



Prakash Industries Limited

Srivan, Bijwasan, New Delhi - 110061

CIN : L27109HR1980PLC010724

Tel. : 25305800, 28062115 Fax : 91-11-28062119

E-mail : pilho@prakash.com Website : www.prakash.com

PIL/SE/AR/2022

1st September, 2022

Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor, Plot No. C/1
G Block, Bandra-Kurla Complex, Bandra (E)
Mumbai - 400051

Listing Department
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001

Company Symbol : PRAKASH

Company Code : 506022

Sub : ***Annual Report for the Financial Year 2021-22 alongwith notice of the 41st Annual General Meeting***

Dear Sir / Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Annual Report of the Company for the financial year 2021-22 alongwith notice of AGM and the same is also available on the website of the Company viz. www.prakash.com.

This is for your information and record please.

Thanking you,

Yours faithfully,
For **Prakash Industries Limited**

(Arvind Mahla)
Company Secretary

Encl : Annual Report FY 2021-22

ANNUAL REPORT

2021 - 2022

think ahead to stay ahead



Prakash Industries Limited

People... Prosperity... Progress...

PRAKASH INDUSTRIES LIMITED

BOARD OF DIRECTORS

Shri V. P. Agarwal	Chairman
Shri Vikram Agarwal	Managing Director
Shri Kanha Agarwal	Joint Managing Director
Shri M. L. Pareek	Whole-time Director
Shri Y. N. Chugh	Independent Director
Shri M. R. Agarwal	Independent Director
Smt. Purnima Gupta	Independent Director
Shri Sunil Kumar	Independent Director
Dr. S.C. Gosain	Independent Director

COMPANY SECRETARY

Shri Ashwini Kumar

CHIEF FINANCIAL OFFICER

Shri Deepak Mishra

STATUTORY AUDITORS

Chaturvedi & Co.
Chartered Accountants

BANKERS

Union Bank of India

PRAKASH INDUSTRIES LIMITED

REGISTERED OFFICE

15 Km. Stone, Delhi Road,
Hissar - 125044 (Haryana)

CORPORATE OFFICE

SRIVAN

Bijwasan,

New Delhi - 110 061

WORKS

Champa (Chhattisgarh)

Raipur (Chhattisgarh)

Bhaskarpara (Chhattisgarh)

Sirkaguttu (Odisha)

Muppandal (Tamil Nadu)

WEBSITE

www.prakash.com

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 41st Annual Report on the business & operations of the Company together with the Audited Statement of Financial Accounts for the year ended 31st March, 2022.

FINANCIAL RESULTS

	(₹ in Crores)	
	For the year ended 31st March, 2022	For the year ended 31 st March, 2021
Net Sales	3928.72	3215.86
Other Income	8.48	8.06
Total Income	3937.20	3223.92
EBITDA	399.34	322.62
Depreciation	157.85	153.77
Financial Expenses	72.67	73.52
Profit before exceptional item and tax	168.82	95.33
Exceptional Items	169.98	103.67
Less: Transferred from General Reserve	169.98	- 103.67
Provision for Taxes	0.10	-
Profit after tax	168.72	95.33
Other Comprehensive Income	3.22	8.90
Total Comprehensive Income	171.94	104.23

PERFORMANCE

During the year under review, the Company achieved highest ever Net Sales of ₹3929 crores as against ₹3216 crores in the previous year reflecting growth of 22% over the previous year. The EBITDA for the year was ₹399 crores as against ₹323 crores in the previous year, up by 24% over the previous year. After providing for interest, depreciation and tax, the profit after tax of the Company also grew by 77% from ₹95 crores to ₹169 crores resulting in EPS of ₹9.42 in the current year.

The performance of the Company was satisfactory during the year despite the economy having been impacted by the COVID pandemic. Although the year was marked by high volatility in the raw material prices, the Company was able to insulate itself to a significant extent. The Company mined 7.8 lakh tonnes of Iron Ore from its Sirkaguttu mine, Odisha during the year, up by 65% over the previous financial year.

FUTURE PROSPECTS

The Company had secured Long Term Coal Linkages of around 10 lakh tonnes per annum for the next 5 years in the recent coal linkage auction conducted by Coal India Limited. These linkages will provide long term stability to the operations of the Company and improve its operating and financial performance.

The Ministry of Coal had awarded Vesting Order for Bhaskarpara Coal Mine in favour of the Company on 18th November, 2021. The Company is fast tracking the opening of the coal mine as the Mining Plan for a rated capacity of 10 lakh tonnes per annum has already been approved in-principle by the Ministry of Coal on 10th March, 2022. This mine shall go a long way in enhancing the revenue and profitability of the Company, more so, in a scenario marked by global coal shortages.

DIVIDEND

After careful assessment of the available profit during the financial year ended 31st March, 2022, your Directors have not recommended any dividend for the financial year ended 31st March, 2022.

ENVIRONMENT

The Company gives the utmost importance to environment, legal statutory requirements, corporate social responsibility, supply of quality product and healthy work environment for its employees. The Company has ensured to address all the environmental, quality, safety and social concerns through its IMS Policy and its adherence which is a structured and systematic approach for achieving continuous improvement for sustainable development. Environmental considerations are embedded in all business decisions & Processes. The Company strives to continually improve the environmental performance by minimizing the environmental impact by periodically reviewing the environmental policy & efforts for a clean environment.

In addition to complying with all applicable environmental laws, Company has taken following measures for a neat & clean environment :

- Strict adherence to environmental legislation.
- Installation of efficient Pollution Control System to control Air & Water Pollution.
- For conservation of natural resources Coal char generated from Sponge Iron Plant is used as fuel in Captive Power Plant. Similarly metal recovered from waste slag is reused in Steel making to conserve Iron Ore & Coal.

PRAKASH INDUSTRIES LIMITED

- Effective management of Hazardous waste, Solid waste, Bio-medical waste & E-waste.
- Adoption of cleaner technologies to reduce the consumption of fuel and water for plant Operations.
- Installation of Online Continuous Emission & Effluent Monitoring Systems.
- Implementation of energy conservation & water conservation projects.
- Extensive green belt development program inside & outside factory premises.

SAFETY

The company believes "SAFETY FIRST" and is committed to ensure the safety of all employees, contractors and the visitors through safe working practices in the operations.

The company aims to improve the health and safety parameters, reduce possible risks through people participation, capability building & implementation of the safety management systems in various processes.

The Company has developed Safety Standards, SOPs, Safety Manual systems and procedures in accordance to ISO-45001 which addresses the Employee Safety, Occupational Health and Emergency Preparedness. Each employee, including contractors are provided safety training & awareness programs are conducted regularly.

The Company has a structured system for periodically review of safety policies, objectives and targets for continual improvements through corrective and preventive actions to ensure the safety of employees.

Some of the efforts made by the Company towards safety are as follows:

- Periodic review of safety policies, objectives and targets for continual improvements through corrective and preventive actions.
- Ensure safe and healthy working through "Zero Accident" policy.
- Provided appropriate personal protective equipment to all employees / contractors / visitors.
- Provided facilities for firefighting, fire hydrant system & fire tenders.
- Adopted best industrial practices and highest standards of safety in accordance with the requirements of relevant statutory provisions.
- Make everybody aware of their responsibilities through extensive training program for achieving a safe working atmosphere.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since 31st March, 2022 and to the date of the report.

Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the period under review there were no significant and material orders passed by the Regulators/Courts or Tribunals impacting the going concern status of the Company and its operations in future.

DETAILS OF SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company's policy for determining material subsidiaries is available at www.prakash.com.

AMOUNT CARRIED TO ANY RESERVE (IF ANY)

The Company had not carried any amount to any reserve from its Profit & Loss account for the current financial year.

CORPORATE SOCIAL RESPONSIBILITY AND GOVERNANCE COMMITTEE

The Company's' approach towards Corporate Social Responsibility (CSR) is to interweave social responsibility of the Company into Company's mainstream business functions. CSR is an integrated part of the Company Policy.

The Company is committed to bring a tangible change in the lives of people living in the surroundings by giving them employment opportunities, as well as by their socio-economical development. All CSR initiatives are being planned, executed and monitored by the Committee/ Board. The CSR programs are aligned with Govt. mandate at Local and State Level and as per the specific needs of the Community.

Some of the initiatives taken by the Company in field of socio economical development, education & health are -

- Water resource management - provided drinking water facilities, construction of drainage system, construction of bathing place, renovation of ponds etc.
- Environmental improvements in nearby areas.
- Extensive Green belt development program, cleaning roads, spreading awareness about Swachh Bharat, water spraying on roads, encouraging Hygiene, conservation of natural resources etc.

PRAKASH INDUSTRIES LIMITED

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations / confirmations from all the Independent Directors of the Company as required under Section 149(7) of the Act read with Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 25(8) of the SEBI Listing Regulations, 2015.

FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of Regulation 25(7) of the Listing Regulations, 2015, the Company has put in place a Familiarization Programme for the Independent Directors to familiarise them with the Company, their roles, rights, responsibilities in the Company and nature of the industry in which the Company operates.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The following persons are the Key Managerial Personnel of the Company as per the provisions of Section 203 of the Companies Act, 2013.

- i) Shri Vikram Agarwal, Managing Director
- ii) Shri Deepak Mishra, Chief Financial Officer
- iii) Shri Ashwini Kumar, Company Secretary

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Shri Vikram Agarwal retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

Shri P.L. Gupta resigned as Whole-time Director and Chief Financial Officer with effect from 18th December, 2021.

Shri M.L Pareek was appointed as Whole-time Director of the Company w.e.f. 21st December, 2021 subject to approval of members of the Company.

Shri Deepak Mishra was appointed as Chief Financial Officer of the Company w.e.f. 21st December, 2021.

The Board of Directors has reappointed Shri Kanha Agarwal as Joint Managing Director of the Company for the term of 3 (Three) consecutive years on the Board of the Company with effect from 1st April, 2022 subject to approval of members of the Company.

BOARD COMMITTEES

All Committees of the Board of Directors are constituted in line with the provisions of the Companies Act, 2013 and applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DEPOSITS

Company has not accepted any deposits during the year under review.

- Promotion of education - training & awareness program extending support to children for their education, provided different facilities for schools, provided apprentices training to the nearby students to increase their skill.
- Promoting preventive health care & medical camps, medical aids and ambulance facility. The Company facilitated COVID-19 vaccination drive and also donated ventilators & Oxygen Cylinders to the District Hospital.
- Women empowerment through focused initiatives to support them for their livelihood & improved life by way of employment as well as trainings.
- Extending support in National, State & rural level sports program & ensured active participation of nearby Villages.
- Promotion of rural sports.
- Animal welfare.

A Board level Committee of CSR has been constituted. The details of membership of the Committee & the meetings held are detailed in the Corporate Governance Report, forming part of this Report. The Corporate Social Responsibility Policy is available on the website of the Company at the link http://prakash.com/pdfs/CSR_Policy.pdf

The Annual Report on Corporate Social Responsibility activities is annexed to this report as Annexure 1.

BOARD EVALUATION

During the year, the annual evaluation of the performance of the Board, its Committees and of individual Directors has been made under the provisions of the Companies Act 2013, relevant Rules and the Corporate Governance requirements as prescribed under Regulation 17 of Listing Regulations, 2015 and the circular issued by SEBI with respect to Guidance Note on Board Evaluation from time to time.

In a separate meeting of Independent Directors, performance of Non Independent Directors and performance of the Board as a whole was evaluated. Further, they also evaluated the performance of the Chairman of the Company, taking into account the views of the Executive Directors and Non-executive Directors.

NUMBER OF MEETINGS OF THE BOARD

The details of the Board Meetings and other Committee Meetings held during the financial year 2021-22 with regard to their dates and attendance of each of the Directors thereat have been provided in the Corporate Governance Report.

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TRANSFERS TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to applicable provisions of the Companies Act, 2013 ("Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF" or "Fund") established by the Central Government, after completion of seven years from the date of dividend becoming unpaid / unclaimed. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the members for seven consecutive years or more, shall also be transferred to the demat account created by the IEPF Authority.

The Company had sent individual notices and also advertised in the newspapers seeking action from the members who have not claimed their dividends for seven consecutive years or more. Accordingly, the Company has transferred such unpaid or unclaimed dividends and corresponding shares to IEPF, up to the financial year ended 31st March, 2014.

Members/claimants whose shares and/or unclaimed dividend, have been transferred to the IEPF Demat Account or the Fund, as the case may be, may claim the shares or apply for unclaimed dividend by making an application to the IEPF authority in Form IEPF-5 (available on <http://www.iepf.gov.in>) along with requisite fee as decided by the IEPF authority from time to time.

Details of shares/members in respect of which dividend has not been claimed, are provided on our website at www.prakash.com. The members are encouraged to verify their records and claim their dividends of all the earlier seven years, if not claimed.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013 (Act), the Board of Directors, to the best of their knowledge and ability, confirm that:

- I. in the preparation of the annual accounts, the applicable standards have been followed and there are no material departures,
- II. they have 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 of the Company for that period,

- III. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities,
- IV. they have prepared the accounts on a going concern basis,
- V. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- VI. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STANDALONE ACCOUNTS

The Standalone financial statements for the year ended 31st March, 2022 have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 together with the comparative period data as at 31st March, 2022 and for the previous year ended 31st March, 2021.

AUDITORS & AUDITORS REPORTS

i) Statutory Auditors

The Board of Directors have appointed M/s Chaturvedi & Co., Chartered Accountants, (FRN:302137E) as Statutory Auditors of the Company for a term of five years beginning from 40th Annual General Meeting of the Company, upto the conclusion of the 45th Annual General Meeting of the Company.

The Auditors in their Report to the members, have given two qualified opinions and the explanations of Board with respect to it in pursuant to section 134(3)(f) of Companies Act, 2013 is as follows:

Explanations to note on Basis for Qualified opinion of Independent Auditors Report

- a. The expenditure amounting to ₹16998 lakhs in respect of capital expenditure incurred was subject to completion of respective projects and claim receivable was subject to realization. The implementation of these projects was abandoned and claim receivable could not be realized hence, the same has been written off by withdrawing an equivalent amount from General Reserve.

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- b. The net deferred tax liability computed in terms of Ind AS-12 "Income Tax" amounting to ₹8897 lakhs has been adjusted against Securities Premium Account. This has been in terms of Hon'ble Punjab & Haryana High Court order dated 23rd August 2007.

ii) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Shri Bhoopendra Kumar Bohra, Practicing Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as Annexure 2 in prescribed format MR- 3 as per Companies Act, 2013 and under SEBI Listing Regulations. The Secretarial Auditor has given observation as mentioned in his report.

iii) Cost Auditors

Pursuant to Section 148(1) of the Companies Act, 2013 Company is required to maintain cost records as specified by the Central Government and accordingly such accounts and records are made and maintained.

Accordingly the Board of Directors in its meeting held on 3rd May, 2022 has appointed M/s. Rakshit & Associates, (FRN:101951) Cost & Management Accountants, on the recommendation of the Audit Committee, for auditing the cost records of the Company for the Financial Year 2022-23. Appropriate resolution seeking your ratification of the remuneration of Cost Auditors, is included in the Notice convening the 41st AGM of the Company

CHANGES IN CAPITAL STRUCTURE

During the financial year 2021-22, the Authorised Capital of the Company was increased from ₹ 200 Crore to ₹ 225 Crore. There is no change in paid up Capital structure of the Company during the financial year 2021-22.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees, investments made and securities provided by the Company pursuant to Section 186 of the Companies Act, 2013, if any, are given in the notes to the financial statements, which form part of the Annual Report.

RELATED PARTY TRANSACTIONS [RPT]

All the Related Party Transactions entered during the year were in the ordinary course of business and on arm's length basis and in compliance with the applicable provisions of the Companies Act, 2013 and Listing Regulations. There are no materially significant related party transactions made by the Company with its Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict of interest with the Company at large. All the related party transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature.

A statement of all related party transactions is presented before the Audit Committee on quarterly basis, specifying the terms & conditions of the transactions.

The Policy on materiality of related party transactions and dealing with related party transactions are available on the Company's website at the link at <http://www.prakash.com/policy-related-party-transactions>.

The details of the related party transactions as required under Section 134(3)(h) r/w Rule 8 (2) of the Companies (Accounts) Rules, 2014 and under Regulation 34(3) & 53(f), Para A of Schedule V of SEBI (LODR) Regulations, 2015 is attached as Annexure 3.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177(9) & (10) of the Act and the SEBI Listing Regulations, 2015, a Vigil Mechanism and Whistle Blower Policy for Directors, employees and other stakeholders to report genuine concerns has been established. The same is also uploaded on the website of the Company.

NOMINATION AND REMUNERATION POLICY

The Company has a Nomination and Remuneration Committee of Directors, Members of said Committee are Non-executive Directors and Independent Directors. The Committee met twice during the year. Details of the role and responsibilities of the Committee, the particulars of meeting(s) held and attendance of the Members at such meeting(s) are given in the Corporate Governance Report.

The Board has framed a Nomination and Remuneration policy which is available on the Company website at the link [http:// www.prakash.com/policies](http://www.prakash.com/policies).

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PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as Annexure 4 to this Report.

In terms of the provisions of Section 197(12) of the Companies Act 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Annual Report and is attached as Annexure 4A.

RISK MANAGEMENT AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has set up a Risk Management Committee. The Committee assessed various risks pertaining to Operations & Maintenance of Plants, financial and other organizational risks which are assessed, evaluated and continuously monitored for taking effective steps.

The Company's internal control procedures includes internal financial controls, ensure compliance with various policies, practices and statutes and keeping in view the organization's pace of growth and increasing complexity of operations. Details of internal control system and its adequacy are furnished in "Management Discussion & Analysis Report", forming part of this Report.

ANNUAL RETURN

The copy of draft Annual Return as required under Section 92(3) and Section 134(3)(a) of the Act has been placed on the website of the Company at www.prakash.com.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has a policy on prohibition, prevention and redressal of Sexual Harassment of women at work place and matters connected therewith. During the year ended 31st March 2022, no complaint was received under the policy.

DISCLOSURE REQUIREMENTS

As per SEBI Listing Regulations, the Corporate Governance Report with the Practising Company Secretary's Certificate and Management Discussion and Analysis are attached as Annexure 5, 5A, 5B and 5C. The Company has devised

proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

BUSINESS RESPONSIBILITY REPORT :

The Business Responsibility Report as required under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, describing the initiatives taken by the Company from an environmental, social and governance perspective, form an integral part of this Annual Report and annexed hereto as Annexure 6.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, research & development and foreign exchange earnings and outgo, as required to be disclosed under the Act are annexed as Annexure 7.

ACKNOWLEDGMENTS

Your Directors wish to thank all stakeholders, employees and business partners and Company's bankers for their continued support and valuable co-operation. The Directors also wish to express their gratitude to investors for the faith that they continue to repose in the Company.

By Order of the Board

Place : New Delhi
Dated : 3rd May, 2022

M. L. Pareek
Whole-time Director
DIN 01795975

Vikram Agarwal
Managing Director
DIN:00054125

PRAKASH INDUSTRIES LIMITED

ANNEXURE-1

Annual Report on Corporate Social Responsibility (CSR) Activities (Pursuant to Rule 8 of Companies (Accounts) (Corporate Social Responsibility Policy) Rules, 2014) for the Financial Year ended 31st March, 2022

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and Projects or programs.

CSR Policy provides a guideline of the methodologies and areas for choosing and implementing the Company's CSR Projects. The major Sectors covered under the said Policy include Education, Health Care, Rural Infrastructure, Sanitation and Self-employment Generation, Vocational Skills, Empowerment of Women and Youth, Environment Sustainability, Protection and Development of National Heritage, Art Culture, Public Libraries, Social Causes & Disaster Management.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Vikram Agarwal	Managing Director (Chairman)	1	1
2	Shri Kanha Agarwal	Joint Managing Director (Member)	1	1
3	Smt. Purnima Gupta	Independent Director (Member)	1	1

3. The CSR Policy of the Company is displayed on Company's website at link- http://prakash.com/pdfs/CSR_Policy.pdf

Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)	Not applicable for Financial Year 2021-22
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5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any :

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in ₹)
Not Applicable			

6. Average net profit of the company as per section 135(5). : ₹ 26380.38 Lakhs

7. (a) Two percent of average net profit of the company as per section 135(5) : ₹ 527.61 Lakhs

- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. : N.A.

