the year, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments); hence the clause 3(x) (a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the provisions of Clause 3(x)(b) of the Order are not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us we have neither come across any instance of fraud by the Company or on the Company by its officer or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) We have not issued any report under section 143(12) of the Companies Act, hence the provisions of Clause 3(xi)(b) of the Order are not applicable to the Company.
- (c) As informed to us, the company has not received any whistle-blower complaints during the year, hence the provisions of Clause 3(xi)(c) of the Order are not applicable to the Company.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it; hence the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) In our opinion and based on our examination, the Company has an adequate internal audit system commensurate with its size and nature of the business activities.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.
- (xvii) In our opinion and based on our examination, the Company has not incurred any cash losses during the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of statutory auditor during the year, accordingly clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The provisions of section 135 for corporate social responsibility are not applicable. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the order is not applicable to the company.
- (xxi) As informed to us, company is not required to prepare consolidated financial statements during the year, hence provisions of clause 3(xxi) of the order is not applicable to the company.

For. C.R. SHAREDALAL & CO.
CHARTERED ACCOUNTANTS,
(Registration No.109943W)

PLACE: Mumbai
DATE : 23rd May 2024

Anuj J. Sharedalal
(Partner)
Membership No.138022
UDIN: 24138022BKCJEG8809

Annexure 'B' to Independent Auditors' Report

[Referred to in Paragraph 2(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Prospect Commodities Limited** ("the Company") as of 31st March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For. C.R. SHAREDALAL & CO.
CHARTERED ACCOUNTANTS,
(Registration No.109943W)

PLACE: MUMBAI
DATE : 23rd May, 2024

Anuj J. Sharedalal
(Partner)
Membership No.138022
UDIN: 24138022BKCJEG8809

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

PROSPECT COMMODITIES LIMITED

CIN:U01400GJ2022PLC128482

Balance sheet as at 31st March 2024

(Currency : Indian Rupees in Lakhs)

Particulars	Note No.	As at 31-03-2024	As at 31-03- 2023
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	409.05	409.05
Reserves and Surplus	3	852.29	679.78
		1261.34	1088.83
Non-Current Liabilities :			
Long term borrowings	4	109.86	111.09
		109.86	111.09
Current Liabilities :			
Short Term Provisions	5	49.57	54.47
Short Term Borrowings	6	172.48	13.65
Trade Payable:	7		
(A) total outstanding dues of micro enterprises and small enterprises; and		1.09	0.00
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		170.33	72.52
Other Current liabilities	8	0.99	34.69
		394.46	175.33
TOTAL		1765.66	1375.26
ASSETS			
Non - Current Assets			
Property, Plant and Equipment and Intangible assets:	9		
Property, Plant and Equipment		57.60	49.88
Intangible Assets		47.92	63.68
Deffered tax assets	10	15.29	7.69
Non Current Investment	11	0.52	0.00
Long term loans and advances	14	18.79	7.84
		140.13	129.09
Current Assets			
Inventories	12	553.52	174.80
Trade Receivable	13	556.88	611.70
Short term loan and advances	14	403.64	263.39
Cash and Cash Equivalents	15	69.85	170.99
Other Current Assets	16	41.65	25.29
		1625.53	1246.16
TOTAL		1765.66	1375.26

Significant Accounting policies

The accompanying notes are integral part of financial statements

As per our report of even date

For, C. R. Sharedalal & Co.
Chartered Accountants
Firm Registration No. : 109943W

For and on behalf of the Board of Directors
Prospect Commodities Limited

Anuj J. Sharedalal

Partner

Vimal Sureshbhai Mishra
Director

Priyanka Vimal Mishra
Director

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

Membership No. 138022
UDIN :24138022BKCJEG8809

DIN 06820041

DIN 09459276

Place : Mumbai
Date : 23-05-2024

Place : Ahmedabad
Date : 23-05-2024

Place : Ahmedabad
Date : 23-05-2024

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

PROSPECT COMMODITIES LIMITED
CIN:U01400GJ2022PLC128482
Statement of Profit and Loss Account for the year ended 31st March 2024

Currency: Indian Rupees in Lakhs, unless otherwise stated)

Particulars	Note No.	Year Ended 31-03- 2024	Year Ended 31-03- 2023
INCOME			
Revenue from Operations	17	2426.65	1269.30
Other Income	18	42.39	0.00
TOTAL INCOME		2469.04	1269.30
EXPENSES			
Cost of Material Consumed	19	560.93	303.25
Purchase of traded goods	19(a)	1266.10	760.33
Changes in Inventory	20	67.08	-89.07
Employees Benefits Expenses	21	69.91	33.41
Depreciation and Amortization Expenses	9	39.13	54.33
Finance Costs	22	36.74	30.89
Other Expenses	23	203.49	96.28
TOTAL EXPENSES		2243.39	1189.42
Profit (Loss) before tax		225.66	79.88
Tax Expenses :			
a) Current Income tax		60.74	32.90
b) Deferred Tax Expense / (Income)	10	-7.60	-7.69
Profit / (Loss) for the Period		172.51	54.67
Earning per equity share : Basic & Diluted	25	4.22	4.53

The accompanying notes are integral part of financial statements

As per our report of even date

For, C. R. Sharedalal & Co.
Chartered Accountants
Firm Registration No. : 109943W