- (c) Amount required to be set off for the financial year, if any : NIL

- (d) Total CSR obligation for the financial year (7a+7b-7c). : ₹ 527.61 Lakhs

8. (a) CSR amount spent or unspent for the financial year :

Total Amount Spent for the Financial Year	Amount Unspent (₹ in lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 637.00 Lakhs	N.A.	N.A.	N.A.	N.A.	NA

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(b) Details of CSR amount spent against ongoing projects for the financial year : **Not Applicable**

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (₹)	(8) Amount spent in the current financial Year (₹)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation- Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	-	-	-	-	-	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year : **Amount (₹ in lakhs)**

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent in the current financial Year (₹)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation- Through Implementing Agency		
				State	District			Name	CSR Registration number	
1.	Making Available Safe Drinking Water	Making Available Safe Drinking Water (i)	Yes	Odisha	a) Sirkaguttu, Keonjhar	78.55	Yes	NA	NA	
					Chhattisgarh	b) Champa	9.85	Yes	NA	NA
2.	Promoting Preventing Healthcare	Promoting Preventing Healthcare (i)	Yes	Chhattisgarh	a) Champa	162.11	Yes	NA	NA	
					Odisha	b) Raipur	22.40	Yes	Yes	NA
					c) Sirkaguttu Keonjhar	5.20	Yes	NA	NA	
3.	Poverty & malnutrition	Poverty & malnutrition (i)	Yes	Delhi NCR	South Delhi	91.00	Yes	Iskcon	CR00005241	
4.	Training Programme & Promotion of Education	Training Programme & Promotion of Education (ii)	Yes	Chhattisgarh	a) Champa	123.58	Yes	NA	NA	
					b) Raipur	0.72	Yes	NA	NA	
5.	Environment Awareness	Environment Awareness (iv)	Yes	Chhattisgarh	Champa	2.93	Yes	NA	NA	
6.	Ensuring Environment Sustainability	Ensuring Environment Sustainability (iv)	Yes	Chhattisgarh	Raipur	1.26	Yes	NA	NA	
7.	Animal Welfare	Animal Welfare (iv)	Yes	Chhattisgarh	Champa	4.95	Yes	NA	NA	
8.	Promotion of Rural Sports	Promotion of Rural Sports (vii)	Yes	Chhattisgarh	Champa	0.50	Yes	NA	NA	
9.	Rural Development Projects	Rural Development Projects (ix)	Yes	Odisha	Sirkaguttu, Keonjhar	133.95	Yes	NA	NA	
Total						637.00				

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- (d) Amount spent in Administrative Overheads : NIL
- (e) Amount spent on Impact Assessment, if applicable : Not Applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 637.00 lakhs
- (g) Excess amount for set off, if any : NIL

Sl. No.	Particular	Amount (₹ in lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	527.61
(ii)	Total amount spent for the Financial Year	637.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	109.39
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	109.39

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Amount (₹ in lakhs)**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹)	Amount spent in the reporting Financial Year (₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹)
				Name of the Fund	Amount (₹)	Date of transfer	
1.	2018-19	NA					
2.	2019-20	NA					
3.	2020-21	NA					

- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (₹)	(8) Cumulative amount spent at the end of reporting Financial Year (₹)	(9) Status of the project - Completed / Ongoing
NIL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(Asset-wise details) : Not Applicable

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5). : **Not Applicable**

Kanha Agarwal
Member-CSR Committee
DIN:06885529

Vikram Agarwal
Chairman-CSR Committee
DIN:00054125

PRAKASH INDUSTRIES LIMITED

ANNEXURE-2

FORM No. MR-3

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

To,
The Members,
Prakash Industries Limited
15 KM Stone, Delhi Road, Hissar,
Haryana, India-125044

I, Bhoopendra Kumar Bohra, proprietor of B K Bohra & Associates, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Prakash Industries Limited (CIN: L27109HR1980PLC010724) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Prakash Industries Limited'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, the explanations and clarifications given to me and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2022 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 maintained by Prakash Industries Limited ("the Company") for the financial year ended on 31st March, 2022 according to the provisions of:

- i The Companies Act, 2013 (the Act) and the rules made there under;
- ii The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers)

Regulations, 2011;

- b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the Audit Period);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period);
 - f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period);
 - g) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 as amended from time to time;
 - h) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time;
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period); and
 - j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi Other laws applicable specifically to the Company as per the representation made by the Management including
- a) Air (Prevention and Control of Pollution) Act, 1981;
 - b) Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975;
 - c) Environment Protection Act, 1986;
 - d) Factories Act, 1948;
 - e) The Mines Act, 1952 and Rules made thereunder.
- For the compliances of Labour Laws & other General Laws my examination and reporting is based on the documents, records and files as produced and shown to me and the information and explanations provided by the Company, its officers, and authorised representatives, including compliance reports taken on record by the Board of Directors, to the best of my judgment and understanding of the applicability of the different enactments upon the Company, in my opinion there

PRAKASH INDUSTRIES LIMITED

are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable General laws and Labour Laws.

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

- i. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- ii. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

During the period under review and as per the explanations and clarifications given to me and the representation made by the Management, the Company has complied with the provisions of the applicable laws, rules, regulations and guidelines, etc as mentioned above.

During the period under review and as per the explanations the Company has spent an amount of INR 637.00 Lakhs against the amount of INR 527.61 Lakhs of CSR obligation during the year towards Corporate Social Responsibility and an amount of INR 109.39 Lakhs will be Amount available for set-off in succeeding Financial Years.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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, except notes on items of business which are in the nature of Unpublished Price Sensitive Information have been given at a shorter period of time than stated above, with the consent of a majority of the Directors, which includes one Independent Director and a system exists for seeking and obtaining further information

To,
The Members,
Prakash Industries Limited

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairperson, the decisions were unanimous and no dissenting views were recorded.

As per records of the Company, Stock exchanges (BSE & NSE) have imposed Fines during the Audit period on the Company for delay in compliance of Proviso to Regulation 7 (1) of SEBI (LODR) Regulations, 2015 and Sub-point 4 of Point 4 of SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2019/94 dated August 19, 2019.

I further report that as per the explanations given to me and the representation made by the Management and relied upon by me 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 etc.

I further report that during the audit period the Company no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**For B K Bohra & Associates
(Company Secretaries)**

**Bhoopendra Kumar Bohra
(Proprietor)**

Place: New Delhi
Date : 3rd May, 2022

**ACS No.: 62344 & CP No.: 23511
UDIN: A062344D000258804
Peer Review Certificate No:1997/2022**

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.

Annexure-A

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. 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.

**For B K Bohra & Associates
(Company Secretaries)**

**Bhoopendra Kumar Bohra
(Proprietor)**

Place: New Delhi
Date : 3rd May, 2022

**ACS No.: 62344 & CP No.: 23511
Peer Review Certificate No. : 1997/2022**

DETAILS OF RELATED PARTY TRANSACTIONS

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

All related party transactions entered during the year were in ordinary course of business and on arm's length basis and the same have been disclosed under Note No. 41 of the Notes to Financial Statements.

No material related party transactions arising from contracts/ arrangements with related parties referred to in the Section 188(1) of the Companies Act, 2013 were entered during the year by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

B. Disclosures pursuant to Regulation 34(3) & 53(f) and Para A of Schedule V of SEBI (LODR) Regulations, 2015

Sl. No.	In the Account of	Disclosures of amount at the year end and the maximum amount of loans/advances/Investments outstanding during the year.	
1.	Holding Company	- Loans and advances in the nature of loans to subsidiaries by name and amount	Not Applicable
		- Loans and advances in the nature of loans to associates by name and amount	
		- Loans and advances in the nature of loans to Firms/Companies in which Directors are interested by name and amount	
2.	Subsidiary	- Loans and advances in the nature of loans to subsidiaries by name and amount	
		- Loans and advances in the nature of loans to associates by name and amount	
		- Loans and advances in the nature of loans to Firms/Companies in which directors are interested by name and amount	
3.	Holding Company	Investment by the loanee in the shares of parent Company and subsidiary Company, when the Company has made a loan or advance in the nature of loan.	

By Order of the Board

Place : New Delhi
Dated : 3rd May, 2022

M.L. Pareek
Whole Time Director
DIN:01795975

Kanha Agarwal
Jt. Managing Director
DIN:06885529

PRAKASH INDUSTRIES LIMITED

ANNEXURE-4

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

No.	Requirement	Information																																
(i)	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Director</th> <th style="text-align: right;">Ratio</th> </tr> </thead> <tbody> <tr> <td>Shri V.P. Agarwal, Chairman</td> <td style="text-align: right;">164:1</td> </tr> <tr> <td>Shri Vikram Agarwal, Managing Director</td> <td style="text-align: right;">81:1</td> </tr> <tr> <td>Shri Kanha Agarwal, Joint Managing Director</td> <td style="text-align: right;">38:1</td> </tr> <tr> <td>Shri P.L. Gupta, Whole-time Director & CFO**</td> <td style="text-align: right;">15:1</td> </tr> <tr> <td>Shri M.L. Pareek, Whole-time Director***</td> <td style="text-align: right;">5:1</td> </tr> <tr> <td>Shri Y.N. Chugh, Director *</td> <td></td> </tr> <tr> <td>Shri Mamraj Agarwal, Director *</td> <td></td> </tr> <tr> <td>Smt. Purnima Gupta, Director *</td> <td></td> </tr> <tr> <td>Shri Sunil Kumar, Director*</td> <td></td> </tr> <tr> <td>Dr. S.C. Gosain, Director*</td> <td></td> </tr> </tbody> </table>	Director	Ratio	Shri V.P. Agarwal, Chairman	164:1	Shri Vikram Agarwal, Managing Director	81:1	Shri Kanha Agarwal, Joint Managing Director	38:1	Shri P.L. Gupta, Whole-time Director & CFO**	15:1	Shri M.L. Pareek, Whole-time Director***	5:1	Shri Y.N. Chugh, Director *		Shri Mamraj Agarwal, Director *		Smt. Purnima Gupta, Director *		Shri Sunil Kumar, Director*		Dr. S.C. Gosain, Director*											
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Shri Sunil Kumar, Director*																																		
Dr. S.C. Gosain, Director*																																		
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Director</th> <th style="text-align: right;">Ratio</th> </tr> </thead> <tbody> <tr> <td>Shri V.P. Agarwal, Chairman</td> <td style="text-align: right;">8.10%</td> </tr> <tr> <td>Shri Vikram Agarwal, Managing Director</td> <td style="text-align: right;">4.34%</td> </tr> <tr> <td>Shri Kanha Agarwal, Joint Managing Director</td> <td style="text-align: right;">4.33%</td> </tr> <tr> <td>Shri P.L. Gupta, Whole-time Director & CFO**</td> <td style="text-align: right;">20.00%</td> </tr> <tr> <td>Shri M.L. Pareek, Whole-time Director***</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Shri Y.N. Chugh, Director *</td> <td></td> </tr> <tr> <td>Shri Mamraj Agarwal, Director *</td> <td></td> </tr> <tr> <td>Smt. Purnima Gupta, Director *</td> <td></td> </tr> <tr> <td>Shri Sunil Kumar, Director*</td> <td></td> </tr> <tr> <td>Dr. S.C. Gosain, Director*</td> <td></td> </tr> <tr> <td colspan="2">Key Managerial Personnel</td> </tr> <tr> <td>Shri Vikram Agarwal, Managing Director</td> <td style="text-align: right;">4.34%</td> </tr> <tr> <td>Shri P.L. Gupta, Whole-time Director & CFO**</td> <td style="text-align: right;">20.00%</td> </tr> <tr> <td>Shri Ashwini Kumar, Company Secretary</td> <td style="text-align: right;">7.56%</td> </tr> <tr> <td>Shri Deepak Mishra, Chief Financial Officer***</td> <td style="text-align: right;">-</td> </tr> </tbody> </table>	Director	Ratio	Shri V.P. Agarwal, Chairman	8.10%	Shri Vikram Agarwal, Managing Director	4.34%	Shri Kanha Agarwal, Joint Managing Director	4.33%	Shri P.L. Gupta, Whole-time Director & CFO**	20.00%	Shri M.L. Pareek, Whole-time Director***	-	Shri Y.N. Chugh, Director *		Shri Mamraj Agarwal, Director *		Smt. Purnima Gupta, Director *		Shri Sunil Kumar, Director*		Dr. S.C. Gosain, Director*		Key Managerial Personnel		Shri Vikram Agarwal, Managing Director	4.34%	Shri P.L. Gupta, Whole-time Director & CFO**	20.00%	Shri Ashwini Kumar, Company Secretary	7.56%	Shri Deepak Mishra, Chief Financial Officer***	-
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Shri Deepak Mishra, Chief Financial Officer***	-																																	
(iii)	The percentage increase in the median remuneration of employees in the financial year	4.44%																																
(iv)	The number of permanent employees on the rolls of Company	2404 as on 31 st March, 2022																																
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Median remuneration of employees increased by 4.44% in FY 22 over previous year. The salary increase is based on compensation philosophy of the organisation which takes into account internal as well as external factors.																																
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company	Affirmed																																

* No remuneration, only sitting fees paid

** Ceased to be a Director due to resignation w.e.f. 18th December, 2021, figures also includes retirement benefits

*** Appointed w.e.f. 21st December, 2021

PRAKASH INDUSTRIES LIMITED

ANNEXURE-4A

DISCLOSURE AS REQUIRED UNDER SUB RULE 2 OF RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

FOR THE YEAR ENDED 31ST MARCH, 2022

Employed throughout the financial year under review and were in receipt of remuneration for the year in aggregate not less than ₹ 8.50 Lakh per Month :

Sr. No.	Name	Age (Years)	Qualifications	Experience (Years)	Designation/ Nature of Duties	Remuneration (₹) Lakhs	Date of Commencement of Employment	Particulars of last Employment
1.	Sh.V.P.Agarwal	66	B.Com.	43	Chairman	600	01.01.1981	Surya Roshini Limited
2.	Sh.Vikram Agarwal	44	B.Com.	20	Managing Director	296	28.05.2005	Primenet Global Limited
3.	Sh.Kanha Agarwal	29	Post Graduate	8	Joint Managing Director	138	28.05.2014	Earnst & Young

NOTES :

1. Remuneration includes Perquisites and Company's Contribution to Provident Fund
2. The nature of employment is contractual
3. Shri V. P. Agarwal, Chairman is related to Shri Vikram Agarwal, Managing Director and Shri Kanha Agarwal, Joint Managing Director of the Company and are related to each other accordingly.

REPORT ON CORPORATE GOVERNANCE

1. BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Good Governance is an integral part of the Company's business practices and it envisages attainment of the highest level of accountability, transparency and equity in all facets of its operations and aims at maximizing the Shareholders' value, protecting and pursuing interest of all the Stakeholders and meeting societal expectations. Your Company is committed to the principles of good governance in letter and spirit.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to Corporate Governance.

2. BOARD OF DIRECTORS

a) Composition

As on 31st March, 2022, the Board consists of 9 Directors, represented by 4 Executive Directors including Chairman, Managing Director & Joint Managing Director, (Executive and Promoter Directors) and a Whole-time Director and 5 Non-Executive and Independent Directors including one Woman Director.

b) Declarations received from Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

c) Attendance of each Director at the Board meetings & last Annual General Meeting during the year 2021-22 and number of other Directorships and committee memberships/ chairmanships held in other Companies:

S. No.	Name of Directors and their DIN	Category	No. of Board Meetings Attended	Last AGM Attended	No. of Directorships held in other Companies		No. of Committee positions held in other Companies	
					Chairman	Director	Chairman	Member
1.	Shri V.P. Agarwal* Chairman DIN:00048907	Executive & Promoter	6	No	1	7	-	-
2.	Shri Vikram Agarwal* Managing Director DIN:00054125	Executive & Promoter	6	No	-	7	2	2
3.	Shri Kanha Agarwal** Joint Managing Director DIN:06885529	Executive & Promoter	6	No	-	9	-	-
4.	Shri Y.N. Chugh DIN:02225961	Non-executive & Independent	6	Yes	-	-	-	-
5.	Shri M.R. Agarwal DIN:00180671	Non-executive & Independent	6	No	-	-	-	-
6.	Smt. Purnima Gupta DIN:06885738	Non-executive & Independent	6	Yes	-	-	-	-
7.	Shri M.L. Pareek*** DIN:01795975	Executive	2	No	-	1	-	-
8.	Shri P.L. Gupta\$ DIN:00048868	Executive	4	No	-	1	-	-
9.	Dr.S.C. Gosain# DIN:08202130	Non-executive & Independent	6	No	-	1	-	3
10.	Shri Sunil Kumar DIN:08047482	Non-executive & Independent	6	No	-	-	-	-

* Non-executive and Promoter Director in Prakash Pipes Ltd.

** Executive and Promoter Director in Prakash Pipes Ltd.

*** Appointed w.e.f. 21th December, 2021, \$ Ceased to be Director due to resignation w.e.f. 18th December, 2021, # Independent Director in Prakash Pipes Ltd.

PRAKASH INDUSTRIES LIMITED

d) Core Skills/Expertise/Competencies available with the Board

The Board comprises qualified members who possess required skills, expertise and competence that allow them to make effective contribution to the Board and its Committees.

The Company has identified certain skills/expertise/competencies identified for the effective functioning of the Company. Matrix/table of skills/expertise is as under:

Particulars	Detailed List of Core Skills, Expertise and Competencies	Name of Directors who have Skills, Expertise and Competence								
		Shri Ved Prakash Agarwal	Shri Vikram Agarwal	Shri Kanha Agarwal	Shri M.L.Pareek	Smt. Purnima Gupta	Dr. S.C. Gosain	Shri Mamraj Agarwal	Shri Y. N. Chugh	Shri Sunil Kumar
Industry Knowledge/ experience	Industry experience	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No
	Knowledge of Sector	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Knowledge of Government/ Public Policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Technical Skills/ experience	Projects	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	No
	Accounting	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
	Finance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Law	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
	Marketing Experience	Yes	Yes	Yes	No	No	Yes	No	Yes	No
	Public Relations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

e) Disclosure of relationship between Director inter-se

Shri V. P. Agarwal, Chairman is related to Shri Vikram Agarwal, Managing Director and Shri Kanha Agarwal, Joint Managing Director as their father. Shri Vikram Agarwal and Shri Kanha Agarwal are related to each other as brothers. Apart from that, there are no relationships existing among other Directors of the Company.

f) No. of Board Meetings

During the financial year 2021-22, the Board met six times on 31st May, 2021, 30th June, 2021, 6th August, 2021, 25th October, 2021, 21st December, 2021 and 4th February 2022. The Interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Regulation.

Details of the Board meetings are as under:

S.No.	Date of Board Meeting	Board Strength	No. of Directors present
1.	31.05.2021	9	9
2.	30.06.2021	9	9
3.	06.08.2021	9	9
4.	25.10.2021	9	9
5.	21.12.2021	9	9
6.	04.02.2022	9	9

g) Meetings of Independent Directors

During the financial year 2021-22, the Independent Directors met separately without Executive Directors and management once on 4th February, 2022 which was chaired by Shri Y. N. Chugh. In the meeting, the Independent Directors discussed among other matters, the performance of the Company and risks faced by it, the flow of information to the Board, project execution, strategy, governance, compliance, Board movements, human resource matters and performance review of the Non-Independent Directors, the Board as whole, including the Chairman and Executive Directors.

Additionally, the Independent Directors also met separately with the Statutory Auditors to discuss matters such as key accounting issues, risks, overall control environment and to invite their overall feedback.

The Audit Committee and the Board are updated by the Independent Directors about the outcome of the meetings and actions, if any, required to be taken by the Company.

All Independent Directors were present in the meeting. The Company Secretary acts as Secretary of the meeting.

Databank registration of the Independent Directors

Pursuant to the Ministry of Corporate Affairs notification dated 22nd October, 2019, requisite confirmations have been received from all the Independent Directors of the Company w.r.t registration on the Independent Director's Databank.