For and on behalf of the Board of Directors
Prospect Commodities Limited

Anuj J. Sharedalal
Partner
Membership No. 138022
UDIN :24138022BKCJEG8809

Vimal Sureshbhai Mishra
Director
DIN 06820041

Priyanka Vimal Mishra
Director
DIN 09459276

Place : Mumbai
Date : 23-05-2024

Place : Ahmedabad
Date : 23-05-2024

Place : Ahmedabad
Date : 23-05-2024

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

PROSPECT COMMODITIES LIMITED
CIN:U01400GJ2022PLC128482
Cash Flow Statement for the Year Ended 31st March 2024

(Currency: Indian Rupees in Lakhs, unless otherwise stated)

Particulars	Year Ended 31-03-2024	Year Ended 31-03-2024	Year Ended 31-03-2023	Year Ended 31-03-2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit/(loss) before tax		225.66		79.88
Adjustments for				
Depreciation & Amortization expense	39.13		54.33	
Dividend received	-0.01		0.00	
(Profit)/Loss on sale of fixed assets	0.00		1.70	
Finance Costs	36.74		30.89	
		75.86		86.92
Operating profit/(loss) before working capital changes	54.82	301.51	-327.98	166.79
(Increase)/Decrease in Trade Receivables	-378.72		-50.89	
(Increase)/Decrease in Inventories	-16.36		-24.79	
(Increase)/Decrease in Other Current Assets	98.90		35.79	
Increase/(Decrease) in Trade Payables	-140.25		-232.21	
(Increase)/Decrease in Loans & Advances	158.83		-3.61	
Increase/(Decrease) in Borrowings	-99.34		-61.39	
Increase/(Decrease) in Other liabilities				
		-322.12		-665.08
Cash Generated from operations		-20.60		-498.29
less : Taxes paid		0.00		0.00
NET CASH FROM OPERATING ACTIVITIES		-20.60		-498.29
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from Sale of Fixed assets	0.00		24.55	
Subsidy received on Machinery	5.43		0.00	
Increase in Investment	-0.52		0.00	
Purchase of Fixed Assets-	-36.52		-67.54	
		-31.61		-42.99
NET CASH FROM INVESTING ACTIVITIES		-31.61		-42.99
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase/(Decrease) in Borrowings	-1.23		-88.80	
(Increase)/Decrease in Loans & Advances	-10.96		31.77	
Proceeds from issue of share capital	0.00		168.05	
Securities premium received on public issue	0.00		625.26	0.00
Dividend Received	0.01			
Finance Costs	-36.74		-30.89	
		-48.92		705.39
NET CASH FROM FINANCING ACTIVITIES		-48.92		705.39
NET CASH FLOWS		-101.14		164.11
Cash & Cash Equivalents at the beginning of the period	170.99		0.55	
Add: Cash & Cash Equivalents received from FortunE Export	0.00		6.32	
Total Cash & Cash Equivalents		170.99		6.87
Cash & Cash Equivalents at the end of the period		69.85		170.99

As per our report of even date

For, C. R. Sharedalal & Co.
Chartered Accountants
Firm Registration No. : 109943W

For and on behalf of the Board of Directors
Prospect Commodities Limited

Anuj J. Sharedalal
Partner
Membership No.
138022
UDIN :24138022BKJEG8809

Vimal Sureshbhai Mishra
Director
DIN 06820041

Priyanka Vimal Mishra
Director
DIN 09459276

Place : Mumbai
Date : 23-05-2024

Place : Ahmedabad
Date : 23-05-2024

Place : Ahmedabad
Date : 23-05-2024

PROSPECT COMMODITIES LIMITED
CIN:U01400GJ2022PLC128482

Notes to the financial statements
for the year ended on 31st March, 2024

CORPORATE INFORMATION:

PROSPECT COMMODITIES LTD. is a SME Listed Company incorporated under the Companies Act, 2013. The company is engaged in the business of trading and processing of cashew nuts and allied products.

1. SIGNIFICANT ACCOUNTING POLICIES:

i. Basis Of Preparation of financial statements:

The Financial Statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP). Financial statements are based on historical costs. These costs are not adjusted to reflect the impact of the changing value in the purchasing power of the money. The Company generally follows the mercantile system of accounting and recognises income and expenditure on an accrual basis except significant uncertainties. GAAP comprises mandatory accounting standards as prescribed under section 133 of Companies Act, 2013 ('the Act') read with Rule 7 of companies (Accounts) Rule 2014, the provisions of the act (to the extent notified).

ii. Revenue recognition:

Revenue from sale of products is recognized as per the terms of sale as and when the risk and rewards of ownership pass on to the buyer and there is no significant uncertainty regarding ultimate collection of the same. Other incomes are recognized as per the principle of accrual.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

iii. Segment Reporting:

The Company at present is engaged in the business of Processing and Trading of Cashews, but constitutes a single business segment. In view of above, primary and secondary reporting disclosures for business/ geographical segment as envisaged in AS -17 are not applicable to the Company.

iv. Use of estimates:

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision in accounting estimates is recognised properly in current and future periods.

v. Property Plant & Equipments

Property Plant & Equipment (PPE) are stated at their historical cost. Addition to PPE comprise of its purchase and expenses attributable with the same including taxes. On disposal of the Property, Plant and Equipment, the difference between the carrying amount and its sale proceeds is recognized in the Statement of Profit and Loss as "Profit/Loss on sale of PPE".

a) Depreciation:

Company provides for depreciation on the Property Plant and Equipments as per written down value method based on the estimated useful life of the assets as specified under Schedule II of the Companies Act, 2013. Depreciation for assets purchased/sold during the year is proportionately charged.

b) Intangible Assets:

An intangible asset is recognized if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible assets having finite useful lives are amortized on a straight-line basis over their estimated useful lives. Intangible assets are stated at their cost of acquisition less accumulated amortization.

vi. Taxation:

Current income tax expense comprises taxes on income from operations in India only. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Advance income tax and provision for current income tax are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and when the Company intends to settle the asset and liability on a net basis.

Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available to realize such assets. In other situations, deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets. The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right, and these relate to taxes on income levied by the same governing taxation laws.

vii. Cash & Cash Equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into cash and have maturities of three months or less from the reporting date, to be cash equivalents. Financial instruments which have maturities of twelve months or less from the reporting date are considered to be a part of current assets. All other financial instruments except the above are considered to be a part of non-current assets.

viii. Earning Per Share:

The Earning Per Share (EPS) is calculated after dividing the Profit After Tax attributable to Equity Shareholders by the weighted average number of Equity Shares outstanding during the year as per the principles laid down in Accounting Standard-20-Earning Per Share.

ix. Inventories:

The inventories comprise of Raw Materials and Finished Goods. They are valued as under.

- a) Raw Materials & Packing Materials: At cost on FIFO basis or Net Realizable Value whichever is lower.
- b) Finished Goods: At cost or Net Realizable Value whichever is lower.

x. Provisions And Contingent Liabilities:

A provision is recognized when the company has a present obligation as a result of past events and it is probable that the outflow of resources embodying economic benefits will occur to settle that obligation. The company recognizes the provision on the basis of best available estimates. These estimates are reviewed at each reporting date to reflect the current situation. Contingent Liabilities and Contingent Assets are neither recognized nor disclosed in the financial statements but are shown by way of a note to the Financial Statements.

xi. Business Purchase:

Business Purchase transactions are accounted for using the purchase (acquisition) method. The assets and liabilities acquired are incorporated in the financial statements at their existing carrying amount and the consideration has been paid by issue of fully paid equity shares at face value. Transaction costs incurred in connection with a business acquisition are expensed as incurred. Any excess of the amount of the consideration over the value of the net assets of the firm acquired by us is recognized in our company's financial statements as goodwill arising on Business Purchase. The goodwill shall be amortized to income on a systematic basis over its useful life of five years.

xii. Borrowing Cost:

Borrowing cost directly attributable to the acquisition, construction of qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of cost of asset. The borrowing costs includes interest and transaction cost that the company incurs in connection with the borrowing of the funds. Other interest and borrowing costs are charged to Statement of Profit and Loss.

xiii. Employee Benefit Expenses:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered. Company does not make any contributions to any Provident Fund, State Insurance plan or Gratuity plan since those laws are not applicable to the company at present.

xiv. Cash flow Statement:

Cash Flow statement is prepared by Indirect method as per AS 3.

xv. Impairment of Assets:

At each balance sheet date, the company reviews the carrying of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. An impairment loss is charged to Profit and loss account in the year which an asset is identified as impaired.

xvi. Prior period comparatives:

Previous year's figures have been regrouped / reclassified where necessary, to confirm to current year's classification.

xvii. Foreign Currency Transactions:

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of transaction.
- (ii) Monetary items denominated in foreign currencies at the period/year-end are restated at period/year-end rates.
- (iii) Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.
- (iv) Premium or discount on forward contracts for hedging foreign currency transactions are amortized and recognized in the statement of profit and loss over the period of the contract.

xviii. Government Grants:

Grants and subsidy from the government are recognized when there is reasonable assurance that the grant/subsidy will be received, and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is netted off from the respective expenses necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grants or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

PROSPECT COMMODITIES LIMITED
Notes Forming Part of Financial Statement for the year ended 31st March, 2024

(Currency: Indian Rupees in Lakhs, unless otherwise stated)

NOTE : 2 -Share Capital :

Particulars	As at 31st March 2024	As at 31st March 2023
	Rs 'lakhs	Rs 'lakhs
Authorized Share Capital		
6500000 Equity shares of Rs. 10/- each	650	410
	650	410
Issued, Subscribed & Fully Paid Up Share Capital		
4090500 Equity shares of Rs. 10/- each	409.05	409.05
TOTAL	409.05	409.05

2.1 Terms/Rights attached to Equity Shares :

The company has single class of equity shares having par value of Rs 10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend declared from time to time.

In the event of liquidation of the company, The equity shareholder will be entitled to receive remaining assets of the company after settling the dues of preferential creditors as per priority the distribution will be in proportion to the number equity.

2.2 Reconciliation of the shares outstanding at the beginning & at the end of the reporting period :

Particular	As at 31st March 2024		As at 31st March 2023	
	No. of shares	Rs 'lakhs	No. of shares	Rs 'lakhs
Equity Shares				
At the beginning of the period	4090500	409.05	10000	1.00
Add : Preferential Allotment	0	0.00	2400000	240.00
Add : Right share issue	0	0.00	454500	45.45
Add: Share issued to Public	0	0.00	1226000	122.60
Less : Bought back during the period	0	0.00	0	0.00
At the end of the year	4090500	409.05	4090500	409.05

2.3 Details of shareholders holding more than 5% share in the company :

Particular	As at 31st March 2024		As at 31st March 2023	
	No. of shares	% holding	No. of shares	% holding
Name of Shareholders				
Vimal Sureshbhai Mishra	1205000	29.46%	1205000	29.46%
Priyanka Vimal Mishra	1205000	29.46%	1205000	29.46%
TOTAL	2410000.00	58.92%	2410000.00	58.92%

As per the records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

2.4 Shares held by promoters at the end of the year:

Promoters	As at 31st March 2024		As at 31st March 2023	
	No. of shares	% of total shares	No. of shares	% of total shares
Vimal Sureshbhai Mishra	1205000	29.46%	1205000	29.46%
Priyanka Vimal Mishra	1205000	29.46%	1205000	29.46%