PRAKASH INDUSTRIES LIMITED

h) Details of shareholding of non-executive Directors in the Company as on 31st March, 2022

S.No.	Name of Director	No. of shares held
1.	Shri Y. N. Chugh	Nil
2.	Shri M. R. Agarwal	Nil
3.	Smt. Purnima Gupta	Nil
4.	Dr. S. C. Gosain	Nil
5.	Shri Sunil Kumar	Nil

i) The policy for conducting familiarization programmes for Independent Directors has been disclosed and can be accessed on the Company's website www.prakash.com.

3. AUDIT COMMITTEE

i) Terms, composition, names of members and chairman

The terms of reference of the Committee cover the matters specified for the Audit Committee under Regulation 18 of SEBI (LODR) Regulations, 2015 and as per Section 177 of the Companies Act, 2013.

During the year, the Board of Directors has reconstituted the Audit Committee. The Committee comprises of five members and majority of them are Independent Directors. Shri Y.N. Chugh (Non-Executive and Independent Director) is the Chairman of the Audit Committee and Shri M.R. Agarwal, Smt. Purnima Gupta, Dr. S. C. Gosain (All Non-Executive and Independent Directors) and Shri Kanha Agarwal, Joint Managing Director are members of the Audit Committee.

ii) No. of Audit Committee Meetings

During the financial year 2021-22, the Audit Committee met four times on 31st May, 2021, 6th August, 2021, 25th October, 2021 and 4th February, 2022 and attendance was as under.

S.No.	Name of Director	Status	Meetings Attended
1.	Shri Y.N. Chugh	Chairman	4
2.	Shri M.R. Agarwal	Member	4
3.	Smt. Purnima Gupta	Member	4
4.	Shri P.L. Gupta*	Member	3
5.	Dr. S. C. Gosain	Member	4
6.	Shri. Kanha Agarwal**	Member	1

* Ceased to be member due to resignation w.e.f. 18th December, 2021

** Co-opted as member w.e.f. 21st December, 2021

Audit Committee meetings are also attended by representative of Statutory Auditors, Internal Auditors and Managing Director, Whole-time Director and Chief Financial Officer of the Company who are permanent invitees for the meeting.

The Company Secretary acts as Secretary of the Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

i) Terms, composition, names of members and chairman

The terms of reference of Nomination and Remuneration Committee cover the matters specified for the said Committee under Regulation 19 & Part D of Schedule II of SEBI (LODR) Regulations, 2015 and as per Section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee comprises of Shri Y. N. Chugh (Non-Executive and Independent Director) as the Chairman and Shri M.R. Agarwal and Smt. Purnima Gupta (All Non-Executive and Independent Directors) as members of the Committee of the Board of Directors.

During the financial year 2021-22, the Committee met two times on 31st May, 2021 and 21st December, 2021 and attendance was as under:

S. No.	Name of Director	Status	Meetings Attended
1.	Shri Y.N. Chugh	Chairman	2
2.	Shri M.R. Agarwal	Member	2
3.	Smt. Purnima Gupta	Member	2

ii) Performance evaluation criteria for independent Directors:

Performance evaluation of Independent Directors has been done on annual Basis. The rating has been provided by the all the Directors except the Independent Directors being evaluated. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest etc. The evaluation criteria was reviewed by Nomination and Remuneration Committee of the board of Directors from time to time in accordance with the SEBI (LODR) Regulations, 2015 and Companies Act, 2013 and rules made thereunder and amendments thereto from time to time.

The Company Secretary acts as Secretary of the Committee.

5. DETAILS OF REMUNERATION / SITTING FEE PAID TO DIRECTORS FOR THE PERIOD FROM 1ST APRIL, 2021 TO 31ST MARCH, 2022:

a) The remuneration criteria of making payments to Non-Executive Directors has been disclosed and it can be accessed on the Company's website www.prakash.com.

b) Pecuniary Relationship

Independent Directors viz. Shri Y.N. Chugh, Shri M.R. Agarwal, Smt. Purnima Gupta, Shri Sunil Kumar and Dr. S.C. Gosain do not have any pecuniary relationships or transactions with the Company except for the sitting fees drawn for attending the meetings of the Board and Committee(s) thereof.

PRAKASH INDUSTRIES LIMITED

(₹ in lakhs)

S.No.	Name of Director	Salary	Perquisites	Sitting Fee
1.	Shri V. P. Agarwal	600.00	0.40	N.A.
2.	Shri Vikram Agarwal	295.68	0.40	N.A.
3.	Shri Kanha Agarwal	138.00	0.40	N.A.
4.	Shri Y. N. Chugh	Nil	Nil	3.25
5.	Shri M. R. Agarwal	Nil	Nil	3.25
6.	Smt.Purnima Gupta	Nil	Nil	4.50
7.	Shri M. L. Pareek*	23.54	0.10	N.A.
8.	Shri P. L. Gupta**	48.45	7.27	N.A.
9.	Shri Sunil Kumar	Nil	Nil	1.75
10.	Dr. S. C. Gosain	Nil	Nil	3.00

* Appointed w.e.f. 21st December, 2021

** Ceased to be Director due to resignation w.e.f. 18th December, 2021

c) Details of Service Contracts of Directors:

S. No.	Name of Director	Period of Contract	Date of appointment / Re-appointment	Notice Period
1.	Shri V.P. Agarwal	3 years	01.04.2020	N.A.
2.	Shri Vikram Agarwal	3 years	01.04.2021	N.A.
3.	Shri Kanha Agarwal	3 years	01.04.2022	N.A.
4.	Shri M.L. Pareek	3 years	21.12.2021	One month

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board of Directors has reconstituted the Stakeholders Relationship Committee and comprises of Smt. Purnima Gupta (Non-Executive and Independent Director), as Chairperson of the Committee, Shri Vikram Agarwal, Managing Director and Shri Kanha Agarwal, Joint Managing Director as members of the Committee.

The Committee is entrusted with the responsibility of addressing the shareholders/ Investors' complaints with respect to transfer of shares, non-receipt of Annual Report and non-receipt of dividend etc.

During the financial year 2021-22 the Stakeholders Relationship Committee met three times on 10th April, 2021, 10th July, 2021 and 9th October, 2021 and attendance was as under:

S.No.	Name of Director	Status	Meetings Attended
1.	Smt. Purnima Gupta	Chairperson	3
2.	Shri P.L. Gupta*	Member	3
3.	Shri Kanha Agarwal	Member	3
4.	Shri Vikram Agarwal**	Member	-

* Ceased to be member due to resignation w.e.f. 18th December, 2021.

** Co-opted as member w.e.f. 21st December, 2021

The Company Secretary acts as Secretary of the Committee.

Compliance Officer : Shri Ashwini Kumar
Company Secretary

No. of shareholders/ investors complaints received upto 31st March, 2022 : 16

No. of complaints not solved to the satisfaction of Shareholders / investors : Nil

No. of pending complaints : Nil

The Company has created an exclusive e-mail ID viz. investorshelpline@prakash.com for the help of investors

7. CORPORATE SOCIAL RESPONSIBILITY AND GOVERNANCE COMMITTEE

The Board has also constituted the Corporate Social Responsibility and Governance Committee (CSR & G Committee) and comprises of Shri Vikram Agarwal, Chairman and Shri Kanha Agarwal and Smt. Purnima Gupta as members. The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

During the financial year 2021-22 the Committee met once on 31st May, 2021 and attendance of members at the meeting was as follows:

S. No.	Name of Director	Status	Meetings Attended
1.	Shri Vikram Agarwal	Chairperson	1
2.	Shri Kanha Agarwal	Member	1
3.	Smt.Purnima Gupta	Member	1

The Company Secretary acts as Secretary of the Committee.

8. RISK MANAGEMENT COMMITTEE

In terms of the provisions of SEBI (LODR) Regulations, 2015, Company has reconstituted Risk Management Committee during the financial year comprising of Shri Vikram Agarwal, Managing Director as Chairman and Dr. S. C. Gosain (Non-Executive and Independent Director) and Shri M.L. Pareek, Whole-time Director as members of the Committee.

During the financial year 2021-22 the Committee met twice on 4th February, 2022 and 26th March, 2022 attendance of members at the meeting was as follows:

S. No.	Name of Director	Status	Meetings Attended
1.	Shri Vikram Agarwal	Chairperson	2
2.	Dr. S. C. Gosain*	Member	1
3.	Shri P. L. Gupta**	Member	-
4.	Shri M.L. Pareek***	Member	2

* Co-opted as members w.e.f. 16th June, 2021

** Ceased to be member due to resignation w.e.f. 18th December, 2021.

*** Co-opted as member w.e.f. 21st December, 2021

The Company Secretary acts as Secretary of the Committee.

The Committee is empowered pursuant to its terms of reference:

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1. To develop and implement the Risk Management Policy of the Company
2. To lay down risk assessment and minimization procedures
3. To frame, implement, review and monitor Risk Management Plan of the Company
4. To perform such other functions as may be referred to it by the Board

As per SEBI Circular dated 15th November, 2018 disclosure regarding commodities in the prescribed format is as under.

- i Risk management policy of the listed entity with respect to commodities including through hedging (Such policy shall take into account total exposure of the entity towards commodities, commodity risks faced by the entity, hedged exposures, etc. as specified below)

- Not Applicable -

- ii Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:

- a. Total exposure of the listed entity to commodities in INR

- Not Applicable -

- b. Exposure of the listed entity to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic Market		International Market		Total
			OTC	Exchange	OTC	Exchange	
-NA-	-NA-	-NA-	-NA-	-NA-	-NA-	-NA-	-NA-

- c. Commodity risks faced by the listed entity during the year and how they have been managed.

- Not Applicable -

9. OTHER COMMITTEES

a) SHARE TRANSFER COMMITTEE

The Committee consists of Shri V.P. Agarwal, Chairman of the Company as Chairman and Shri Vikram Agarwal, Managing Director as member of the Committee.

The Board has constituted a Share Transfer Committee, which meets frequently/as and when required to approve the transfer and transmission of shares, issue of duplicate share certificates, consolidation and sub-division of shares etc. The Company complies with the requirements of the SEBI (LODR) with respect to transfer of shares. The requisite certificates are sent to the shareholders within the prescribed time after needful. The stipulations of depositories regarding demat / remat etc. are also complied with.

Compliance Officer:

As required by the Stock Exchanges, the Company has appointed Shri Ashwini Kumar, Company Secretary of the Company as Compliance Officer to monitor the transfer process and liaison with the regulatory authorities.

b) FINANCE COMMITTEE

The Board has reconstituted a Finance Committee to look after all credit facilities taken or to be taken by the

Company for the business of the Company and any other transaction or any financial issue that the Board may desire to be reviewed by the Finance Committee. During the year Board of Directors has reconstituted the Finance Committee. The Committee comprises of Smt. Purnima Gupta (Non-Executive and Independent Director), as Chairperson of the Committee and Shri Vikram Agarwal, (Managing Director) and Shri M.L. Pareek (Whole-time Director) as members of the Finance Committee of the Board of Directors.

During the financial year 2021-22 the Committee met once on 12th October, 2021 and attendance was as under:

S.No.	Name of Director	Status	Meetings Attended
1.	Smt. Purnima Gupta	Chairperson	1
2.	Shri Vikram Agarwal	Member	-
3.	Shri P.L. Gupta*	Member	1
4.	Shri M.L. Pareek**	Member	-

* Ceased to be member due to resignation w.e.f. 18th December, 2021

** Co-opted w.e.f. 21st December, 2021

c) ALLOTMENT COMMITTEE

The Board has reconstituted an Allotment Committee for allotment of equity shares or any other instrument convertible into equity shares. The Committee comprises of Shri Y.N. Chugh (Non-Executive and Independent Director) as the Chairman of the Allotment Committee and Dr. S. C. Gosain and Smt. Purnima Gupta (Non-Executive and Independent Director) as members of the Allotment Committee of the Board of Directors.

During the financial year 2021-22 no meeting was held.

d) FCCB CONVERSION COMMITTEE

The Board has reconstituted a FCCB Conversion Committee for allotment of equity shares on conversion of FCCB. The Committee comprises of Shri Vikram Agarwal (Managing Director) as the Chairman of the FCCB Conversion Committee and Shri M.L. Pareek (Whole-time Director) as member of the FCCB Conversion Committee of the Board of Directors.

During the financial year 2021-22 no meeting was held.

10. GENERAL BODY MEETINGS

Details of Annual General Meetings (AGM) of the Company held during the last three financial years, which were held as mentioned below:

Year	Date	Details of Special Resolutions
2020-2021 (AGM)*	29.07.2021 at 12.30 p.m	Re-appointment of Shri Vikram Agarwal as Managing Director, Shri P.L. Gupta as Whole-time Director and increase in Authorised Capital of the Company.
2019-2020 (AGM)**	28.09.2020 at 12.30 p.m	Re-appointment of Shri Ved Prakash Agarwal as Chairman of the Company. Waiver of Recovery of Excess Remuneration paid to Shri Ved Prakash Agarwal, Chairman, Shri Vikram Agarwal, Managing Director and Shri Kanha Agarwal, Joint Managing Director of the Company.
2018-2019 (AGM)**	26.09.2019 at 12.30 p.m.	No special resolution was passed.

*AGM held Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)

**AGM held at the Registered Office of the Company at 15 Km. Stone, Delhi Road, Hissar-125044 (Haryana)

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Special Resolution passed through Postal Ballot

No special resolution was passed through postal ballot during the financial year 2021-22. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through postal ballot.

11. MEANS OF COMMUNICATIONS

Financial Results

The quarterly/ half-yearly/ annual results along with audit/ limited review report and press release are filed with the stock exchanges immediately after the approval of the Board.

The results are also published in at least one prominent national and one regional newspaper having wide circulation viz. Business Standard within 48 hours of the conclusion of the meeting,

The notice of AGM / EGM alongwith the Annual Report are sent to the Stock Exchanges and shareholders well in advance of the AGM / EGM.

Financial results, Annual Report and Notice of AGM / EGM are also uploaded on the Company's website and can be accessed at www.prakash.com

News Release

Stock exchanges are regularly updated on any developments/ events and the same are simultaneously displayed on the Company's website as well.

All the releases can be accessed on the website of the Company at www.prakash.com

12. GENERAL SHAREHOLDERS' INFORMATION

a) Company Registration Details

The Company is registered in the State of Haryana, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L27109HR1980PLC010724.

b) Annual General Meeting:

Date & Time 28th September, 2022 at 12.30 p.m.
Venue Through Video Conferencing (VS)/ Other Audio Visual Means (OAVM) (Deemed venue - Registered Office of the Company)

c) Financial Calendar for 2022-23:

- First quarter results upto 14th August, 2022
- Second quarter results upto 15th November, 2022
- Third quarter results upto 15th February, 2023
- Fourth quarter/Annual results upto 15th /30th May, 2023

d) Book Closure :

20th September, 2022 to 22nd September, 2022 (both days inclusive)

e) Dividend and its Payment:

No dividend has been recommended by the Board of Directors for the financial year 2021-22

f) Stock Exchanges where Equity Shares of the Company are listed:

S.No.	Name of the Stock Exchange	Stock Code
1.	BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001	506022
2.	National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor, Plot No. C/1 G Block, Bandra-Kurla Complex, Bandra (E) , Mumbai - 400051	PRAKASH

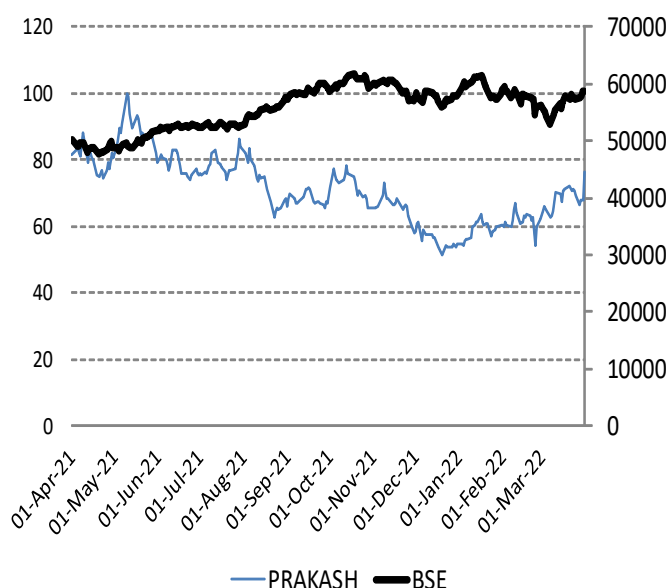
ISIN No. for equity shares : INE603A01013

g) Market Price Data :

Market price of Company's Equity Share of ₹10 each during the year from April, 2021 to March, 2022 at BSE Ltd. and National Stock Exchange (NSE) are given below:

Month	BSE		NSE	
	Highest	Lowest	Highest	Lowest
April, 2021	90.80	73.00	90.85	72.85
May, 2021	104.65	80.25	104.75	80.00
June, 2021	84.85	72.50	84.75	72.35
July, 2021	88.25	73.60	88.30	73.50
August, 2021	85.90	60.70	85.90	60.75
September, 2021	73.15	64.00	73.25	64.95
October, 2021	79.75	64.40	79.75	63.65
November, 2021	73.80	57.15	74.00	57.30
December, 2021	62.35	50.85	62.35	50.10
January, 2022	64.85	54.00	64.90	54.00
February, 2022	69.00	52.85	69.00	53.20
March, 2022	77.15	60.70	77.20	59.50

Performance of share price in comparison to BSE sensx



PRAKASH INDUSTRIES LIMITED

h) Distribution of Shareholding (as on 31st March, 2022)

No. of Equity Shares held	No. of Share Holders	% of Share Holders	No. of Shares	% of Share Holding
Upto 5000	81949	82.06	11700022	6.53
5001 - 10000	8406	8.42	6753320	3.77
10001 - 20000	4432	4.44	6806955	3.80
20001 - 30000	1563	1.57	4028466	2.25
30001 - 40000	716	0.72	2594360	1.45
40001 - 50000	652	0.65	3117417	1.74
50001 - 100000	1066	1.07	7937500	4.43
100001 – above	1067	1.07	136143799	76.03
Total	99851	100.00	179081839	100.00

i) Shareholding Pattern (as on 31st March, 2022)

Category	No. of Shares	% of Shares
Promoter & Promoter Group	76903715	42.94
Mutual Fund/ UTI	46904	0.03
Financial Institutions / Banks	2235	0.00
Insurance Companies	200	0.00
Foreign Institutional Investors	2735975	1.53
Bodies Corporate etc.*	29336513	16.38
IEPF	1004874	0.56
NRIs/OBCs	2309434	1.29
Public (Individuals)	66741989	37.27
Total	179081839	100.00

*Including Companies, Trusts, Clearing Members, Firms & LLPs etc.

j) Registrar and Transfer Agent

Earlier Company was doing transfer / split / consolidation / transmission of shares held by shareholders in physical form as well as demat / remat of shares "in-house". M/s Skyline Financial Services Pvt. Ltd. has been appointed Registrar and Transfer Agent w.e.f. 24th September, 2021.

Skyline Financial Services Pvt. Ltd.

D-153A, 1st Floor, Okhla Industrial Area, Phase-I,
New Delhi – 110020.

Ph. : (011) - 40450193-97

Website : www.skylinerta.com

E-mail : info@skylinerta.com

k) Share Transfer System

The Transfer of shares in physical form are registered and returned within the stipulated time, if documents are clear in all respects as per SEBI guidelines. However with effect from 1st April, 2019, SEBI vide its Press Release No.12/2019 dated 27th March, 2019 had prohibited the transfer of shares in physical form.

l) Dematerialisation of Shares :

The Company has arrangements with both National Securities Depositories Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and got

electronic connectivity of shares for scripless trading. 99.40% of Equity Shares of the Company were held in dematerialized form as on 31st March, 2022.

m) Listing Fee :

The Company has paid the listing fees upto the year 2022-23 of BSE Ltd. and National Stock Exchange of India Ltd. where the shares of the Company are listed and traded.

n) Outstanding Foreign Currency Convertible Bonds (FCCB) :

The total outstanding FCCB as on 31st March, 2022 is 10.80 Million US\$.

o) Plant Locations :

- i) Champa, Distt. Janjgir – Champa (Chhattisgarh)
- ii) Raipur (Chhattisgarh)
- iii) Bhaskarpara (Chhattisgarh)
- iv) Sirkaguttu (Odisha)
- v) Muppandal (Tamil Nadu)

p) Address for Correspondence:

Prakash Industries Ltd.