NOTE : 3 : Reserves and Surplus :

Particulars	As at 31st March 2024	As at 31st March 2023
Surplus/ (deficit) in the statement of profit and loss		
Opening Balance	54.52	-0.15
Securities premium	625.26	625.26
Additions during the year	172.51	54.67
TOTAL	852.29	679.78

NOTE : 4 : Long Term Borrowings :

Particulars	As at 31st March 2024	As at 31st March 2023
Secured Loan		
Hdfc Car loan	0.00	5.19
(Secured against car for which loan taken & Repayable within a period of 5 year from the reporting date & bearing 7.80% rate of interest)		
Hdfc Term loan	29.61	39.67
(Repayable within a period of 62 month from the reporting date & bearing 9.5% rate of interest and loan is secured by hypothecation of 50% of Plant and Machinery)		
HDFC Loan A/c.ECGLS Loan	0.00	21.79
(It carries interest @ 9.25 % and it's repayable in 4 year regular payment after initial moratoriun of 2 year)		
Hero Fin Corp loan	64.24	0.00
(Secured against office property & it's repayable within a period of 15 year from the reporting date & bearing 11% rate of interest)		
Unsecured, Repayable on Demand		
From Related Parties :	2.34	30.85
(Unsecured & Repayable after a period of 12 months from the reporting date & bearing NIL rate of interest)		
From Others:	13.67	13.59
TOTAL	109.86	111.09

NOTE : 5 : Short Term Provisions :

Particulars	As at 31st March 2024	As at 31st March 2023
Provision for Audit fees	2.00	2.50
Provision for Gratuity	0.86	0.00
Provision for Income-Tax	46.53	50.77
Provision of legal and professional fees	0.00	0.65
Provision on Electricity Expenses	0.18	0.54
TOTAL	49.57	54.47

Note : 6 : Short term Borrowings :

Particulars	As at 31st March 2024	As at 31st March 2023
(i) Short-term borrowings:		
Loan repayable on demand		
From Banks	160.48	0.00
(Cash credit facility is primarily secured against inventories and debtors . It is repayable on demand and carries interest 11.35 % and the spread will be modified basis on TBILL(for 3 month) rate applicable on booking date.)		
From Others	0.00	0.12
	12.00	13.52
(ii) Current maturities of long-term borrowings		
TOTAL	172.48	13.65

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

PROSPECT COMMODITIES LIMITED
Notes Forming Part of Financial Statement for the year ended 31st March, 2024

(Currency: Indian Rupees in Lakhs, unless otherwise stated)

NOTE: 7: Trade payable

Particulars	As at 31st March 2024	As at 31st March 2023
Trade payable:		
(A) total outstanding dues of micro enterprises and small enterprises; and (Refer note no. 26.1)	1.09	0.00
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.]	170.33	72.52
TOTAL	171.42	72.52

Particulars	As at 31st March 2024				
	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i)MSME	1.09				1.09
(ii)Others	170.33				170.33
(iii) Disputed dues — MSME					
(iv) Disputed dues — Others					

Particulars	As at 31st March 2023				
	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i)MSME					
(ii)Others	72.52				72.52
(iii) Disputed dues — MSME					
(iv) Disputed dues — Others					

Note : 8 : Other Current liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
Tds payable	0.00	1.94
Salary payable	0.73	0.00
Advance received from Customer	0.26	32.75
TOTAL	0.99	34.69

NOTE : 10 : DEFERRED TAX LIABILITIES/ASSETS COMPRISE :

Particulars	As at 31st March 2024	As at 31st March 2023
Deferred Tax Assets :		
Arising on account of timing difference in :		
Depreciation	7.36	7.69
Gratuity	0.23	0.00
Deferred Tax Income for the year	7.60	7.69
Net Deferred Tax Liability/(Assets) at the beginning of the year	7.69	0.00
Net Deferred Tax Liability/(Assets) at the end of the year	15.29	7.69

Note : 11 : Non Current Investment

Particulars	As at 31st March 2024	As at 31st March 2023
Investment in Shares		
Tata Consumer Product limited	0.52	0.00
No of share 60		
Cost (Rs.) 52185.6		
Market value(Rs.) 65772		
TOTAL	0.52	0.00

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

PROSPECT COMMODITIES LIMITED
Notes Forming Part of Financial Statement for the year ended 31st March, 2024

Note :9:

Property , Plant and Equipment and Intangible Assets:

(Currency: Indian Rupees in Lakhs,
unless otherwise
stated)