SRIVAN, Bijwasan,
New Delhi – 110061.

Ph. : (011) - 25305800

Website : www.prakash.com

E-mail : investorshelpline@prakash.com

11. OTHER DISCLOSURES

- a) None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No.41 of Standalone Financial Statements, forming part of the Annual Report. All related party transactions are negotiated on arms length basis and are intended to further the Company's interests.

The Company has disclosed the related parties transactions in Notes on Accounts in the Balance Sheet. The same are not in potential conflict with the interest of the Company at large.

- b) There has been no instance of non-compliance by the Company on any matter related to capital markets during last three years, and hence, no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory authority during the financial year 2021-22.
- c) The Company has in place "Vigil Mechanism-cum-Whistle Blower Policy" to provide a formal mechanism to the Directors and Employees to report their genuine concerns about the unethical behaviour, actual or suspected fraud, etc. The mechanism provides for adequate safeguards against victimization of employees, who use such mechanism. During the

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year, no employee was denied access to the Audit Committee. The Policy is displayed on the Company's Website and can be accessed at link <https://www.prakash.com>

- d) The Policy for determining "Material Subsidiaries" can be accessed on Company's website www.prakash.com.
- e) The Policy on dealing with related party transactions can be accessed on Company's website www.prakash.com.
- f) Compliance with Corporate Governance Requirements specified in SEBI Listing Regulations

The Company has complied with the requirements of sub-paras (2) to (10) of Part-C to Schedule-V to the SEBI Listing Regulations. The Company has also complied with Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations and necessary disclosures have been made in this Corporate Governance Report.

A Certificate as to the compliance of conditions of Corporate Governance issued by Practising Company Secretary is appended with this Report.

functional heads of the Company. The essence of the code is to conduct the business of the Company in honest and ethical manner in compliance with applicable laws. The Code of Conduct has been posted on the website of the Company. All the Board members and Senior Management personnel including functional heads of the Company have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director and CFO is given below:

"In terms of Para D of Schedule V of SEBI (LODR) Regulations 2015, it is hereby declared that all the Directors and Senior Management personnel including functional heads have affirmed compliance of the Code of Conduct of the Company for the financial year 2021-22"

Place : New Delhi
Date : 3rd May, 2022

Vikram Agarwal
Managing
Director

Deepak Mishra
Chief Financial
Officer

13. Fees paid to Statutory Auditor for services rendered during the financial year 2021-22:

The total fees of ₹ 68 Lakhs had been paid to M/s Chaturvedi & Co., Chartered Accountants Firm having Registration No.302137E for all the services rendered by them to the Company during the financial year 2021-22 on standalone basis.

14. DISCLOSURE ABOUT UTILISATION OF FUND RECEIVED FROM PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A) OF SEBI (LODR) REGULATIONS, 2015

The Company has not received any amount through preferential allotment or qualified institutional placement during the financial year 2021-22.

15. CODE OF CONDUCT

The Company has adopted a Code of Conduct for all Directors and Senior Management personnel including

16. A certificate has been received from Shri Bhoopendra Kumar Bhora, Practising Company Secretary, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Statutory Authority.

17. Disclosures with respect to demat suspense account/ unclaimed suspense account

- a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year : NIL
- b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year : NIL
- c) Number of shareholders to whom shares were transferred from suspense account during the year : NIL
- d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year : NIL

Compliance Certificate from the Practising Company Secretary regarding compliance of conditions of Corporate Governance

To
The Members of
Prakash Industries Limited

I, Bhoopendra Kumar Bohra, proprietor of B K Bohra & Associates, have examined the compliance of conditions of corporate governance by Prakash Industries Limited ("the Company"), for the year ended 31st March, 2022 as stipulated in SEBI (LODR) Regulations, 2015 and the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the said clause of the Listing Regulations.

I further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

for **B.K. Bhora & Associates**
Company Secretaries

(Bhoopendra Kumar Bhora)
Proprietor

ACS: 62344 CP: 23511

UDIN: A062344D000262049

New Delhi

3rd May, 2022

PRAKASH INDUSTRIES LIMITED

ANNEXURE-5B

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of
Prakash Industries Limited
15 KM Stone, Delhi Road
Hissar, Haryana - 125044.

I, Bhoopendra Kumar Bohra, Proprietor of B K Bohra & Associates, Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Prakash Industries Limited having CIN L27109HR1980PLC010724 and having registered office at 15 KM Stone, Delhi Road, Hissar, Haryana - 125044 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S.No.	Name of Director	Director Identification Number(DIN)	Date of appointment in Company
1.	Shri Ved Prakash Agarwal	00048907	31-07-1980
2.	Shri Vikram Agarwal	00054125	28-05-2005
3.	Shri Kanha Agarwal	06885529	28-05-2014
4.	Shri Mangi Lal Pareek	01795975	21-12-2021
5.	Shri Mamraj Agarwal	00180671	14-11-2013
6.	Shri Yoginder Nath Chugh	02225961	14-11-2013
7.	Smt. Purnima Gupta	06885738	28-05-2014
8.	Dr. Satish Chander Gosain	08202130	13-08-2018
9.	Shri Sunil Kumar	08047482	04-02-2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

for **B.K. Bhora & Associates**
Company Secretaries

(Bhoopendra Kumar Bohra)
Proprietor

New Delhi
3rd May, 2022

ACS: 62344 CP: 23511
UDIN: A062344D000262225

MANAGEMENT DISCUSSION AND ANALYSIS**Industry Structure & Developments**

The domestic steel production was at its highest at 113.6 million tonnes in FY22 (up from 96.2 million tonnes in FY21), an increase of 18.1% (y-o-y) on account of the revival in economic activities. India's steel capacity utilisation was at around 79% for FY22 (on an estimated installed production capacity of around 144 million tonnes). The robust steel demand outlook is likely to lead to continued high-capacity utilisation for the sector over the medium term. India's steel consumption was at 105.8 million tonnes in FY22, up from 94.9 million tonnes in FY21, an increase of 11.4% y-o-y on account of increased consumption by the government on developing infrastructure as well as the resumption of economic activities and construction work. India exported a record high of 13.5 million tonnes of steel in FY22 and continued to remain a net exporter. Exports from India grew at a healthy CAGR of 27% from 8.4 million tonnes in FY20 to 13.5 million tonnes in FY22 led by international factors like environmental concerns surrounding China's steel industry and an uptrend in global steel prices and higher demand from European nations.

This high demand is likely to continue in FY23 backed by an uptick in the overall consumption. Construction and infrastructure remain the biggest sector driving the demand for steel. The Government's focus on developing the infrastructure sector is visible in the union budget for 2022-23 with several announcements on new roads and highways, railways, cargo terminals, National Ropeways Development Program for hilly areas and housing projects.

Opportunities and Threats

The company's operations are directly linked to the nation's demand for steel. The various sectors that are expected to contribute to the growing demand are infrastructure, roads, railways, bridges, airports, industrial plants, buildings, automobiles, etc. The renewed importance given by Government on affordable housing, roads, sagarmala projects and other infrastructure projects is expected to create steel demand. The COVID pandemic presents a unique opportunity for India and its industries to increase influence in the global supply chain. With a likely realignment of global supply chains, India has the skill, resources and expertise to emerge as a location of choice. The Metals and Mining sector in India is expected to witness a major reform in the next few years, owing to reforms such as Atmanirbhar Bharat and Make in India Campaign. The Cabinet Committee on Economic Affairs (CCEA) has approved commercial coal mining for private sector and the methodology of allocating coal mines via auction and allotment, thereby prioritizing transparency, ease of doing business and ensuring the use of natural resources for national development. In this regard, your Company has also been allotted a Commercial Coal Mine by the Ministry of Coal, Government of India, which shall go a long way in enhancing the revenue and profitability of the Company, more so, in the scenario marked by global coal shortage.

The key threat to the steel industry continues to be the smooth availability and the price volatility of iron ore and coal, which are the key raw materials. The non-availability of non-coking coal and the rising prices of Iron Ore might pose significant challenge in the future. However, your Company has insulated itself against these possible threats as the Company has an operational iron ore mine and has also secured long term coal linkage in the recent coal auction conducted by Coal India Limited. In addition, the recently allotted coal mine shall further integrate the steel operations of the Company in the coming times.

Outlook

The demand for Indian steel industry will continue to be supported by increased government spending on infrastructure and a gradual economic recovery. The Union Budget 2022-23 has seen an increase of 36% Y-o-Y in allocation of capex at Rs. 7.5 lakh crores. The budget has infrastructure push towards seven engines (roads, railways, airports, ports, mass transport, waterways and logistic infra). The allocation for various schemes like Pradhan Mantri Awas Yojana (PMAY) scheme, Jal Jeevan Mission will also have a positive impact on long steel players. Further, the restrictions imposed on the export from Russia, which is the 2nd largest steel exporter (followed by China) to the European Union will also create opportunity for export to the Indian steel makers.

Risks and Concerns

Risk is an integral factor in virtually all businesses. The Company follows a well-defined risk management process, which is integrated with its operations. The Company has formed a Risk Management Committee which has the mandate of identifying the risks and suggesting the ways to mitigate them. All risks are adequately measured, estimated and controlled. Irrespective of the type of risk or the activity that creates it, the Company's fundamental approach to risk management remains the same: identify and measure risks, leverage an in-depth knowledge of the business and respond flexibly in the understanding and management of risks.

The potential risks being faced by the steel making business continue to be the domestic steel demand scenario and uninterrupted supplies of key inputs like iron ore and coal. The Company has significantly reduced the risks arising from erratic demand through integration of operations. Besides, the Company's plants are located in a large steel manufacturing belt, making it possible to provide products with speed and relatively high logistic efficiency. The company has safeguarded itself against input risks to a significant extent by having an operational captive iron ore mine in Sirkaguttu, State Odisha. Further as regards Coal, the Company has in place Long Term Linkage of Coal from Coal India Limited for supply of Coal at a stable price. Also, the recently allotted coal mine shall further integrate the steel operations of the Company in the coming times and insulate the Company against any volatility in the coal prices.

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Internal Control System and their Adequacy

The Company has an adequate internal control system to manage the business operations effectively and efficiently. The Company has availed the services of independent professional firm for Internal Audit, which closely monitors the compliance of all operations with prescribed business standards. The audit team supervises all internal processes and recommends necessary changes to ensure quick remediation of deviations, if any. Any variance from the budget is flagged off to the senior management which advises modification to ensure strict adherence to compliances. Periodic monitoring and effective implementation of recommendations ensure high business compliance with adequate adherence to rules and regulations that govern the Company. The internal controls also ascertain the reliability of financial controls and strict adherence to compliance as per applicable laws and regulations. The internal control system ascertains optimal utilisation of all resources and proper documentation of financial transactions.

Material Developments in Human Resource/Industrial Relations

The Company considers its human resources as a critical factor to its growth and success. The Company follows a well developed human resource approach, which aims to address the key aspects of human resource thereby maintaining healthy work environment and constructive relationship with its employees with a continuing focus on efficiency and productivity. Since the Company firmly believes that the success of any entity is directly linked to the success of its employees, the Company regularly conducts training and leadership skill development programs across all its locations. The Company had maintained healthy and cordial industrial relations during the year.

RATIO ANALYSIS

S.No.	Particular	Units	FY 2022	FY 2021
1.	Debt-Equity Ratio	Times	0.10	0.12
2.	Current Ratio	Times	1.35	1.30
3.	Operating Profit Margin	%	10.16	10.03
4.	Net Profit Margin	%	4.29	2.96
5.	Interest Coverage Ratio	Times	5.50	4.39
6.	Debtors Turnover Ratio	Times	37.56	19.04
7.	Inventory Turnover Ratio	Times	9.04	10.66

BUSINESS RESPONSIBILITY REPORT**Section A: General Information about the Company**

1. Corporate Identity Number	:	L27109HR1980PLC010724
2. Name of the Company	:	Prakash Industries Limited
3. Registered Office Address	:	15 Km. Stone, Delhi Road, Hissar - 125044 (Haryana)
4. Website	:	www.prakash.com
5. Email-id	:	Investorshelpline@prakash.com
6. Financial Year Reported	:	2021-22
7. Sectors engaged in	:	Steel and Power generation
8. Key products / services company manufacturers	:	Steel, Power
9. Number of locations where business is undertaken	:	
i. International locations	:	Nil
ii. National locations	:	5
10. Markets served by the Company	:	The Company mainly serves the domestic market

Section B: Financial Details of the Company : **(₹ in Lakhs)**

1. Paid-up Capital (₹ in Lakhs)	:	17908
2. Total Turnover (₹ in Lakhs)	:	392872 (Standalone)
3. Total Profit / (Loss) after taxes (₹ in Lakhs)	:	16872 (Standalone)
4. Total Spending on CSR as % profit after tax	:	3.78%
5. List of activities in which CSR expenses incurred:	:	
a) Making Available Safe Drinking Water		
b) Promoting Preventing Healthcare		
c) Poverty & Malnutrition		
d) Training Programme & Promotion of Education		
e) Environment Awareness		
f) Ensuring Environment Sustainability		
g) Animal Welfare		
h) Promotion of Rural Sports		
i) Rural Development Projects		

Section C: Other Details

1. Details on subsidiary Companies	:	Nil as on March 31, 2022
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company?	:	Not Applicable
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company?	:	Not Applicable

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Section D: BR Information

1. Details of Director / Directors responsible for BR

The Board has not assigned responsibilities specifically to any Director to function as the BR head. The CSR committee of the Company is under the Chairmanship of Shri Vikram Agarwal

Details of Shri Vikram Agarwal are as follows:

DIN : 00054125
 Name : Shri Vikram Agarwal
 Designation : Managing Director
 Telephone : 011-25305800
 Email ID : pilho@prakash.com

2. Principle-wise (as per NVGs) BR policy / policies

- P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
 P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
 P3 Businesses should promote the wellbeing of all employees.
 P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
 P5 Businesses should respect and promote human rights.
 P6 Businesses should respect, protect, and make efforts to restore the environment.
 P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
 P8 Businesses should support inclusive growth and equitable development.
 P9 Businesses should engage with and provide value to their customers and consumers in responsible manner.

3. Principle-wise BR policy - As per National Voluntary Guidelines Questions

S.No.	Product /Waste Recycling	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have a policy/ policies for code of conduct	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/international standards?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board/ Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	Code of Conduct is available on the Company website -www.prakash.com								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	No. Independent evaluation has been done. However, CSR interventions taken by the Company is reviewed and evaluated by the C S R Committee set up by the Company in accordance with the provisions of the Companies Act, 2013.								

4. Governance related to BR

- (a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.**

The Board of Directors periodically reviews / assesses the operational, financial and marketing performance of the Company.

- (b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it's published?**

In compliance with SEBI (LODR) Regulations, 2015, the Business Responsibilities Report (BRR) is published as an Annexure to the Board Report annually, forming part of the Annual Report from FY 2019-20. The said Report can be viewed on the Company's Website at <http://www.prakash.com>

Section E: Principle-wise performance**Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.**

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

- The Company has in place a "Whistleblower Policy & Vigil Mechanism" to provide a formal mechanism to the Directors and Employees of the Company to report their genuine concerns about the unethical behaviour, actual or suspected fraud etc.
- The Company has also in place "Code of Conduct for Designated Persons", which sets ethical standards and provide guidance and help in recognizing and dealing with ethical issues and to help foster a culture of honesty and accountability.
- In order to further strengthen internal controls for prevention of insider trading, there exists a Code of Conduct for prevention of Insider Trading in Company's shares, which not only satisfies the Regulatory requirements but also instils a sense of responsibility amongst the designated employees / persons.
- The Company has "Code of Practices and Procedures for fair Disclosure of Unpublished Price Sensitive Information" (UPSI) with the main object of ensuring timely and fair disclosure of UPSI, events, occurrence that could impact share

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

During FY 2021-22, the Company received 16 (Sixteen) complaints from the Investors mainly with regard to non-receipt of Dividend, Annual Report, Issue of Duplicate Share Certificates, Transmission of Shares etc. All the complaints have been satisfactorily resolved and no complaint is pending as on March 31, 2022.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

- Sponge Iron DRI
- Steel Billets
- TMT Bars / Wire Rods

The Company has adopted the Integrated Management System including ISO-9001 (Quality), ISO-14001 (Environment), ISO 45001 (Occupational Health & Safety) and ISO-50001 (Energy) Management System Certification of all its products and process. The Company has identified the areas of environment and social concern and associated risks as per the SOPs of Management System and has ensured the effective implementation of the same to ensure Pollution control in the plant as per the statutory guidelines, Zero Accidents and optimum use of Energy and Water in each product / process. The Company always ensures that all its products / processes adhere with the quality, environmental, safety and social concerns at the design stage itself through selection of state-of-the-art technology, quality project execution etc. The Company ensures that the products manufactured are of Best Quality in the Industry, cost effective, Energy Efficient, Environment friendly and are made with Safe operational processes and also ensures the safe and efficient transportation to the customers.

2. **Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

The Company has procedures in place for sustainable sourcing (including transportation) in various operations. Bulk material transportation is planned through Rail route. For sourcing various input like raw materials, manpower (Employees & Contractors) and capital goods / spares. The Company has implemented strict adherence to procedures ensuring the sustainable development. The Company has developed its own trucks fleet for ensuring efficient & timely transportation of these raw materials to reduce adverse impact of transportation on environment.

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Adoption of cleaner technologies has further reduced the consumption of fuel and various raw materials for sustainable growth.

Also 100% waste water recycling after proper treatment is ensured by the Company with Zero discharge outside the factory premises ensuring the water conservation in all processes.

3. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The Company has always promoted procurement of goods and services from local vendors and small producers. This is primarily done while hiring various equipment and services (manpower sourcing), procurement of raw materials, construction material, plant consumables and spares. Apart from this Company has always emphasized taking services of civil contractors and casual labour sourcing for the operation from nearby villages.

Company has also put efforts to build and improve the skills and capabilities of local people in nearby villages by giving them opportunities time to time and always give them preference in recruitments.

4. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Company has predefined mechanism to recycle its wastes since inception. Solid Wastes generated from various processes are Slag, Dolo char, and fly ash from power plant, waste water & slag of Steel making. These wastes are being reused with recycling it after proper treatment as per the details mentioned below -

S.No.	Product /Waste Recycling	% age of re-use /recycling	Details
1.	Dolo Char	100%	Being used as fuel in AFBC boilers replacing coal and thereby conserving the natural resource.
2.	Fly ash	100%	Used in Brick manufacturing plant installed in the plant premises which are used in various construction /projects in the company and also being distributed to nearby villages free of cost. Surplus flyash is being sent to Cement plants as well as being sent for filling of abandoned mines as per statutory guidelines.
3.	Effluent	100%	Effluent Treatment Plants have been installed for treatment of all waste water of the Plants & ZERO discharged condition is being maintained.
4.	Hazardous waste	100%	Sold to CPCB Authorized Re-cyclers for optimum use of natural fuel.

Principle 3: Businesses should promote the well being of all employees.

1. **Please indicate the Total number of employees.**

The Company has 7490 employees which include permanent employees and employees on contractual basis as on at March 31, 2022.

2. **Please indicate the Total number of employees hired on temporary contractual / casual basis.**

The Company has 5086 employees hired on contractual basis.

3. **Please indicate the Number of permanent women employees.**

Total numbers of permanent women employees in the Company are 04.

4. **Please indicate the Number of permanent employees with disabilities**

There are 03 permanent employees with disabilities in the Company

5. **Do you have an employee association that is recognized by management?**

The Management of the Company has recognized "PRAKASH EMPLOYEES UNION (INTUC)" as an employee association. The Management and the Union work together for wellbeing of the employees alongwith growth of the organization.

6. **What percentage of your permanent employees is members of this recognized employee association?**

About 98% of our permanent employees are member of INTUC

7. **Please indicate number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

No Complaint. The Company do not engage any Child labour / Forced labour / Involuntary Labour in the Organization and we have no complaints relating to child labour, forced labour, involuntary labour, sexual Harassment etc.