Item	Gross Block			Depreciation / Amortization					Net Block	
	As at 01-04-2023	Addition	Deletions/ Adjustments	As at 31-03-2024	Upto 01-04-2023	For the year	Deletions/ Adjustments	Up to 31-03-2023	As on 31-03-2024	As on 31-03-2023
Tangible Assets:										
Office Equipment	1.97	3.53	0.00	5.51	1.58	1.51	0.00	3.09	2.42	0.40
Computer	0.88	0.33	0.00	1.21	0.41	0.45	0.00	0.86	0.35	0.47
Office Building	0.00	32.01	0.00	32.01	0.00	0.65	0.00	0.65	31.37	0.00
Plant and Machinery	62.87	0.27	5.43	57.71	24.91	17.18	0.00	42.08	15.62	37.96
Motor Cars	11.70	0.00	0.00	11.70	5.27	2.01	0.00	7.28	4.42	6.43
Furniture	6.26	0.00	0.00	6.26	1.63	1.20	0.00	2.83	3.43	4.62
Subtotal	83.68	36.14	5.43	114.39	33.80	22.99	0.00	56.79	57.60	49.88
Previous year	0.00	114.51	30.83	83.68	0.00	38.39	4.58	33.80	49.88	0.00
Intangible Assets:										
Goodwill	79.51	0.00	0.00	79.51	15.90	15.90	0.00	31.80	47.70	63.61
Computer Software	0.12	0.38	0.00	0.50	0.04	0.24	0.00	0.28	0.22	0.08
Subtotal	79.63	0.38	0.00	80.01	15.95	16.14	0.00	32.08	47.92	63.68
Previous year	0.00	79.63	0.00	79.63	0.00	15.95	0.00	15.95	63.68	0.00
Grandtotal	163.31	36.52	5.43	194.40	49.75	39.13	0.00	88.88	105.52	113.56
Previous year	0.00	194.14	30.83	163.31	0.00	54.33	4.58	49.75	113.56	0.00

PROSPECT COMMODITIES LIMITED

ANNUAL REPORT 2023-24

PROSPECT COMMODITIES LIMITED
Notes Forming Part of Financial Statement for the year ended 31st March, 2024

(Currency: Indian Rupees in Lakhs, unless otherwise stated)

Note: 12: Inventories:

Particulars	As at 31 March 2024	As at 31st March 2023
Finished Goods	21.99	89.07
Packing Material	17.31	0.50
Raw Material	514.22	85.23
TOTAL	553.52	174.80

NOTE : 13: Trade Receivables :

Particulars	As at 31 March 2024	As at 31st March 2023
(Unsecured and considered good)		
Trade Receivables	556.88	611.70
TOTAL	556.88	611.70

Trade Receivables Ageing Schedule

Particulars	As at March 31, 2024					
	Outstanding for following periods from due date of payment					
	Less than 6 mths	6 mths-1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables — considered good	508.88	48.00				556.88
(ii) Undisputed Trade Receivables — considered doubtful						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						

Trade Receivables Ageing Schedule

Particulars	As at March 31, 2023					
	Outstanding for following periods from due date of payment					
	Less than 6 mths	6 mths-1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables — considered good	574.25	37.45				611.70
(ii) Undisputed Trade Receivables — considered doubtful						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						

NOTE : 14 : Loans and Advances :

Particulars	As at 31 March 2024	As at 31st March 2023
Long term loans and Advance		
Security Deposit	18.79	7.84
	18.79	7.84
Short term loans and advances		
(Unsecured and considered good)		
Advances recoverable in cash or in kind	398.37	255.82
Advance to Others	1.73	6.51
Advance to Employee	3.55	1.06
TOTAL	403.64	263.39

NOTE : 15 : Cash and Cash Equivalents :

Particulars	As at 31 March 2024	As at 31st March 2023
Balance with banks:		
- On Current account	19.74	66.17
- Bank Overdraft	0.03	37.95
- Other Bank Balances	0.00	40.94
Deposit with original maturity for more than 3 months but less than 12 months	16.16	5.00
Cash on hand	33.93	20.93
TOTAL	69.85	170.99

Note : 16: Other Current Assets:

Particular	As at 31 March 2024	As at 31st March 2023
Duties and taxes	41.55	25.29
Prepaid Insurance	0.10	0.00
TOTAL	41.65	25.29

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

PROSPECT COMMODITIES LIMITED
Notes Forming Part of Financial Statement for the year ended 31st March, 2024

(Currency: Indian Rupees in Lakhs, unless otherwise stated)

NOTE : 17: Revenue from Operations :

Particulars	As at 31st March 2024	As at 31st March 2023
Sales of Product :		
Traded sales	1186.82	681.83
Processed Cashew Nuts	1239.83	587.46
TOTAL	2426.65	1269.30

NOTE : 18 : Other Income

Particulars	As at 31st March 2024	As at 31st March 2023
Dividend Income	0.01	0.00
Interest Income	0.66	0.00
Short Term Capital Gain	0.75	0.00
Subsidy received	5.54	0.00
Discount Income	0.42	0.00
Vatav and Kasar	0.03	0.00
Sundry Written Off	34.97	0.00
TOTAL	42.39	0.00

NOTE : 19 : Cost of Material Consumed :

Particulars	As at 31st March 2024	As at 31st March 2023
Cost of Material Consumed :-		
Inventory at the beginning of the year	85.73	0.00
Add: Purchases	2222.36	1147.43
Add: Purchase related expenses	50.47	1.89
	2358.56	1149.31
Less: Inventory at the end of period	531.53	85.73
Total	1827.03	1063.58

19(a)* Cost of material consumed includes purchase of traded goods of Rs. ('Lacs) 1266.10

NOTE: 20: Changes in inventories:

Particulars	As at 31st March 2024	As at 31st March 2023
Inventory at the beginning of the year (finished goods)	89.07	0.00
Inventory at the end of the year(Finished Goods)	21.99	89.07
Changes in inventories	67.08	-89.07

NOTE : 21 : Employee Benefit Expenses :

Particulars	As at 31st March 2024	As at 31st March 2023
Salaries, wages and bonus	37.94	16.21
Employer Contribution to PF	2.76	0.00
Employer Contribution to ESIC	0.07	0.00
Gratuity Expense	0.86	0.00
Staff Welfare	3.53	2.80
Sitting fees	0.75	0.00
Director Remuneration	24.00	14.40
TOTAL	69.91	33.41