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- * Permanent Employees: 100%
- * Permanent Women Employees: 100%
- * Casual/Temporary/Contractual Employees: 100%
- * Employees with Disabilities: 100%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1. Has the Company mapped its internal and external stakeholders? Yes / No

Yes. The Company has mapped its internal as well as external stakeholders which are Employees / Suppliers / Vendors / Public / Contractors & interest of all stakeholders is being taking care for sustainable development.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?

Yes. The Company has identified disadvantaged, vulnerable and marginalized stakeholders/community.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.

The Company engages with stakeholders through multiple channels of communication both formally and informally. The Company has developed internal systems and procedures to identify, prioritize and address needs and concerns of stakeholders at various levels. Likewise, various departments have been entrusted with the responsibility of interacting and engaging with stakeholders.

The Company undertook activities to improve the quality of lives of the disadvantaged and vulnerable section in local communities by undertaking multifaceted sustainable socio -economic and ecological Projects/ Programs as given below:

- a. Execution of development & livelihood projects such as skill training to the youths etc.
- b. Extended support to children from marginalized communities for their education in the nearby schools / Colleges.
- c. Women empowerment through focused initiatives to improve their Skills & for their livelihoods.
- d. Provide apprentices to the nearby students to increase their skill and groom them as employable and give them jobs as per their skill.
- e. Drive for sanitation as well as cleanliness.
- f. Undertaken rural development projects such as construction of road, plantation, medical camps etc.
- g. Spreading the Awareness on the Covid-19 and Provided Medical aids, Vaccines, Ventilators, Ambulance Facility, Oxygen Cylinder etc. .

Principle 5: Businesses should respect and promote human rights.

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

Yes, The Company has established a policy which covers human rights of all employees, contractors, workers & other stakeholders. The Company is committed to uphold and maintain the dignity of all employees, contractors, workers & other stakeholders & has ensured equal human rights with zero discrimination tolerance.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaints on Human Rights was received during the year.

Principle 6: Business should respect, protect and make efforts to restore the environment.

1. Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures/ Suppliers/ Contractors/NGOs/others?

The various processes of the Company has been implemented & has been certified with Integrated Management System (IMS) for Environment, Occupational Health & Safety and Quality Management System. The IMS Policy is not only applicable to the Company but it is ensured that the Suppliers / Contractors / other group are also following the guideline of the Integrated Management System. All stakeholder of the Company are abided by the IMS policy and follow the same in true spirit for protecting the Environment.

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2. Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.?

The Company has adopted the Integrated Environment Management System ISO-14001 in all its processes to ensure utmost care of the Environment as well as compliance of statutory guidelines. Everybody's contribution in Global Environmental issues like Climate Change, Global Warming etc. is possible only with active participation & initiatives in Regional Environmental health assurance by doing strict Pollution Control, extensive plantation etc. As such every efforts of the Company is directly linked with Global Environmental.

The Company also organizes active awareness camps during World Environment Day, National Energy Conservation day every year to create and disseminate the awareness on the Environment amongst the employees.

3. Does the Company identify and assess potential environmental risks? Y/N

Yes, The Company has identified and assessed potential environmental risks through Environment Impact Assessment which are implemented through Environment Impact Assessment Study & Environment Management Plans are made to protect the Environment strictly. The study is undertaken considering the existing operations as well as Projects planned by the Company.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

No Projects related to Clean Development Mechanism is planned.

5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.

Yes, The Company has adopted Clean technology and Energy Conservation initiatives as part of its process and also has been implemented & is certified for the ISO-50001 Energy Management System. Waste reduction, Utilizations of Waste and Recycling of water and other natural resources, Improvement of Environment by using the latest pollution control equipments as well as best environment management practices are adopted by the Company.

The Company has also engaged the external Experts like National Productivity Council , CII etc for Carrying out the Water Audit and Energy audit in the plant for ensuring the optimum utilization of Water and maximum energy conservation.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the emissions/waste generated in the plants are within the stipulated limits given by CPCB / SPCB and we have installed the latest Online Monitoring System which are also connected online with server of CPCB / SPCB to monitor the pollutant levels. Disposal of these wastes are also being done as per the statutory guidelines of CPCB/ SPCB.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

-Nil-

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in are responsible manner

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

- PHD Chamber of Commerce & Industry
- Confederation of Indian Industry (CII)
- National Safety Council

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)

Yes, The Company does undertake constructive advocacy with Central as well as State level entities to positively contribute for advancement / improvement of public good mainly in following areas:

- Safety and Skill Development
- Energy and Raw Material Security
- Sustainable Business principles etc.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8 If yes, details thereof.

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The Company's' approach towards Corporate Social Responsibility (CSR) is to interweave social responsibility of surrounding area into Company's mainstream business functions by translating our commitments into the Company's policies. These policies are guidelines to perform all operational and services function in the organization. These Policies not only motivate our employees, but also influences our stakeholders especially partners and suppliers, to embrace responsible business practices in their respective spheres of action.

The Company lays special emphasis on bringing a tangible change in the lives of people living in nearby rural areas by engaging them in various works in the company by assigning the contract and giving them the employment opportunities according to their skill to ensure their livelihood & socio - economic development.

2. Are the programmes / projects undertaken through in-house team/own foundation/external NGO/ Government structures/any other organisation?

CSR is the integral part of the Company policy and all CSR initiatives is being planned, executed and monitored by the dedicated CSR Team. The Company's Corporate Social Responsibility (CSR) initiatives are implemented through its employees, District Administration and State Government etc., to meet the social mandate for the nearby villages. The execution of the programs under different heads like Healthcare, Rural Transformation, Environment and Sanitation are carried out through respective CSR teams.

3. Have you done any impact assessment of your initiative?

Company has carried out the impact assessment of various CSR, initiatives based on the feedback mechanism and accordingly modifications are done in the CSR plans for further improvement.

4. What is your Company's direct contribution to community development projects (amount in INR and the details of the projects undertaken).

The Company have spent ₹.637 Lakhs as direct contribution to community development projects under the heads of Education, Healthcare, Rural transformation, Environmental awareness, Plantation program, water conservation, promotion of Sports and other Social causes. These projects are directly intended for improving the quality of life of nearby villages with well-designed strategies for sustainable growth.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The CSR is in the core of the Company policy and all CSR initiatives is being planned, executed and monitored by the dedicated CSR Team. The Company regularly evaluates the performance and impact of its CSR programs. The CSR Team conducts assessments based on feedback mechanism to keep strengthening the interventions.

The Company is closely working with nearby community in creating meaningful partnerships through various CSR Programs. This is undertaken by initiating meaningful ground level participation with employees & local bodies.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. What percentage of customer complaints / consumer cases are pending as on the end of financial year.

High level of customer satisfaction is the main moto of Company's policy for sustainable growth. The Company has implemented & is certified with ISO 9001 Quality management Systems and ensures the Quality and Specification are met as per the customer specification and production related. There is no customer complaint and / consumer case is pending as on the end of financial year.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A./Remarks (additional information)

Yes. We mentioned the production information & Company Name on the Product as well as on test certificates. Our product is mainly used for infrastructure and construction activities & therefore utmost care is taken to maintain desired quality of products & also based on the feedback mechanism, continuous improvement efforts are made to satisfy the customers by supplying quality products.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No case is filed by any stakeholder against the Company regarding unfair trade practices as on end of Financial Year.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

Our Company do not carry out any formal consumer survey, however, as per Company policy we keep all of our customers satisfied fully by supplying the quality products. Company also ensures that if any complaint is received, it is adequately addressed and promptly attended to resolve the complaint up to the satisfaction level of customers.

INFORMATION IN ACCORDANCE WITH THE PROVISIONS OF SECTION 134(3) (m) OF THE COMPANIES ACT 2013; READ WITH RULE 8 OF COMPANIES (ACCOUNTS) RULES 2014 REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO FOR THE YEAR ENDED 31st MARCH, 2022

A) CONSERVATION OF ENERGY

I) STEPS TAKEN FOR IMPACT ON CONSERVATION OF ENERGY

In order to ensure the energy conservation and energy efficiency in all manufacturing processes, the Company has implemented & IS Certification ISO-50001-Energy Management System.

The Company has undertaken regular energy audits by Confederation of Indian Industry (CII) and their recommendations are implemented to conserve energy.

Following are the details of some of the initiatives taken by the Company-

Sponge Iron Division

1. Reduction of the specific coal consumption & optimization to a level of 1.1 T/T of DRI.
2. Reduction of Loss of Ignition (LOI) by 7.50 % which leads to improvement of combustion of coal and energy saving.
3. Reduction of dolomite consumption by 8.60% which leads to improvement of GCV of Coal Char, which is being used in Power Generation as alternative fuel for power generation.
4. Installation of VVFD in bigger motors to save energy.

Induction Furnace Division

1. Patching life improved considerably using superior quality Ramming Mass, resulting increase in productivity & less power consumption.
2. Up-gradation of PLC System in the furnaces & CCM along with up-gradation of old drives, gear box etc. to reduce breakdowns and increase the casting speed resulting the less power consumption.
3. Modified the CCM Primary and Secondary cooling system for improved quality of water which lead to improved cooling efficiency, increased productivity & reduced power consumption.
4. Installation of VVFD drives in Motors to save energy.

SAF Division

1. Optimized the the use of Iron Ore lumps in place of Sinter & Iron Ore Fines in the SAF which lead to increase in the productivity & less power consumption.
2. Modification in the Protection Shield, Mantle and Water Jacket in SAF, resulting better productivity and less power consumption.
3. Modification in the Slipping mechanism and stuffing box to control Electrode slipping in SAF which has resulted improving productivity & less power consumption.
4. Replacement of Flexible copper wire ropes in SAF to operate the Furnace at Optimum Load with better efficiency & thus power consumption also reduced.

Power Plant Division

1. Performed the deep condenser cleaning in the Turbines for improving the vacuum to reduce the steam consumption & thereby conserving energy.
2. Replacement & modification in the economizer coils and bed coils in AFBC boiler for increasing the availability and reliability of boilers which has resulted the lower fuel consumption and more power generations & thus helped in energy conservation.
3. Installation of VVFD drives in the bigger motors.

II) STEPS TAKEN BY THE COMPANY FOR UTILIZING ALTERNATE SOURCES OF ENERGY

The alternate source of energy used by the Company is Power Generation through Waste Heat Recovery Boilers attached with DRI Kilns by utilizing waste heat of flue gases of Kilns. Apart from Power Generation by WHRB based, power is also generated through AFBC Boilers using the Coal Char, the solid waste of Kilns as part of fuel to save Coal. To meet out additional power during peak demand of Furnaces in Steel Melting Shop, power is sourced from the Grid (CSEB).

PROCESS IMPROVEMENT

Sponge Iron Division

1. By regular modification to chemistry of air tubes, the Company has achieved air tubes life of 50 days at outlet Air tube against previous level of 20-22 days.
2. With modification to lobe compressor & other systems, life of coal injection pipes is increased significantly without alteration to MOC of pipes.
3. SID Weigh feeders are replaced with side wall type weigh feeders in Kilns to obtain more accuracy and thus helped in stable operation of Kiln.
4. Flame proof motor, cables & light fitting installed in LDO house for Safety & smooth operations.
5. Installation & continuous use of Coal Dryer to dry the high moisture Coal has helped in better productivity & better quality of product.

Induction Furnace Division

1. Installed and effectively used the Hydraulic pushers to avoid furnace jamming during more percentage of pellets sponge use in IFD. This has also helped in optimizing the power consumption.
2. Festo Pipes replaced with SMC pipes in furnace panel inverter side to avoid DM Water leakage and reduction of breakdown as well as reduction in component failure like PCB Card and SCR.
3. Modification of drives in 8 Ton shed from Bottom drives to Top drives for smooth operation.
4. Modified the CCM Primary and Secondary cooling system with improved quality of water resulting improved cooling efficiency.

Power Plant Division

1. Revamping of Cooling Towers for improving efficiency to improve the performance of Turbines and to reduce Auxiliary power consumption.
2. Plastic refractory applied in FBB 5 boiler bed coils for increasing life of tubes and for avoiding direct hitting of bed material with bed coil tubes during operation.
3. Coal handling plant PLC up gradation and Logic modification and implementation in 4x25 MW to avoid frequent malfunctioning.

SAF

1. Overhauling of all the tap changer diverter switches of furnace transformers to avoid wear outs of the internal components and deterioration of the oil properties
2. Installation of an exclusive PLC setup for effective monitoring of Gas Conditioning system of SAF.
3. Modification of hydraulic pipe line of SAF to reduce breakdowns and improve the Furnace Availability and increase Productivity.

PRAKASH INDUSTRIES LIMITED

PRODUCT DEVELOPMENT

The Company has put all best possible efforts with use of latest technologies in manufacturing of various products.

INFORMATION REGARDING IMPORTED TECHNOLOGY (LAST THREE YEARS)

S.No.	TECHNOLOGY IMPORTED	YEAR OF IMPORT	STATUS	WHETHER THE TECHNOLOGY FULLY ABSORBED
i)	Nil	Nil	Nil	Nil

EXPENDITURE ON RESEARCH AND DEVELOPMENT (R&D)

Expenditure on R & D has been charged in primary heads of accounts.

FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) **Activities relating to Exports and Export Plans:** The Company is making efforts to develop markets for exports.
- b) **Total foreign exchange used and earned:**

	This Year (₹ in lakhs)	Previous Year (₹ in lakhs)
i) Foreign exchange used	-	254
ii) Foreign exchange earned	-	-

INDEPENDENT AUDITOR'S REPORT

To,
THE MEMBERS OF PRAKASH INDUSTRIES LIMITED
Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Prakash Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year on that date and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter(s) described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- Note 36 to the financial statement, an amount of ₹ 16,998 lakhs has been withdrawn from general reserve to adjust equivalent amount with respect to capital expenditure incurred, implementation of which is abandoned and claim recoverable subject to realization. Had this adjustment not been made, net profit before and after tax and total comprehensive income after tax for the year ended on March 31, 2022 would have been lower by ₹ 16,998 lakhs.
- Note 35 to the financial statement, wherein the deferred tax liability of ₹ 8,897 lakhs for the year ended on March 31, 2022 has been adjusted against Security Premium Account in terms of a court order. Had the deferred tax been accounted for pursuant to the Ind AS-12 'Income Taxes', net profit and total comprehensive income after tax for the year ended on March 31, 2022 would have been lower by ₹ 8,897 lakhs.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

S No.	Key Audit Matters	Auditor's Response
1.	<p>Assessment of litigation and related disclosure of contingent liabilities Refer to Note 32 to the Financial Statements- "Use of estimates and critical accounting judgements- Provisions and contingent liabilities".</p> <p>As at March 31, 2022, the Company has exposures towards litigations relating to various matters as set out in the aforesaid Notes, Significant management judgement is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognised, or a disclosure</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> -Obtained management assessment on the litigation along with the communications made to the Board of Directors and regulators; We understood, assessed of available information and tested the design and operating effectiveness of key controls surrounding assessment of litigation relating to the relevant laws and regulations; -We performed our assessment on a test basis on the underlying calculations supporting the contingent liabilities/

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S No.	Key Audit Matters	Auditor's Response
	<p>should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate. As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, related legal advice including those relating interpretation of laws/regulations, it is considered to be a Key Audit Matter.</p>	<p>other significant litigations made in the Financial Statements;</p> <p>-We evaluated management's assessment around those matters that are not disclosed or not considered as contingent liability, as the probability of material outflow is considered to be remote by the management; and</p> <p>-We assessed the adequacy of the Company's disclosures based on the above work performed, management's assessment in respect of litigation and related disclosures relating to contingent liabilities/other significant litigations in the Financial Statements are considered to be reasonable.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including its Annexures, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 accounting 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, the Board of Directors 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 the 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 the 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 scepticism 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.

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- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with the governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by 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 Companies Act, 2013, we give in the "Annexure-A" a statement on the matters specified in paragraph 3 and 4 of the order, to the extent applicable.

As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and except for the matters described under "Basis for Qualified Opinion" paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) Except for the effects of the matters described in the "Basis for Qualified Opinion" paragraph, 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, except for the effects of the matters described in the "Basis for Qualified Opinion" paragraph, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- e) On the basis of written representations received from the directors as on March 31, 2022 taken on the record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act.
- f) The qualification relating to the maintenance of account other matter connected there with are as stated in the "Basis for Qualified Opinion" paragraph.

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- g) 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". Our report expresses modified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- h) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid during the current year by the company to directors is in accordance with the provisions of section 197 of the Act.
- i) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The company has disclosed the impact of pending litigations on its financial position in its financial statements, (Refer note no. 32)
 - ii. Except for the matters described under "Basis for Qualified Opinion" paragraph, the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amount required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 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, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c). Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.
 - v. The Company has not declared and paid any dividend during the year hence compliance with Section 123 of the Act is not required.

For Chaturvedi & Co.
Chartered Accountants
Firm Registration No. 302137E

Pankaj Chaturvedi
Partner

Membership No. 091239

UDIN:22091239AIGPM6717

London
3rd May, 2022

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of PRAKASH INDUSTRIES LIMITED of even date)

- i. (a) -The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
-The Company is maintaining proper records showing full particulars of intangible assets;
- (b) The Property, Plant and Equipment have been physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. 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, the title deeds of the immovable property have been mortgaged with the banks/ Financial Institutions etc., for securing the borrowings and loan raised by the Company. On the basis of our examination of the records of the Company and copy of the title deeds of immovable properties, the title deeds of immovable properties are held in the name of the Company. In respect of immovable properties been taken on lease, the lease agreements are in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.
- ii. (a) According to the information and explanations given to us, the management has conducted physical verification of inventory at reasonable intervals during the year. The discrepancies noticed on verification between physical inventory and book records were not material and have been properly dealt with in the book of account.
- (b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees during any point of time of the year, from the bank, or financial institution on the basis of security of current assets. Accordingly, the reporting under Clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other party covered in the register maintained under section 189 of the Act, during the year. Accordingly, the reporting under Clause 3(iii) of the Order is not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has not granted any loans, made investment in, provided any guarantee or security therefore the question of compliances in respect of provisions of section 185 and 186 of the Companies Act does not arise. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposit within the meaning of the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder during the year. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Rules made by the Central Government under sub-section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of these records with a view to determining whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the company examined by us, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, goods and services tax, duty of customs, cess and any other material statutory dues applicable to it with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the company examined by us, there were no outstanding dues in respect of provident fund, employees' state insurance, income tax, goods and

PRAKASH INDUSTRIES LIMITED

services tax, duty of customs, cess and any other material statutory dues which as at March 31, 2022 have not been deposited on account of any dispute except the following:

Name of Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	345.52	2001-2006	CESTAT, New Delhi
		11.63	20011-2013	Appellate Authority - Asst. Commissioner

- viii. According to the information and explanations given to us, there are no transaction in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) According to the information and explanations given to us, there is no loan or borrowing taken from Government, and the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, or dues to the debenture holder.
- Interest of ₹ 2,103 lakh as on 31st March 2022 could not be remitted by the Company to the foreign currency convertible bond holders due to non-furnishing of the bank account particulars by them.
- (b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or other lender
- (c) According to the information and explanations given to us, the Company has applied the term loans, on an overall basis, for the purpose for which the loans were obtained
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that funds raised on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has not taken any fund from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has neither made any preferential allotment nor private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year therefore the question of compliances in respect of the requirements of section 42 and section 62 of the Companies Act, 2013 and utilization of such fund for the purposes for which the funds were raised does not arise. Accordingly, the reporting under Clause 3(x)(b) of the Order is 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 explanations given to us, we have neither come across any instance of fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) 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 explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) 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 explanations given to us, the Company has not received whistle-blower complaints during the year. Accordingly, the reporting under Clause 3(xi)(c) of the Order is not applicable to the Company.

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- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provision of Para 3 (xii) of the Order is not applicable to the Company
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
(b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provision of section 192 of the Companies Act, 2013 is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.
(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
(d) Based on the information and explanations provided by the management of the Company, the Company does not have any Group company. Accordingly, the reporting under Clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under 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 (also refer Note 48 to the financial statements), 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 the Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. The Company has during the year spent the amount of Corporate Social Responsibility as required under sub section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Chaturvedi & Co.
Chartered Accountants
Firm Registration No. 302137E

Pankaj Chaturvedi
Partner
Membership No. 091239
UDIN:22091239AIGPM6717

London
3rd May, 2022

PRAKASH INDUSTRIES LIMITED

Annexure B referred to in Independent Auditor's Report (Referred to in 'Report on other Legal and Regulatory Requirement' section of our report to the Members of PRAKASH INDUSTRIES LIMITED of even date)

Report on the Internal Financial Controls over Financial Reporting 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 Prakash Industries Limited ("the Company") as of March 31, 2022 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. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 qualified 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:

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. 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 authorization of management and directors of the company; and
- iii. 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 the 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.

Basis of qualified opinion

In our opinion according to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2022:

The Company did not have appropriate internal financial controls in respect of control over process of Ind AS-12 "Income Taxes" and accounting thereof. The inadequate supervisory and review control over Company's process in respect of its aforesaid assessment in accordance with the accounting principles generally accepted in India could potentially result in a material misstatement in preparation and presentation of financial statement including the profit/loss after tax.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified opinion

In our opinion, except for the effects of material weaknesses described in "Basis for Qualified Opinion" paragraph above, 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 March 31, 2022, 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended on March 31, 2022, and these material weaknesses have affected our opinion on the financial statements of the Company and we have issued a qualified opinion on the financial statements.

For Chaturvedi & Co.
Chartered Accountants
Firm Registration No. 302137E

Pankaj Chaturvedi
Partner
Membership No. 091239
UDIN:22091239AIIIGPM6717

London
3rd May, 2022

PRAKASH INDUSTRIES LIMITED

Balance Sheet as at 31st March, 2022

₹ in lakhs

	Note No.	As at 31 st March, 2022	As at 31 st March, 2021
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	4	2,84,429	2,87,866
(b) Capital Work-in-progress	4	4,578	12,218
(c) Intangible Assets	4	9,505	9,705
(d) Financial Assets			
(i) Other Financial Assets	5	5,044	6,622
(e) Non-Current Tax Assets (Net)	6	686	117
(f) Other Non-Current Assets	7	2,199	1,946
		<u>3,06,441</u>	<u>3,18,474</u>
Current Assets			
(a) Inventories	8	34,775	29,398
(b) Financial Assets			
(i) Trade Receivables	9	6,630	14,288
(ii) Cash and Cash Equivalents	10	849	1,653
(iii) Bank Balance other than (ii) above	11	20,211	2,826
(iv) Other Financial Assets	12	732	7,501
(c) Other Current Assets	13	21,547	14,273
		<u>84,744</u>	<u>69,939</u>
TOTAL ASSETS		<u>3,91,185</u>	<u>3,88,413</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	17,908	17,908
(b) Other Equity	15	2,63,315	2,72,016
		<u>2,81,223</u>	<u>2,89,924</u>
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	29,022	35,296
(ii) Lease Liabilities		162	161
(b) Provisions	17	4,094	4,266
(c) Deferred Tax Liabilities	18	13,890	5,009
		<u>47,168</u>	<u>44,732</u>
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	25,585	20,242
(ii) Lease Liabilities		12	12
(iii) Trade Payables	20		
(a) total outstanding dues of micro enterprises and small enterprises		587	1,011
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		14,508	14,708
(iv) Other Financial Liabilities	21	13,545	8,934
(b) Other Current Liabilities	22	6,173	6,023
(c) Provisions	23	2,384	2,328
(d) Current Tax Liabilities(Net)	24	-	499
		<u>62,794</u>	<u>53,757</u>
TOTAL LIABILITIES		<u>1,09,962</u>	<u>98,489</u>
TOTAL EQUITY AND LIABILITIES		<u>3,91,185</u>	<u>3,88,413</u>

The accompanying notes are an integral part of these financial statements.

As per our report of even date attached

For Chaturvedi & Co.

Chartered Accountants

Firm Registration No.302137E

Pankaj Chaturvedi

Partner

M.No.091239

London
3rd May, 2022

Ashwini Kumar
Company Secretary
M.No.FCS 11446

Vikram Agarwal
Managing Director
DIN:00054125

M.L. Pareek
Whole Time Director
DIN:01795975

Deepak Mishra
Chief Financial Officer

For and on behalf of the Board

New Delhi

PRAKASH INDUSTRIES LIMITED

Statement of Profit and Loss for the year ended 31st March, 2022

₹ in lakhs

	Note No.	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
INCOME			
Revenue from operations	25	3,92,872	3,21,586
Other Income	26	848	806
Total Income		3,93,720	3,22,392
EXPENSES			
Cost of material consumed		2,87,192	2,31,480
Changes in inventories of finished goods and work-in-progress	27	2,870	(1,809)
Employee benefits expense	28	22,944	22,970
Finance costs	29	7,267	7,352
Depreciation and amortization expense	30	15,785	15,377
Other expenses	31	40,780	37,489
Total expenses		3,76,838	3,12,859
Profit before exceptional items and tax		16,882	9,533
Exceptional Items	36	16,998	10,367
Less: Transferred from General Reserve	36	(16,998)	(10,367)
Profit before tax		16,882	9,533
Tax expenses:			
Current tax	39	36	8
Less: MAT credit entitlement		(26)	(8)
Deffered Tax		-	-
Total Tax expense		10	-
Profit for the year		16,872	9,533
Other Comprehensive Income			
a) Items that will not be reclassified to Profit or Loss			
-Remeasurement of defined benefit plans		322	890
-Income tax relating to above items		-	-
Total other Comprehensive Income		322	890
Total Comprehensive Income for the year		17,194	10,423
Earning per equity share:	42		
(Face Value of ₹ 10 each)			
Basic ₹		9.42	5.55
Diluted ₹		9.07	5.27

The accompanying notes are an integral part of these financial statements.

As per our report of even date attached
For Chaturvedi & Co.
Chartered Accountants
Firm Registration No.302137E

Pankaj Chaturvedi
Partner
M.No.091239

London
3rd May, 2022

Ashwini Kumar
Company Secretary
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Vikram Agarwal
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DIN:00054125

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Whole Time Director
DIN:01795975

Deepak Mishra
Chief Financial Officer

For and on behalf of the Board

New Delhi

PRAKASH INDUSTRIES LIMITED

Statement of Changes in Equity for the year ended 31st March, 2022

A. Equity Share Capital

Equity Shares of ₹ 10 each issued, subscribed and fully paid up

₹ in lakhs

	Number of Shares	Amount
As at 1 st April, 2020	17,12,63,853	17,126
Change in share capital during the year	78,17,986	782
Balance as at 31st March, 2021	17,90,81,839	17,908
Change in share capital during the year	-	-
Balance as at 31st March, 2022	17,90,81,839	17,908

B. Other Equity

₹ in lakhs

Particulars	Equity Component of FCCB	Reserves and Surplus					Money Received against Share Warrant	Total
		Securities Premium	Capital Redemption Reserve	General Reserve	Other Comprehensive Income	Retained Earnings		
Balance as at 1 st April, 2020	2,050	50,338	800	1,22,404	(2,942)	1,00,643	-	2,73,293
Profit for the year	-	-	-	-	-	9,533	-	9,533
Remeasurement of the net defined benefit (liabilities)/assets	-	-	-	-	890	-	-	890
Minimum Alternate Tax(MAT) Credit Reversal	-	-	-	-	-	(804)	-	(804)
Conversion of Share Warrant	-	2,558	-	-	-	-	(3,308)	(750)
Deferred Tax Adjustment	-	(3,133)	-	-	-	-	-	(3,133)
Conversion of FCCB	(113)	159	-	-	-	-	-	46
Received/Transferred during the year	-	-	-	(10,367)	-	-	3,308	(7,059)
Balance as at 31st March, 2021	1,937	49,922	800	1,12,037	(2,052)	1,09,372	-	2,72,016
Profit for the year	-	-	-	-	-	16,872	-	16,872
Remeasurement of the net defined benefit (liabilities)/assets	-	-	-	-	322	-	-	322
Deferred Tax Adjustment (refer note.40)	-	(8,897)	-	-	-	-	-	(8,897)
Received/Transferred during the year (refer note.36)	-	-	-	(16,998)	-	-	-	(16,998)
Balance as at 31st March, 2022	1,937	41,025	800	95,039	(1,730)	1,26,244	-	2,63,315

Nature and purpose of reserves

- Securities premium: The amount of difference between the issue price and the face value of the shares is recognized in Securities premium.
- Capital redemption reserve: The Company had created Capital redemption reserve out of the profits for redemption of the Preference shares. This reserve may be utilized for the specified purposes in accordance with the provisions of the Act.
- General reserve: General reserve is the accumulation of the portions of the net profits transferred by the company in the past years pursuant to earlier provisions of the Companies Act 2013.
- Retained earnings: Retained earnings comprise of the profits of the Company earned till date net of distributions and other adjustments.
- Other comprehensive income: Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income.

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached

For Chaturvedi & Co.

Chartered Accountants
Firm Registration No.302137E

Pankaj Chaturvedi

Partner
M.No.091239

London
3rd May, 2022

Ashwini Kumar
Company Secretary
M.No.FCS 11446

Vikram Agarwal
Managing Director
DIN:00054125

M.L. Pareek
Whole Time Director
DIN:01795975

Deepak Mishra
Chief Financial Officer

For and on behalf of the Board

New Delhi

PRAKASH INDUSTRIES LIMITED

Statement of Cash Flow for the year ended 31st March, 2022

₹ in lakhs

	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
A. Cash Flow From Operating Activities :		
Profit before tax	16,882	9,533
Adjustments for		
Provision for employee benefit	417	427
Allowance for doubtful debts and advances	48	62
Depreciation and amortisation expenses	15,785	15,377
Interest Income	(557)	(622)
Provision written back	(103)	(72)
(Profit)/Loss on sale of fixed assets	(122)	(77)
Financial cost	7,267	7,352
Operating Profit before working Capital changes	39,617	31,980
Adjustments for		
Trade receivables	7,751	5,269
Inventories	(5,377)	(15,707)
Other financial assets	(348)	498
Other current assets	(7,312)	(5,908)
Trade payable and other financial liabilities	1,779	276
Other current liabilities	(523)	(534)
Cash flow generated from operations before exceptional items	35,587	15,874
Direct Taxes Paid (Net of refund)	593	12
Net Cash generated from operating activities	34,994	15,886
B. Cash Flow From Investing Activities		
Sale proceeds of fixed assets	168	117
Purchase of fixed assets including CWIP and capital advances	(13,971)	(13,392)
Interest received	346	565
Changes in Term deposits with banks	(16,415)	(155)
Net cash used in investing activities	(29,872)	(12,865)
C. Cash Flow From Financing Activities :		
Money Received against Share warrant	-	3,308
Proceeds/(Repayment) from Loans (Net)	548	(3,063)
Dividend Distribution Tax (DDT)	(499)	-
Finance expenses paid	(5,975)	(4,581)
Net Cash from financing activities	(5,926)	(4,336)
Net Changes in Cash and Cash equivalents (A+B+C)	(804)	(1,315)
Opening balance of Cash and Cash equivalents	1,653	2,968
Component of Cash and Cash equivalents (refer note 10)		
Balance with Current Accounts	826	1,534
Cheques, Drafts on hand	-	93
Cash on hand	23	26
	849	1,653

The accompanying notes are an integral part of these financial statements.

As per our report of even date attached
For Chaturvedi & Co.
Chartered Accountants
Firm Registration No.302137E

Pankaj Chaturvedi
Partner
M.No.091239

London
3rd May, 2022

Ashwini Kumar
Company Secretary
M.No.FCS 11446

Vikram Agarwal
Managing Director
DIN:00054125

M.L. Pareek
WholeTime Director
DIN:01795975

Deepak Mishra
Chief Financial Officer

For and on behalf of the Board

PRAKASH INDUSTRIES LIMITED

Notes on financial statements

1. Company Overview

Prakash Industries Limited (the "Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India and its equity shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. It has been engaged primarily in the business of manufacture and sale of Steel Products and generation of Power. The Company has its manufacturing facilities in India and sells products in India.

The financial statements for the year ended 31st March, 2022 were approved for issue in accordance with a resolution of the Board of Directors of the Company dated 3rd May, 2022.

2. a) Recent accounting pronouncement

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

3. Significant Accounting policies

3.1 Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended, and presentation requirements of Schedule III to the Act under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in INR, which is also the Company's functional currency and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated. All assets and liabilities, other than deferred tax assets and liabilities, have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Act. Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for current and non-current classification of assets and liabilities.

3.2 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets,

Notes on financial statements

liabilities and disclosures as at the date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Judgements In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

Discount rate used to determine the carrying amount of the Company's defined benefit obligation: In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

Contingences and commitments: In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, company treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, company does not expect them to have a materially adverse impact on the financial position or profitability.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Income taxes: The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

Useful lives of property, plant and equipment: As described in note 3.7, the Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

Allowances for doubtful debts: The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgement and estimates.

3.3 Operating Cycle and Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification in accordance with Part-I of Division- II of Schedule III of the Companies Act, 2013.

An asset is treated as current when it (a) Expected to be realised or intended to be sold or consumed in normal operating cycle; (b) Held primarily for the purpose of trading; or (c) Expected to be realised within twelve months after the reporting period, or (d) The asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when (a) It is expected to be settled in normal operating cycle; or (b) It is held primarily for the purpose of trading; or (c) It is due to be settled within twelve months after the reporting period, or (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its normal operating cycle.

3.4 Revenue recognition

Revenue

The Company manufactures and sells a range of steel products. The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided below.

PRAKASH INDUSTRIES LIMITED

Notes on financial statements

Sale of products

Revenue from sale of products is recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been delivered to the specific location as the case may be, the risks of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied. Sale of products include related ancillary services, if any.

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated trade discounts. Accumulated experience is used to estimate and provide for the discounts, using the most likely method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

No element of financing is deemed present as the sales are generally made with a credit term of 30-60 days, which is consistent with market practice. Any obligation to provide a refund is recognised as a provision. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year.

Interest income Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividends Dividend income from investments is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

3.5 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Financial Officer in deciding how to allocate resources and assessing performance. Thus, the Company's business falls under - one operational segment i.e. "Iron & Steel".

The entire power generated by its power plant at Champa is captively used by the Company in its production processes of iron & steel. Therefore, in terms of Para 12 of Ind AS 108, the management has decided to aggregate it into primary business operating segment i.e., "Iron & Steel". Hence, the figure of captive power generation has been included in one reportable segment "Iron & Steel".

Moreover, Wind Power Business does not meet any of the quantitative thresholds as defined in the Para 13 of Ind AS 108 and the management judges that Wind Power Business identified as a reportable segment in the immediately preceding period is not significant. Hence, the information about that segment is not being continued to be reported separately in the current period.

3.6 Foreign Currencies

Functional currency: The functional currency of the Company is the Indian rupee.

Transactions and translations: Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

Foreign exchange difference regarded as borrowing taken for non-monetary items, an adjustment to borrowing costs are presented/reported as part of non-monetary item.

3.7 Property, plant and equipment

Property, plant and equipment (PPE) are initially recognised at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes

Notes on financial statements

interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition, PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the straight-line method ("SLM") in the manner prescribed in Schedule II of the Act. Management believes based on a technical evaluation (which is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.) that the useful lives of the assets as considered by the company reflect the periods over which these assets are expected to be used.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

Mining assets are amortised over the useful life of the mine or lease period whichever is lower.

Freehold land is not depreciated.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in financial statements.

3.8 i. Exploration for and evaluation of mineral resources

Expenditures associated with search for specific mineral resources are recognised as exploration and evaluation assets. The following expenditure comprises cost of exploration and evaluation assets:

- obtaining of the rights to explore and evaluate mineral reserves and resources including costs directly related to this acquisition.
- researching and analysing existing exploration data.
- conducting geological studies, exploratory drilling and sampling
- examining and testing extraction and treatment methods
- compiling pre-feasibility and feasibility studies
- activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource.

Administration and other overhead costs are charged to the cost of exploration and evaluation assets only if directly related to an exploration and evaluation project.

If a project does not prove viable, all irrecoverable exploration and evaluation expenditure associated with the project net of any related impairment allowances is written off to the statement of profit and loss.

The Company measures its exploration and evaluation assets at cost and classifies as property, plant and equipment or intangible assets according to the nature of the assets acquired and applies the classification consistently. To the extent that a tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is capitalised as a part of the cost of the intangible asset.

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As the asset is not available for use, it is not depreciated. All exploration and evaluation assets are monitored for indications of impairment. An exploration and evaluation asset is no longer classified as such when the technical feasibility and commercial viability of extracting a mineral resource are demonstrable and the development of the deposit is sanctioned by the management. The carrying value of such exploration and evaluation asset is reclassified to mining assets.

ii. Development expenditure for mineral reserves

Development is the establishment of access to mineral reserves and other preparations for commercial production. Development activities often continue during production and include:

- sinking shafts and underground drifts (often called mine development)
- making permanent excavations
- developing passageways and rooms or galleries
- building roads and tunnels and
- advance removal of overburden and waste rock

Development (or construction) also includes the installation of infrastructure (e.g., roads, utilities and housing), machinery, equipment and facilities.

Development expenditure is capitalised and presented as part of mining assets. No depreciation is charged on the development expenditure before the start of commercial production.

iii. Provision for restoration and environmental costs

The Company has liabilities related to restoration of soil and other related works, which are due upon the closure of certain of its mining sites.

Such liabilities are estimated case-by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology, at current prices, and discounted using an appropriate discount rate where the effect of time value of money is material.

Future restoration and environmental costs, discounted to net present value, are capitalised and the corresponding restoration liability is raised as soon as the obligation to incur such costs arises. Future restoration and environmental costs are capitalized in property, plant and equipment or mining assets as appropriate and are depreciated over the life of the related asset. The effect of time value of money on the restoration and environmental costs liability is recognised in the statement of profit and loss.

3.9 Capital work-in-progress

Capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

3.10 Intangible assets

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment losses, if any

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

The Company amortises intangible assets with a finite useful life using the straight-line method over the useful lives determined by the terms of the agreement /contract. The estimated useful life is reviewed annually by the management.

3.11 Impairment of PPE and intangibles assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the Statement of Profit and Loss.

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3.12 Investment in subsidiary/joint ventures (JV)

Investments in subsidiary/JV are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary/JV, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

3.13 Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax: Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax: Deferred income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of a deferred tax asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

3.14 Operating Leases Including Investment Properties

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to note 3.11 for accounting policies on impairment of non-financial assets.

b) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments primarily comprise of fixed payments.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease

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commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

c) Short-term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases of office spaces and certain equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income

3.15 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.16 Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

3.17 Inventories

Inventories are valued at lower of cost on FIFO basis and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

3.18 Non-derivative financial instruments

Classification

The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets classified as 'measured at fair value', gains and losses will either be recorded in profit or loss or other comprehensive income, as elected. For assets classified as 'measured at amortized cost', this will depend on the business model and contractual terms of the cash flows.

Notes on financial statements

Initial Measurement and Recognition

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

a. Financial assets - Subsequent measurement

Financial assets at amortised cost: Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI): Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

Financial assets at fair value through profit or loss (FVTPL): Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

b. Financial liabilities - Subsequent measurement

Financial liabilities are measured at amortised cost using the effective interest method. The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings: After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost on accrual basis.

Composite financial instrument: The fair value of the liability portion of an optionally convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity.

Impairment of financial assets

The Company assesses on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortised cost for e.g., debt securities, deposits, trade receivables and bank balances; and lease receivables. The impairment methodology applied depends on whether there has been a significant increase in credit risk and if so, assess the need to provide for the same in the Statement of Profit and Loss.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and all lease receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit losses (ECL) at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument over the expected life of the financial instrument.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

- Financial assets measured at amortised cost, revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments based on shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument.

However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

c. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.19 Borrowing costs

General and specific borrowing costs (including exchange differences arising from foreign currency borrowing to the extent that they are regarded as an adjustment to interest cost) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

Foreign exchange difference regarded as borrowing taken for non-monetary items, an adjustment to borrowing costs are presented/reported as part of non-monetary item.

3.20 Employee Benefits

Employee benefits consist of contribution to employees state insurance, provident fund, gratuity fund and compensated absences.