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

PROSPECT COMMODITIES LIMITED

Notes Forming Part of Financial Statement for the year ended 31st March, 2024

(Currency: Indian Rupees in Lakhs, unless otherwise stated)

NOTE : 22 : Finance Costs :

Particulars	As at 31st March 2024	As at 31st March 2023
Bank Charges	3.79	0.54
Bank Interest	12.64	19.68
Interest on Business loan	11.02	5.84
Interest on late payment	4.07	0.00
Interest on Car Loan	0.60	0.73
Interest on Term Loan	4.62	4.10
TOTAL	36.74	30.89

NOTE : 23 : Other Expenses :

Particulars	As at 31st March 2024	As at 31st March 2023
Accounting Software Exps	0.00	0.02
Customer Entertainment Exps	0.25	0.89
Electricity Exps	7.64	7.28
Freight Exps	1.86	0.35
Insurance Charges	0.09	1.16
ROC Fees	3.07	0.00
Marketing expenses	0.04	0.25
Municipal taxes	0.35	0.20
Fees for Plant & Quarantine Department	7.83	0.00
Conversion difference	2.54	0.45
Internet Charges	0.60	0.46
Factory Expenses	4.41	0.51
Amc Charges	0.39	0.00
Advertisement Exps	0.20	0.00
Laboratory Testing Charges	0.27	0.32
Labour Exps	4.76	16.14
Sales Promotion Exp	0.64	0.00
Administration Charges	0.91	0.00
Rating Fees Charges	0.40	0.00
Designing Exps	2.34	0.15
Loading-Unloading Exps	2.31	0.12
Legal & Professional Exps	18.22	13.78
Loan Processing Fees	1.30	1.72
Donation Exp	0.25	0.00
Loss on Sale of Machinery	0.00	1.70
GST Expenses	14.00	0.00
Gst Penalty	0.29	1.66
Office/ Factory Rent	6.30	5.18
Share Issue Expenses	11.30	7.33
Packing Exps	1.91	1.50
Postage & Courier Charges	0.40	0.12
Printing & Stationary Exps	2.48	0.42
Repairs & Maintanance Exps	3.57	3.27
Survey Fees & Admin Fees	14.19	0.00
Transportation Charges	79.00	14.61
Travelling Exps	1.73	2.64
Vehicle Petrol Exps	2.05	2.89
Telephone Expenses	0.04	0.00
Ware House Rent	0.71	0.28
Audit Fees (Refer Note no. 24)	3.50	3.50
Rates and taxes	0.61	6.29
Miscellaneous Expenses	0.75	1.10
TOTAL	203.49	96.28

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

PROSPECT COMMODITIES LIMITED

Notes Forming Part of Financial Statement for the year ended 31st March, 2024

(Currency: Indian Rupees in Lakhs, unless otherwise stated)

NOTE : 24: Auditor's Remuneration :

Particulars	As at 31st March 2024	As at 31st March 2023
As Auditors		
Audit Fees	3.50	3.50
TOTAL	3.50	3.50

NOTE : 25 : Particulars of Earning Per Share as per AS-20 issued by ICAI :

Particulars	As at 31st March 2024	As at 31st March 2023
Net Profit/(Loss) after Tax for the Year attributable to Equity Shareholders	172.51	54.67
Weighted Average Number of Equity	4090500	1208015
Earnings Per Share (in Rs.)	4.22	4.53
Diluted Earnings per share (in Rs.)	4.22	4.53

NOTE : 26 : Certain Additional Disclosures

26.1 : The details of dues to Micro enterprise and small enterprises (MSME) as defined under Micro ,Small and Medium Enterprise Development Act, 2006 ('MSMED Act') and hence disclosure pursuant to the MSMED Act are as follows.

Sr. No	Particulars	As at 31st March 2024	As at 31st March 2023
1	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	108860	Nil
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil	Nil
3	registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
4	Section 16 of MSMED Act, to suppliers registered under the	Nil	Nil
5	MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
6	Interest due and payable towards suppliers registered under MSMED	Nil	Nil
7	Further interest remaining due and payable for earlier years	Nil	Nil

26.2 : The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.

26.3: The amounts of previous year have been regrouped and reclassified wherever necessary.

26.4 : There are no significant events, which have taken place post 31st March 2024 up to the date of adoption of financial statement by the board of Director that requires to be adjusted.

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

PROSPECT COMMODITIES LIMITED
Notes Forming Part of Financial Statement for the year ended 31st March, 2024
(Currency: Indian Rupees in Lakhs, unless otherwise stated)

NOTE : 27: Disclosures of Related Party Transactions as per AS-18 issued by ICAI

a) Name of Related Party & Nature of Relationship :

Description of relationship	Names of related parties
KMP	Vimal SureshBhai Mishra ,Priyanka Vimal Mishra
Enterprises over which Directors have Control (EDC)	Global Logistics

b) Transactions with Related Parties during the period :

Particulars	KMP	Concern in which Directors are Control	Total
Loan taken	11.83	0.00	11.83
(Previous period)	260.38	0.00	260.38
Loans Repaid	40.33	0.00	40.33
(Previous period)	229.09	0.00	229.09
Director remuneration	24.75	0.00	24.75
(Previous period)	14.40	0.00	14.40
Sales of Goods (Debtors)	0.00	0.00	0.00
(Previous period)	0.00	10.26	10.26

c) Outstanding Balances of Related Parties at the end of the period :

Particulars	KMP	Concern in which Directors are Control	Total
Loans and Borrowings	2.34	0.00	2.34
(Previous period)	30.85	0.00	0.00
Creditors for Remuneration	8.89	0.00	8.89
(Previous period)	12.96	0.00	0.00

NOTE : 28 : Foreign Exchange Transactions :

28.1 Value of imports and value of raw materials, stores, spares parts and packing material consumed

Particulars	As at 31st March 2024	As at 31st March 2023
Purchase of raw materials and traded goods	806.52	117.44
TOTAL	806.52	117.44

28.2 : Expenditure in foreign currency during the financial year on account of Royalty, professional consultation fees, interest, and other matter
NIL

28.3 : Remittance in foreign exchange on account of dividend with specific mentioned of number of non resident share holders and number of share held by them.