Post-employment benefit plans

Defined Contribution plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution is made to a government

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administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plans

The Company operates defined benefit plan in the form of gratuity and compensated absence. The liability or asset recognised in the balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the said obligation is determined by discounting the estimated future cash out flows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest expenses are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest expense on the net defined benefit liability or asset is recognised in the Statement of Profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

The classification of the company's net obligation into current and non- current is as per the actuarial valuation report.

3.21 Earnings per share (EPS)

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.

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₹ in lakhs

5. Other Financial Assets	As at	As at
Non-Current Financial Assets	31 st March, 2022	31 st March, 2021
(unsecured, considered good, unless otherwise stated)		
Bank Deposits with more than 12 months maturity(refer note 43)	3,225	4,191
Security Deposits	1,811	2,411
Interest accrued	8	20
	<u>5,044</u>	<u>6,622</u>
6. Non-Current Tax Assets (Net)		
	As at	As at
	31 st March, 2022	31 st March, 2021
Tax Deducted/Collected at Source (Net of provision)	686	117
	<u>686</u>	<u>117</u>
7. Other Non-Current Assets		
	As at	As at
	31 st March, 2022	31 st March, 2021
(unsecured, considered good, unless otherwise stated)		
Capital Advances	1,210	1,946
Prepaid Expenses	989	-
	<u>2,199</u>	<u>1,946</u>
8. Inventories		
	As at	As at
	31 st March, 2022	31 st March, 2021
Finished Goods	1,541	3,524
Stores, Spares & Fuels	1,786	2,083
Scrap & Waste	3,372	3,976
Raw Materials	26,893	16,467
Work In Progress	198	481
Raw Materials in transit	985	2,867
	<u>34,775</u>	<u>29,398</u>
9. Trade Receivables		
	As at	As at
	31 st March, 2022	31 st March, 2021
(unsecured, considered good, unless otherwise stated)		
Trade Receivables considered good - Unsecured	6,630	14,288
Trade Receivables-Credit Impaired	185	278
	<u>6,815</u>	<u>14,566</u>
Allowance for doubtful trade receivables	(185)	(278)
	<u>6,630</u>	<u>14,288</u>
The movement in allowance for doubtful trade receivables		
Balance as at beginning of the year	278	351
Allowance for bad and doubtful debts during the year*	10	-
Trade receivables written off / reversed during the year	(103)	(73)
*Net of recovery of bad and doubtful debts	<u>185</u>	<u>278</u>

Note:-

Allowance for doubtful trade receivables is made on the basis of expected credit loss allowance, taking into account the estimated credit loss experience with adjustment for forward looking information.

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₹ in lakhs

Trade receivable Ageing as on March 31, 2022	Less Than 6 Months	6 Months 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	6,630	–	–	–	–	6,630
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–
(iii) Undisputed Trade Receivables – credit impaired	–	–	–	–	185	185
(iv) Disputed Trade Receivables– considered good	–	–	–	–	–	–
(v) Disputed Trade Receivables– which have significant increase in credit risk	–	–	–	–	–	–
(vi) Disputed Trade Receivables – credit impaired	–	–	–	–	–	–
Total	6,630	–	–	–	185	6,815
Less: Allowance for doubtful Trade receivables	–	–	–	–	(185)	(185)
Total	6,630	–	–	–	–	6,630

Trade receivable Ageing as on March 31, 2021	Less Than 6 Months	6 Months 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	14,288	–	–	–	–	14,288
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–
(iii) Undisputed Trade Receivables – credit impaired	–	–	–	–	278	278
(iv) Disputed Trade Receivables– considered good	–	–	–	–	–	–
(v) Disputed Trade Receivables– which have significant increase in credit risk	–	–	–	–	–	–
(vi) Disputed Trade Receivables – credit impaired	–	–	–	–	–	–
Total	14,288	–	–	–	278	14,566
Less: Allowance for doubtful Trade receivables	–	–	–	–	(278)	(278)
Total	14,288	–	–	–	–	14,288

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₹ in lakhs

10. Cash and Cash Equivalents	As at 31 st March, 2022	As at 31 st March, 2021
Balances with banks:		
In Current Accounts	826	1,534
Cheques, drafts on hand	–	93
Cash on hand	<u>23</u>	<u>26</u>
	<u>849</u>	<u>1,653</u>
11. Bank Balances Other Than Cash and Cash Equivalents	As at	As at
	31st March, 2022	31st March, 2021
Earmarked balances with banks		
Unpaid Dividend	22	18
Term Deposits (refer note 43)	<u>20,189</u>	<u>2,808</u>
	<u>20,211</u>	<u>2,826</u>
12. Other Financial Assets	As at	As at
	31st March, 2022	31st March, 2021
(Unsecured, considered good, unless otherwise stated)		
Security Deposits	257	257
Interest accrued	428	205
Claims Recoverable	38	6,985
Interest Recoverable	9	54
Doubtful Claims Recoverable	384	384
Allowance for Claims Recoverable	<u>(384)</u>	<u>(384)</u>
	<u>732</u>	<u>7,501</u>
The movement in allowance for doubtful claim recoverable		
Balance as at beginning of the year	384	384
Allowance for doubtful claim recoverable during the year	–	–
	<u>384</u>	<u>384</u>
13. Other Current Assets	As at	As at
	31st March, 2022	31st March, 2021
(Unsecured, considered good, unless otherwise stated)		
Balances with Customs, Central Excise, VAT, GST etc.	1,462	1,505
Advances to vendors (unsecured)		
Considered Good	17,691	12,333
Considered Doubtful	708	670
Allowance for Doubtful Advances	<u>(708)</u>	<u>(670)</u>
Other advances (including prepaid expenses etc.)	<u>2,394</u>	<u>435</u>
	<u>21,547</u>	<u>14,273</u>
The movement in allowance for doubtful advances:		
Balance as at beginning of the year	670	535
Allowance for doubtful advances during the year	38	135
Advances receivables written of during the year*	–	–
*Net of recovery of doubtful advances	<u>708</u>	<u>670</u>

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₹ in lakhs

14. Equity Share Capital	As at 31 st March, 2022	As at 31 st March, 2021
Authorised		
22,25,00,000 (31 st March, 2021: 20,00,00,000) Equity Shares of ₹ 10 each	22,250	20,000
	22,250	20,000
Issued, Subscribed & Paid up		
Equity		
17,90,81,839 (31 st March, 2021: 17,90,81,839) Equity Shares of ₹ 10 each	17,908	17,908
	17,908	17,908

- a) Reconciliation of equity shares outstanding at the beginning and end of the reporting period.

Equity Shares	As at 31 st March, 2022		As at 31 st March, 2021	
	Nos.	₹ in lakhs	Nos.	₹ in lakhs
Balance at the beginning of the year	17,90,81,839	17,908	17,12,63,853	17,126
Issued/converted during the year	–	–	78,17,986	782
Balance at the end of the year	17,90,81,839	17,908	17,90,81,839	17,908

- b) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is entitled to one vote per share. All equity Shareholder are having right to get dividend in proportion to paid up value at each equity shares as and when declared. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all the preferential amounts, in proportion to their shareholding.

- c) Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	As at 31 st March, 2022		As at 31 st March, 2021	
	Nos.	% of holding	Nos.	% of holding
Shri Ved Prakash Agarwal	19787890	11.05	1,62,68,907	9.08

- d) Foreign Currency Convertible Bond (FCCB) holders of US\$ 10.80mn (₹ 8,188 lakhs) have an option to get their bonds converted into equity shares of the Company (refer note 19 (a))

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e) Shareholding of Promoters as under:

Sl. No.	Name of Shareholders	Total Shares Held as on 31-03-2022	% of Total Share Holding	Total Shares Held as on 31-03-2021	% of Total Share Holding
1	VED PRAKASH AGARWAL	19787890	11.05	16268907	9.08
2	VED PRAKASH AGARWAL (HUF)	2208644	1.23	2208644	1.23
3	SMT. MOHINI AGARWAL	1019856	0.57	1019856	0.57
4	SHRI VIKRAM AGARWAL	406500	0.23	406500	0.23
5	SHRI KANHA AGARWAL	18540	0.01	18540	0.01
6	AIRCON TRADEX PVT. LTD.	611800	0.34	611800	0.34
7	AMBROSIA COMMERCE PVT. LTD.	1936500	1.08	1936500	1.08
8	DHRUV COMMERCE PVT. LTD. *	300500	0.17	314500	0.18
9	ESSENTIAL ELECTRONICS PVT. LTD.	597300	0.33	597300	0.33
10	EVERSHINE MERCANTILE PVT. LTD.	1621700	0.91	1621700	0.91
11	EXCEL FINCAP PVT. LTD.	102135	0.06	102135	0.06
12	FOCUS SECURITIES & CREDITS PVT. LTD.	1460000	0.82	1460000	0.82
13	FOUR WINGS MARKETING PVT. LTD.	101700	0.06	101700	0.06
14	GMK BUILDERS PVT. LTD.	8164800	4.56	8164800	4.56
15	GOEL CONTAINERS PVT. LTD.	1378682	0.77	1378682	0.77
16	HISSAR TUBES PVT. LTD. *	700000	0.39	780000	0.44
17	HI-TECH MERCANTILE (INDIA) PVT. LTD.	2720695	1.52	2720695	1.52
18	NEW ERA COMMERCE & SECURITIES PVT. LTD.	215985	0.12	215985	0.12
19	OCEAN ISPAT PVT. LTD.	300000	0.17	300000	0.17
20	PAREEK OVERSEAS PVT. LTD.	623060	0.35	623060	0.35
21	PRAKASH CAPITAL SERVICES LTD.	1508467	0.84	1508467	0.84
22	PRAKASH INDUSTRIAL FINANCE LTD.	904950	0.51	904950	0.51
23	PREMIER FINCAP PVT. LTD. *	767000	0.43	793000	0.44
24	PRIMENET GLOBAL LTD.	2470500	1.38	2470500	1.38
25	PRIME MERCANTILE PVT. LTD.	3701470	2.07	3701470	2.07
26	ROURKELA STEEL PVT. LTD.	790633	0.44	790633	0.44
27	SAMYAK SECURITIES PVT. LTD.	1500000	0.84	1500000	0.84
28	SHREE LABH LAKSHMI CAPITAL SERVICES PVT. LTD.	2311471	1.29	2311471	1.29
29	STYLE LEASING & FINANCE PVT. LTD.	1114400	0.62	1114400	0.62
30	SUNVIN TRADING & INVESTMENT PVT. LTD.	242312	0.14	242312	0.14
31	TECHDRIVE SOFTWARE LTD	562550	0.31	562550	0.31
32	TOOLS INDIA PVT. LTD.	900900	0.50	900900	0.50
33	UNITY MERCANTILE PVT. LTD.	251575	0.14	251575	0.14
34	VANSHI FARMS PVT. LTD.	3157900	1.76	3157900	1.76
35	VISION MERCANTILE PVT. LTD.	1866754	1.04	1866754	1.04
36	WELTER SECURITIES LTD.	5006666	2.80	5006666	2.80
37	CHAIBASA STEEL LLP	250000	0.14	250000	0.14
38	DHRUV COMMERCE LLP	1481000	0.83	1467000	0.82
39	ESSENTIAL ELECTRONICS LLP	302100	0.17	302100	0.17
40	EVERSHINE MERCANTILE LLP	300000	0.17	300000	0.17
41	FOUR WINGS MARKETING LLP	300000	0.17	300000	0.17
42	HISSAR TUBES LLP	650012	0.36	570012	0.32
43	PREMIER FINCAP LLP	476480	0.27	450480	0.25
44	ROURKELA STEEL LLP	636500	0.36	636500	0.36
45	SHIKHA MERCANTILE LLP	70600	0.04	70600	0.04
46	SPRING MERCANTILE LLP	500	0.00	500	0.00
47	SUNVIN TRADING & INVESTMENT LLP	1007688	0.56	1007688	0.56
48	SUVARNA MARKETING LLP	95000	0.05	95000	0.05
	TOTAL	76903715	-	73384732	-

Note : Promoter Shri Ved Prakash Agarwal had purchased 3518983 equity shares from the open market and shareholding during financial year 2021-22 has increased by 1.97%.

* Entities converted into LLP. Their current share holding shall be transferred to respective LLP in due course of time.

PRAKASH INDUSTRIES LIMITED

Notes on financial statements

₹ in lakhs

15. Other Equity	As at 31 st March, 2022	As at 31 st March, 2021
Equity component of foreign currency convertible bond	1,937	1,937
Securities Premium Reserve	41,025	49,922
Capital Redemption Reserve	800	800
General Reserve	95,039	1,12,037
Other Comprehensive Income		
Remeasurement of defined benefit plans	(1,730)	(2,052)
Retained Earnings	1,26,244	1,09,372
	<u>2,63,315</u>	<u>2,72,016</u>
(Refer Statement of Changes in Equity)		

16. Borrowings	As at	As at
Non-Current Financial Liabilities	31 st March, 2022	31 st March, 2021
Secured		
Term Loans		
From Banks	1,461	2,042
From Others	<u>18,518</u>	<u>19,979</u>
	19,979	25,069
		27,111
Funded Interest Term Loans		
From Banks	445	627
Unsecured		
Term Loans from Others	770	1,557
Liability Component of Foreign Currency Convertible Bonds	—	<u>6,001</u>
	770	7,558
From related Party	<u>7,828</u>	—
	<u>29,022</u>	<u>35,296</u>

- (a) Following term loans are secured by mortgage of all immovable properties of the Company, both present and future and are also secured by way of hypothecation of the movable properties of the Company including movable plant and machinery, machinery spares, tools and accessories and other movables, both present and future ranking pari passu in all respects with existing charges.

₹ in lakhs

Lender	Loan Amount	Balance as at		Repayment Terms as per original sanction
		31.3.2022	31.03.2021	
Term Loan from bank				
Union Bank of India	5,902	2,628	3,401	96 monthly instalments from December, 2016
Term Loans from others				
REC Limited	28,977	16,963	19,897	120 monthly instalments from March, 2017
Indo Star Capital Finance Limited	18,360	6,431	6,431	69 monthly instalments from April, 2018

- (b) Term Loans from banks and others include ₹ 76 lakhs (₹ 62 lakhs) and ₹ 2,545 lakhs (₹ 2,760 lakhs) respectively secured against the vehicles financed by the concerned lenders.

Lender	0-1 Year	1-3 years	4-5 Years	6-10 Years
Term Loans from banks	31	33	12	—
Term Loans from Others	1,393	995	157	—

PRAKASH INDUSTRIES LIMITED

Notes on financial statements

(c) Terms and conditions of unsecured Term loans from others are as under.

₹ in lakhs

Lender	Loan Amount	Balance as at		Repayment Terms
		31.3.2022	31.03.2021	
Rattan India Ltd.	4,000	888	2,222	36 monthly instalments from June, 2019
IIFL Home Finance Ltd.	1,000	968	840	60 monthly instalments from February, 2020

The non current borrowings shown above are net of current maturities ₹ 9,305 lakhs (March 31,2021 ₹ 6,318 lakhs) which are shown under note no.19

17. Non-Current Provisions	As at 31 st March, 2022	As at 31 st March, 2021
For Employee Benefits (refer note 38)	<u>4,094</u>	4,266
	<u>4,094</u>	<u>4,266</u>

18. Deferred Tax Liabilities	As at 31 st March, 2022	As at 31 st March, 2021
Deductible Temporary Difference		
Provision for employees benefits	(2,263)	(2,304)
Loss allowance on Financial and Contract Assets	(447)	(466)
Unused Tax Credits	<u>(16,386)</u>	<u>(16,370)</u>
	(19,096)	(19,140)
Deferred Tax Liabilities		
Property, plant and equipment and Intangible assets	<u>32,986</u>	24,149
Deferred Tax Liabilities (refer note 40)	<u>13,890</u>	<u>5,009</u>

19. Borrowings	As at 31 st March, 2022	As at 31 st March, 2021
Current Financial Liabilities		
Secured		
Bank Overdraft/Working Capital Loan From Bank	180	2,414
Current Maturity of Long Terms Debts	<u>9,305</u>	6,318
Unsecured		
From Others	9,584	11,253
Unclaimed / Matured Foreign Currency Bonds	265	257
Liability Component of Foreign Currency Convertible Bonds	<u>6,251</u>	—
	<u>25,585</u>	<u>20,242</u>

19.(a) The Company has outstanding FCCB of US\$ 10.80 mn, which are convertible into shares on the exercise of the conversion option by the bondholders. The FCCB have maturity date of 15th January, 2023 and carry interest @5.95% p.a subject to condition in the subscription agreement. Interest of ₹2,103 lakh is outstanding on account of non furnishing of correct bank account details by the bondholders. The Company has complied with all the financial covenants and undertakings with respect to the outstanding FCCB.

19.(b) The Company has outstanding US\$ 0.35 mn Foreign Currency Bonds, which have matured and become payable on 1st October, 2020. Since the company has not received any claim from the bondholder, the principal amount along with interest accrued thereon till the date of maturity has been shown under Current Borrowings.

20. Trade Payables	As at 31 st March, 2022	As at 31 st March, 2021
Current Financial Liabilities		
Trade Payables		
Total outstanding dues of Micro Enterprises and Small Enterprises (refer note.34)	587	1,011
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	<u>14,508</u>	14,708
	<u>15,095</u>	<u>15,719</u>

PRAKASH INDUSTRIES LIMITED

Notes on financial statements

₹ in lakhs

Trade Payable Ageing as on March 2022

Particular	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
MSME	587	–	–	–	587
Others	13,984	113	110	301	14,508
Total	14,571	113	110	301	15,095

Trade Payable Ageing as on March 2021

Particular	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
MSME	1,011	–	-	-	1,011
Others	14,279	157	135	137	14,708
Total	15,290	157	135	137	15,719

21. Other Current Financial Liabilities

	As at 31 st March, 2022	As at 31 st March, 2021
Interest accrued but not due on borrowings	6	7
Interest accrued and due on borrowings(refer note 19.(a))	2,103	1,539
Unpaid Dividends	22	41
Others		
Trade/Security deposits	252	1,249
Salary, wages and benefits payable	4,196	4,162
Capital Creditors	385	485
Other expenses payables	6,581	1,451
	<u>13,545</u>	<u>8,934</u>

22. Other Current Liabilities

	As at 31 st March, 2022	As at 31 st March, 2021
Statutory dues payable	5,629	5,878
Advances from Customers	544	145
	<u>6,173</u>	<u>6,023</u>

23. Current Provisions

	As at 31 st March, 2022	As at 31 st March, 2021
For Employee Benefits (refer note 38)	2,384	2,328
	<u>2,384</u>	<u>2,328</u>

24. Current Tax Liabilities (Net)

	As at 31 st March, 2022	As at 31 st March, 2021
Provision for Tax (Net of TDS / TCS)	–	499
	<u>–</u>	<u>499</u>

PRAKASH INDUSTRIES LIMITED

Notes on financial statements

₹ in lakhs

	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
25. Revenue From Operations		
Sales of products	3,92,872	3,21,586
	<u>3,92,872</u>	<u>3,21,586</u>

Revenue from contracts with customers disaggregated on the basis of geographical region and major businesses is as below:

Iron & steel	3,92,467	3,21,172
Others	405	414
Sales of products	<u>3,92,872</u>	<u>3,21,586</u>

	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
26. Other Income		
Interest Income	557	622
Miscellaneous income	66	89
Provision Written Back	103	–
Business support service	–	18
Profit on sale of Fixed Assets (Net)	122	77
	<u>848</u>	<u>806</u>

	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
27. Change In Inventories Of Finished Goods and Work In Progress		
Closing Inventories		
Finished products	1,541	3,524
Work in process	198	481
Scrap and waste	<u>3,372</u>	<u>3,976</u>
	5,111	7,981
Opening Inventories		
Finished products	3,524	3,254
Work in process	481	199
Scrap and waste	<u>3,976</u>	<u>2,719</u>
	7,981	6,172
	<u>2,870</u>	<u>(1,809)</u>

	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
28. Employees Benefits Expenses		
Salaries, wages & other benefits	21,353	21,429
Contribution to provident & other funds	1,050	1,084
Employee's welfare expenses	541	457
	<u>22,944</u>	<u>22,970</u>

PRAKASH INDUSTRIES LIMITED

Notes on financial statements

₹ in lakhs

29. Finance Cost	For the year ended 31 st March, 2022		For the year ended 31 st March, 2021	
Interest on borrowings	5,965		6,678	
Interest Cost on employee benefit obligation	461		474	
Interest on Foreign Currency Convertible bonds	563		421	
Exchange difference regarded as an adjustment to borrowing Cost	257	820	(245)	176
Finance Procurement Charges		21		24
		<u>7,267</u>		<u>7,352</u>
30. Depreciation and Amortization Expenses	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
Depreciation of Tangible assets	15,585		15,177	
Amortization of Intangible assets	200		200	
		<u>15,785</u>		<u>15,377</u>
31. Other Expenses	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
Power & fuel	9,091		14,589	
Stores & spares	6,399		6,303	
Mining & Royalty charges	10,279		2,510	
Repairs to:				
Machinery	7,457		7,816	
Building	445		497	
Others	100	8,002	95	8,408
Insurance		11		14
Rates & taxes		1,021		1,228
Auditor's remuneration				
Audit fees	56		56	
Tax audit fees	12		12	
Reimbursement of expenses	1	69	1	69
Miscellaneous expenses		4,298		2,312
CSR expenditure (refer note 44)		637		722
Allowance for doubtful Debts & Advances		48		62
Rent		67		24
Director's sitting fees		16		15
Selling & Distribution expenses		842		1,233
		<u>40,780</u>		<u>37,489</u>

Notes on financial statements

₹ in lakhs

32. Contingent Liabilities not provided for in respect of:	As at	As at
	31st March, 2022	31 st March, 2021
(a) Guarantees issued by banks on behalf of the company	19,690	4,358
(b) Disputed demands of Excise Duty/Income Tax and others. (Amount paid there against ₹ Nil (Previous year ₹ Nil))	194	3,838

₹ in lakhs

33. Capital Commitments	As at	As at
	31st March, 2022	31 st March, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	2,084	2,115

34. Dues to Micro and Small Enterprises:

The disclosures regarding dues to the suppliers registered under MSMED Act 2006 are as follows:

₹ in lakhs

	Particulars	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
(a)	The Principal amount and the interest amount due thereon remaining unpaid to any supplier as at 31 st March,2022 -Principal amount -Interest amount	587 -	1,011 -
(b)	The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day for the year ending 31 st March,2022	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (beyond the appointed day during the year)	-	-
(d)	The amount of interest accrued and remaining unpaid for the year ending 31 st March,2022	-	-
(e)	The amount of further interest remaining due and payable for the earlier years.	-	-

The above information has been given in respect of such supplier to the extent, they could be identified as MSME on the basis of information available with the company.