NIL

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

28.4 : Earning of foreign exchange on account of export etc.

Particulars	As at 31st March 2024	As at 31st March 2023
Export sales	19.22	1.76
TOTAL	19.22	1.76

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

PROSPECT COMMODITIES LIMITED

Notes Forming Part of Financial Statement for the year ended 31st March, 2024

(Currency: Indian Rupees in Lakhs, unless otherwise stated)

NOTE : 29: Employee benefits

- a) As per the Gratuity Act, every employee who has completed atleast five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the respective plans:

Statement of profit and loss

Net employee benefit expense recognized in the employee cost:

Particulars	As at 31st march 2024	As at 31st march 2023
Current service cost	0.86	NA
Net Interest Cost	0.00	NA
Actuarial (Gains)/Losses	0.00	NA
Net benefit expense	0.86	0.00
Balance sheet		
Benefit asset/(liability)		
Opening Net Liability	0.00	NA
Present value of defined benefit obligation	-0.86	NA
Fair value of plan assets	0.00	NA
Present value of defined benefit obligation	-0.86	NA

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at 31st march 2024	As at 31st march 2023
Opening defined benefit obligation	0.00	0.00
Current Service Cost	0.86	NA
Net Interest Cost	0.00	NA
Actuarial (Gains)/Losses	0.00	NA
Closing defined benefit obligation	0.86	0.00

The principal assumptions used in determining gratuity for the company's plans are shown below:

Particulars	As at 31st march 2024	As at 31st march 2023
Discount rate	7.20% p.a.	N.A.
Expected rate of return on assets	N.A.	N.A.
Salary Escalation Rate	7%	N.A.
Mortality	Indian Assured Lives Mortality 2012-14 (Urban)	N.A.

PROSPECT COMMODITIES LIMITED

ANNUAL REPORT 2023-24

PROSPECT COMMODITIES LIMITED

CIN:U01400GJ2022PLC128482

Notes Forming Part of Financial Statement for the year ended 31st March, 2024

NOTE : 30 : Analysis Of Significant Financial Ratios:

Particulars	Numerator	Denominator	2023-24(%)	2022-23(%)	Change in Ratio (%)	Explanation if deviation is more than 25%
Current Ratio	Current assets	Current liabilities	4.12	7.11	-42.02%	Due to increase in short term borrowing so this ratio has been reduced.
Debt-Equity Ratio	Total debt	Equity	0.22	0.11	95.38%	Due to increase in short term borrowing so this ratio has been increased
Debt Service Coverage Ratio	Profit before Interest & Tax	Interest on Borrowings and current installment	6.62	6.06	9.33%	NA
Interest coverage ratio	Profit before Interest & Tax	Interest		13.74	-100.00%	
Return on Equity Ratio	Net profit - Preferred Dividend	Shareholder equity	14%	5.02%	172.37%	Company operation and efficiency has been increased because of which sales and profit has been increased.
Inventory turnover ratio	Sales	Average Inventory	6.66	7.26	-8.23%	NA
Trade Receivables turnover ratio	Net Sales	Average Accounts Receivables	4.23	2.08	103.65%	Due to increase in sales in current year as compared to change in average trade receivable.
Trade payables turnover ratio	Net Purchase	Average trade payable	18.22	15.82	15.16%	NA
Net capital turnover ratio	Net sales	Working Capital	1.97	1.19	66.30%	Due to increase in sales in current year as compared to working capital
Net profit ratio	Net Profit	Net Sales	7%	4%	62.21%	Due to increase in income so this ratio has been increased .
Return on Capital employed	Earning before Interest and Taxes	Capital employed	21%	13.46%	52.30%	Company operation and efficiency has been increased because of which sales and profit has been increased.
Return on investment	Income from Investment	Average Cost of Investment	1%	-	NA	NA

PROSPECT COMMODITIES LIMITED
ANNUAL REPORT 2023-24

NOTE 31 : Additional Regulatory Information as required by Schedule III of the Companies Act, 2013			
a) All Title deeds of Immovable Property held in the name of the Company.			
b) Whether the Company has revalued its Property, Plant and Equipment - Company has not revalued its Property, Plant and Equipment.			
c) The company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties, either severally or jointly with any other person.			
d) During the year there is no capital work-in-progress hence ageing schedule is not applicable.			
e) During the year there is no intangible assets under development hence ageing schedule is not applicable.			
f) There is no proceedings that have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.			
g) The company have sanctioned borrowings from Banks or Financial Institutions on the basis of security of stock and quarterly return or statements of stock filled by the company with banks or financial institutions are in agreement with the books of accounts.			
h) The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.			
i) As the company is not a willful defaulter it is not having any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.			
j) During the year there were charges or satisfaction of charges registered with Registrar of Companies:			
Registration of charges or satisfaction with Registrar of Companies	Statutory period of Registration	Actual date of Registration	Reason if Charge is registered beyond statutory period
Hero Fincorp limited	30 days i.e. 09-12-2023	27-11-2023	NA
HDFC Bank	30 days i.e. 08-12-2023	11-12-2023	Delay Due to bank side
k) Provisions of clause (87) of section 2 of the act read with Companies (Restriction on number of Layers) Rules, 2017 regarding compliance with number of layers of companies is not applicable to the company.			
l) Details of ratios provided in NOTE 30.			
m) During the year the company has not proposed any Scheme of Arrangements in terms of Section 230 to 237 of the Companies Act, 2013			
n) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall			
(i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or			
(ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.			
o) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall			
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or			
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.			
p) During the year the company is not having any unrecorded transactions that are surrendered or disclosed as income during tax assessments under Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961) and there is no previously unrecorded income and related assets that have been properly recorded in the books of accounts during the year.			
q) Provisions of section 135 of the Companies Act, 2013 in respect of Corporate Social Responsibility is not applicable to the company.			
r) The company has not traded or invested in Crypto currency or Virtual Currency during the financial year.			

As per our report of even date

For, C. R. Sharedalal & Co.
Chartered Accountants
Firm Registration No. : 109943W

For and on behalf of the Board of Directors
Prospect Commodities Limited

Anuj J. Sharedalal
Partner
Membership No. 138022
UDIN :24138022BKJEG8809

Vimal Sureshbhai Mishra
Director
DIN 06820041

Priyanka Vimal Mishra
Director
DIN 09459276

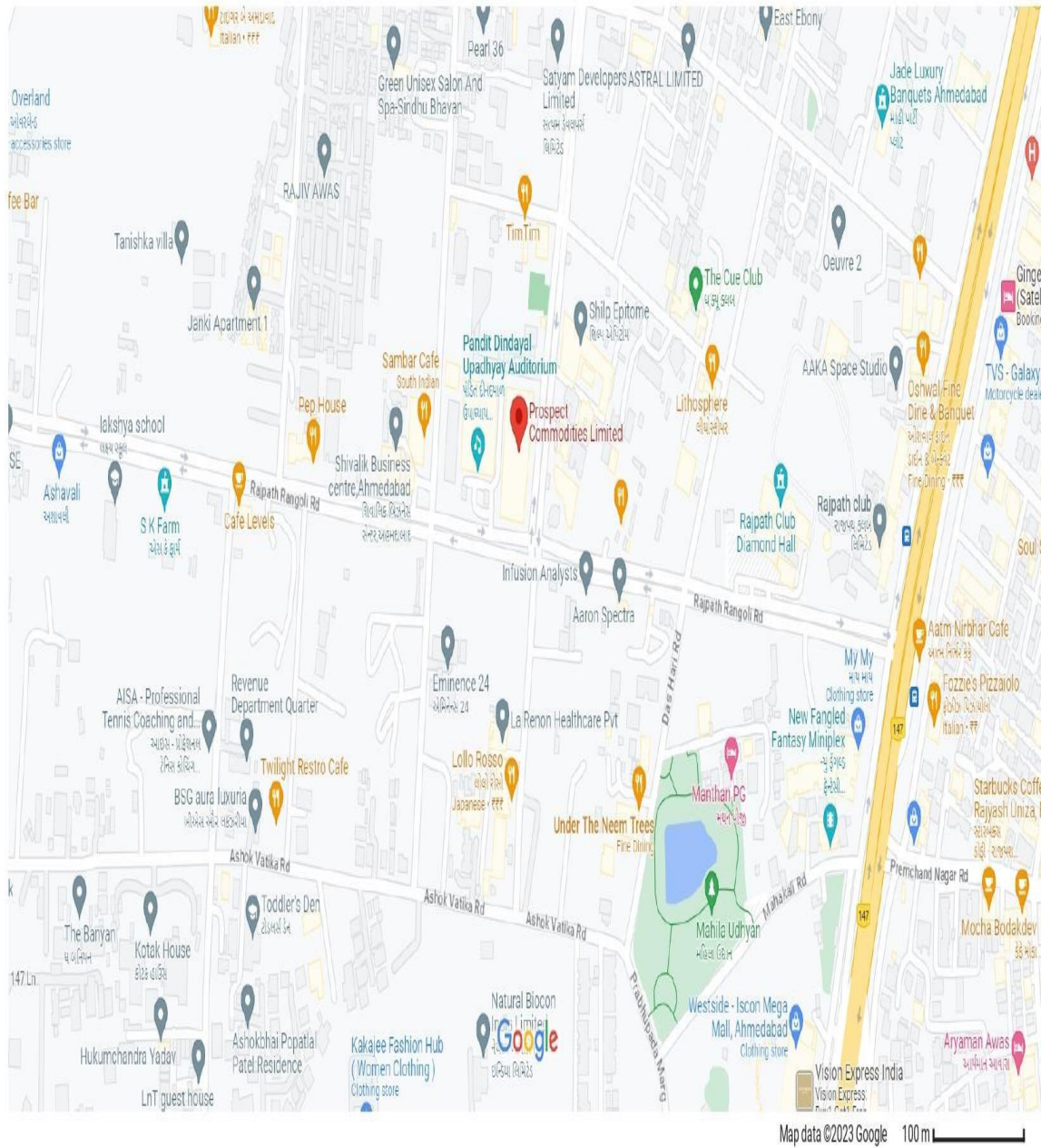
Place : Mumbai
Date : 23-05-2024

Place : Ahmedabad
Date : 23-05-2024

Place : Ahmedabad
Date : 23-05-2024

ROUTEMAP FOR AGM

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PROSPECT



PROSPECT COMMODITIES LIMITED

CIN: L01400GJ2022PLC128482

Registered Office

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