- 35.** In terms of the order dated 23rd August 2007 of the Hon'ble Punjab & Haryana High Court, the net deferred tax liability computed in terms of the Indian Accounting Standard (Ind AS) 12, Income Taxes has been adjusted against Securities Premium reserve. Consequently, the profit for the year is higher by ₹ 8,897 lakhs (previous year ₹ 3,133 lakhs).
- 36.** An amount of ₹ 16,998 lakhs have been withdrawn from general reserve to adjust the equivalent amount with respect to capital expenditure incurred, implementation of which is abandoned and claim recoverable subject to realization.
- 37.** Considering the future profitability and taxable position in the subsequent years, the Company is recognizing Minimum Alternate Tax (MAT) credit entitlement as an asset and is carrying the same in its accounts. In case the credit entitlement is not availed by the Company within the time limit prescribed under the Income Tax Act, the same is set off against the Retained Earnings.

PRAKASH INDUSTRIES LIMITED

Notes on financial statements

38. Details of Employees Benefits as required by the Ind AS 19 "Employee Benefits" are given below:-

A) Defined Contribution Plans:

During the year, the company has recognised the following amounts in the Statement of Profit & Loss (included in Contribution to Provident & Other Funds):-

₹ in lakhs

Particulars	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
Contribution to Provident Fund	970	1,002
Contribution to Employees' State Insurance	80	82

B) Defined Benefit Plan:

Reconciliation of opening and closing balances of Defined Benefit obligation

Particulars	For the year ended 31 st March, 2022		For the year ended 31 st March, 2021	
	Gratuity (Unfunded)	Compensated Leave (Unfunded)	Gratuity (Unfunded)	Compensated Leave (Unfunded)
Present Value of Defined Benefits obligation at the beginning of the year	4,705	1,889	4,570	2,378
Current Service Cost	278	139	289	138
Interest Cost	329	132	314	160
Actuarial gain/(loss)	(196)	(126)	(224)	(666)
Benefit paid	(501)	(172)	(244)	(21)
Present Value of Defined Benefit obligation at the year end	4,615	1,862	4,705	1,889
Reconciliation of fair value of assets and obligations				
Present value of obligation at year end	4,615	1,862	4,705	1,889
Amount recognized in Balance Sheet	4,615	1,862	4,705	1,889
Expenses recognized during the year				
Current Service Cost	278	139	289	138
Interest Cost	329	132	314	160
Actuarial gain/(loss)	(196)	(172)	(224)	(666)
Total Cost recognized in the Profit & Loss A/c	411	99	379	(360)
Actuarial assumption				
Mortality Table	IALM 2012-14 (Ultimate)	IALM 2012-14 (Ultimate)	IALM 2012-14 (Ultimate)	IALM 2012-14 (Ultimate)
Discount rate (per annum)	7.00%	7.00%	6.50%	6.50%
Rate of escalation in salary (per annum)	4.5%	4.5%	4.5%	4.5%

The estimate of rate of escalation in salary considered in actuarial valuation, has taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the actuary.

PRAKASH INDUSTRIES LIMITED

Notes on financial statements

39. Income tax expense:

₹ in lakhs

(A)	Components of Income Tax Expense	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
	Current Tax	26	8
	Earlier Year Tax	10	-
	Deferred Tax on account of temporary differences	8,897	3,133
	Reversal of Minimum Alternate Tax(MAT) credit	-	804
	Income tax expense	8,933	3,945
	Income tax adjusted against securities premium	(8,897)	(3,133)
	Reversal of MAT credit against retained earning	-	(804)
	MAT credit entitlement	(26)	(8)
	Tax expense recognised in the Statement of Profit and Loss	10	-

(B)	Reconciliation of Income tax expense to the accounting profit for the year	For the year ended 31 st March, 2022		For the year ended 31 st March, 2021	
	Profit before tax	16,882		9,533	
	Income tax expense at normal rate	5,899	34.94%	3,331	34.94%
	Effect of income exempt from income tax	-	-	-	-
	Effect of temporary differences	(5,899)	(34.94%)	(3,331)	(34.94%)
	Tax expenses	26	0.15%	-	-
	Earlier Year expenses	10	0.06%	-	-
	MAT (Minimum Alternate Tax)	35	0.21%	8	0.08%
	Reversal of MAT credit	-	-	804	8.43%
	Reversal of MAT credit against retained earnings	-	-	(804)	(8.43%)
	MAT credit entitlement	(26)	(0.15%)	(8)	(0.08%)
	Tax expense recognised in the Statement of Profit and Loss	10	0.06%	-	-

(C)	Tax Assets and Liabilities	As at 31 st March, 2022	As at 31 st March, 2021
	Current tax Assets (net)	686	117
	Current tax Liabilities (net)	-	499

40. Movement in Deferred Tax Assets and Liabilities

₹ in lakhs

	For the year ended 31 st March, 2022					For the year ended 31 st March, 2021				
	As at 1st April, 2021	Adjusted in the Securities Premium reserve	Addition During the Year	Adjusted in the Retained Earning/ Others	As at 31st March, 2022	As at 1st April, 2020	Adjusted in the Securities Premium reserve	Addition During the Year	Adjusted in the Retained Earning/ Others	As at 31st March, 2021
Provision for employee benefits	2,304	(41)	-	-	2,263	2,427	(123)	-	-	2,304
Provision for doubtful debts and advances	466	(19)	-	-	447	444	22	-	-	466
Unused Tax Credits	16,370	-	16	-	16,386	18,739	-	8	(2,377)	16,370
Deferred tax assets	19,140	(60)	16	-	19,096	21,610	(101)	8	(2,377)	19,140
Depreciation-Property, plant and equipment	(24,149)	(8,837)	-	-	(32,986)	(21,117)	(3,032)	-	-	(24,149)
Deferred tax assets/ (liabilities) (net)	(5,009)	(8,897)	16	-	(13,890)	493	(3,133)	8	(2,377)	(5,009)

PRAKASH INDUSTRIES LIMITED

Notes on financial statements

41. Related party disclosure as required by Ind As -24 issued by Ministry of Corporate Affairs(MCA) are as under :-

A) Enterprise on which key management personnel and/or their relatives exercise significant influence.

1. Prakash Pipes Limited (PPL)

B) Key Management Personnel :

1. Shri V.P. Agarwal, Chairman
2. Shri Vikram Agarwal, Managing Director
3. Shri Kanha Agarwal, Joint Managing Director
4. Shri P.L. Gupta, Whole-time Director and Chief Financial Officer
5. Shri Deepak Mishra, Chief Financial Officer
6. Shri Ashwini Kumar, Company Secretary

(C) Transactions with related parties in the ordinary course of business

₹ in lakhs

	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
Key Management Personnel		
Short-term employee benefits*	1,106	1,031
Post-employment benefits*	169	165
Enterprises		
Interest Paid	-	50
Interest Received	-	13
Loan taken	7,828	-

*Includes remuneration paid to Sh P.L. Gupta, Whole Time Director who has since resigned on 18th December 2021 and Shri Deepak Mishra joined on 21st December 2021.

42. Earning per share (EPS)

₹ in lakhs

	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
Net Profit for the period (before OCI) (₹ in lakhs)	16,872	9,533
Face Value of each Share (₹)	10	10
Weighted average no. of Equity Shares (In lakhs)	1,791	1,717
*Diluted average no. of Equity Shares (In lakhs)	1,860	1,810
Basic Earning per Share (₹)	9.42	5.55
Diluted Earning per Share (₹)	9.07	5.27

*This includes 69,18,232 number of potential shares that may be issued against Foreign Currency Convertible Bond holders.

43. Deposits (FD's) except ₹ 1,049 lakhs are lien marked with various Banks/Govt. Departments for availing LC/Bank Guarantee etc.

PRAKASH INDUSTRIES LIMITED

Notes on financial statements

44. The details of the expenditure on activities of Corporate Social Responsibilities (CSR) in pursuant to provisions of Section 135 of the Companies Act, 2013 are as under:

- a) The gross amount required to be spent by the Company during the year is ₹ 527.60 lakhs (previous year ₹ 722.11 lakh).
 b) The amount spent during the year on CSR activities is as follows:

₹ in lakhs

Sl. No.	Particulars	For the year ended 31 st March, 2022			For the year ended 31 st March, 2021		
		Paid	Yet to be paid	Total	Paid	Yet to be paid	Total
(i)	Construction /acquisition of any assets	-	-	-	-	-	-
(ii)	On purpose other than (i) above	637	-	637	722	-	722

45. a) Fair Value Measurements

₹ in lakhs

Particulars	For the year ended 31 st March, 2022			For the year ended 31 st March, 2021		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Non Current Assets						
Financial assets						
Other financial assets	-	-	5,044	-	-	6,622
Current assets						
Financial assets						
Trade receivable	-	-	6,630	-	-	14,288
Cash and cash equivalents	-	-	849	-	-	1,653
Bank Balance	-	-	20,211	-	-	2,826
Loan	-	-	-	-	-	-
Other financial assets	-	-	732	-	-	7,501
Total financial assets	-	-	33,466	-	-	32,890
Non-current Liabilities						
Financial liabilities						
Borrowings	-	-	29,184	7,938	-	29,456
Current liabilities						
Financial liabilities						
Borrowings	8,453	-	19,081	257	-	19,997
Trade payable	-	-	15,095	-	-	15,719
Other financial liabilities	-	-	13,545	-	-	8,934
Total financial liabilities	8,453	-	76,905	8,195	-	74,106

b). Fair value hierarchy

This section explains the judgments and estimates made in determining the fair value of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

PRAKASH INDUSTRIES LIMITED

Notes on financial statements

₹ in lakhs

(a)	Financial Assets and liabilities which are measured at fair value: recurring fair value measurement as at 31 st March 2022	Level 1	Level 2	Level 3	Total
Financial liabilities					
	Foreign currency convertible bond	8,453	-	-	8,453
	Financial Assets and liabilities which are measured at fair value: recurring fair value measurement as at 31 st March 2021	Level 1	Level 2	Level 3	Total
Financial liabilities					
	Foreign currency convertible bond	8,195	-	-	8,195

(b)	Financial Assets and liabilities which are measured at amortized cost for which fair values are disclosed as at 31 st March 2022	Level 1	Level 2	Level 3	Total
Financial liabilities					
	Financial Lease obligation	-	-	174	174
	Financial Assets and liabilities which are measured at amortized cost for which fair values are disclosed as at 31 st March 2021	Level 1	Level 2	Level 3	Total
Financial liabilities					
	Financial Lease obligation	-	-	173	173

(i) Valuation technique used to determine fair value:-

- The fair value of foreign currency convertible bonds and interest thereon are valued using respective currency conversion rate available on the reporting date with the Reserve Bank of India.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(ii) Fair value of financial assets and liabilities measured at amortised cost:-

₹ in lakhs

Financial liabilities	2022		2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Lease obligation	-	174	-	173

(iii) The carrying amount of trade receivable, trade payable, capital creditors and cash and cash equivalents are considered to be the same as their fair value due to their short-term nature.

46. Financial risk management

46.1 Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through optimisation of debt and equity balance. The Company is not subject to any externally imposed capital requirements.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 15, 16 & 19 less cash and bank balances as detailed in note 10 & 11) and total equity of the Company. Equity consists of equity capital, share premium and all other equity reserves attributable to the equity holders.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

Notes on financial statements

(a) Capital risk management

The Company's objectives when managing capital are to

- Safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Company strategy is to optimize gearing ratio. The gearing ratios were as follows:

Particulars	₹ in lakhs	
	As at 31 st March, 2022	As at 31 st March, 2021
Net debt	35,506	53,014
Total equity	2,81,223	2,89,924
Net debt to equity ratio (in times)	0.13	0.18

46.2 Financial risk management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets comprise investments, cash and bank balance, trade and other receivables.

The Company is exposed to various financial risks such as market risk, credit risk and liquidity risk. The financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

a. Market risk

The Company's activities expose it primarily to the financial risk of changes in foreign currency exchange rates and changes in interest rates. There have been no changes to the Company's exposure to market risk or the manner in which it manages and measures the risk in recent past.

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings and bank deposits.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates is limited.

Interest-rate risk exposure: the exposure of the company borrowing to interest-rate changes at the end of the reporting period	₹ in lakhs	
	As at 31 st March, 2022	As at 31 st March, 2021
Variable rate borrowings	28,058	35,205
Fixed rate borrowings	18,721	22,270

Sensitivity: Profit or loss is sensitive to higher/lower interest expense from borrowing as a result of change in interest rate. Other components of equity change as a result of an increase/decrease in the fair value of cash flow.

Impact on profit after tax	₹ in lakhs	
	As at 31 st March, 2022	As at 31 st March, 2021
Interest rate - increased by 50 basis points (Previous Year 50 bps)	(140)	(176)
Interest rate - decreased by 50 basis points (Previous Year 50 bps)	140	176

ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes

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Notes on financial statements

in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's borrowings. The Company's foreign currency risks are identified, measured and managed at periodic intervals in accordance with the Company's policies.

a) Particulars of unhedged foreign currency exposure as at the reporting date:

USD in lakhs

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
FCCB Borrowings	111	111
Interest	7	6
Total	118	117

(b) Sensitivity: the sensitivity of profit or loss to change in the exchange rate arise mainly from foreign currency denominated financial instruments

₹ in lakhs

IMPACT ON PROFIT OR LOSS	As at 31 st March, 2022	As at 31 st March, 2021
INR/USD-increased by 6% (Previous Year 6%)	(505)	(490)
INR/USD-decreased by 6% (Previous Year 6%)	505	490

b. Credit risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has adopted a policy of only dealing with creditworthy customers.

The credit limit is granted to a customer after assessing the Credit worthiness based on the information supplied by credit rating agencies, publicly available financial information or its own past trading records and trends.

At March 31, 2022, the company did not consider there to be any significant concentration of credit risk, which had not been adequately provided for. The carrying amount of the financial assets recorded in the financial statements, grossed up for any allowances for losses, represent the maximum exposure to credit risk.

(i) Expected credit loss for trade receivables under simplified approach

₹ in lakhs

Particulars	Not due	0-30 days	31-60 days	more than 60 days	Total
Gross carrying amount - trade receivable	6,630	–	–	185	6,815
Expected credit losses	–	–	–	185	185
Carrying amount of trade receivables (net of impairment)	6,630	–	–	–	6,630

(ii) Expected credit loss for loans and advances, security deposit and claims receivable as at March 31, 2022

₹ in lakhs

		Total	Allowance for doubtful		Net
			%	Amount	
Loss allowance measured at 12 month expected credit loss	Loan & Advances	18,399	3.85%	708	17,691
	Security Deposit	257	-	-	257
	Claim Recoverable	422	91%	384	38

c. Liquidity risk

The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities for the Company.

The Company has established an appropriate liquidity risk management framework for its short-term, medium term and long-term funding requirement.

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Notes on financial statements

The table below summarizes the maturity profile of the Company's financial liabilities.

₹ in lakhs

Particulars	Less than 1year	1-5 years	> 5 years	Total payments
As at 31st March, 2022				
Borrowings and interest thereon	21,178	22,098	13,440	56,716
Trade and other payables	26,509	–	–	26,509
Other financial liabilities	12	48	114	174
As at 31st March, 2021				
Borrowings and interest thereon	21,531	27,008	8,545	57,084
Trade and other payables	23,066	–	–	23,066
Other financial liabilities	12	48	113	173

47. Disclosure as per ind AS-116 'Lease'

- a) Amount recognised in the Statement of Profit and Loss

₹ in lakhs

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Depreciation expense	7	7
Interest expenses	10	10
Total	17	17

- b) Movement of lease liability

₹ in lakhs

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balance at the beginning of the year	173	184
Additions during the year	13	25
Finance cost incurred during the year	–	–
Deletions during the year	–	–
Adjustment on account of modification in lease terms	–	–
Payment of lease liability	12	36
Balance at the end of the year	174	173

- c) Detail of Contractual maturities of lease liabilities

₹ in lakhs

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
With in One Year	12	12
One to Five Year	48	48
After Five Year	1,337	1,349

- d) Detail lease liabilities

₹ in lakhs

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Current	12	12
NonCurrent	162	161

PRAKASH INDUSTRIES LIMITED

48. Additional Regulatory Information Ratio analysis:

Particulars	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021	Remarks for movement
Current Ratio	1.35 Times	1.30 Times	-
Debt Equity Ratio	0.10 Times	0.12 Times	-
Debt Service Coverage Ratio	1.96 Times	2.32 Times	-
Return on Equity(ROE)	6.00%	3.29%	Increase due to increase in profit earned during the year
Inventory Turnover Ratio	9.04 Times	10.66 Times	-
Trade receivables turnover ratio	37.56 Times	19.04 Times	Increase due to reduction in trade receivables
Trade payable turnover ratio	18.64 Times	15.37 Times	-
Net Capital turnover ratio	17.90 Times	19.87 Times	-
Net profit ratio	4.29%	2.96%	Increase due to increase in profit earned during the year
Return on capital employed(ROCE)	7.78%	5.19%	Increase due to increase in profit earned during the year
Return on investment (ROI)	5.44%	2.93%	Increase due to increase in profit earned during the year

Definition: Current Ratio=Current Assets/Current Liabilities, Debt-Equity Ratio=Long Term Debt/Total Equity, Debt Service Coverage Ratio=Earning available for debt service/Debt service, Earning for Debt Service=Net Profit after taxes+ Non-cash operating expenses like depreciation and other amortizations+ Interest+ other adjustments like loss on sale of fixed assets etc., Return on Equity (ROE): Net Profits after taxes - Preference Dividend (if any)/(Average Shareholder's Equity+Other Equity), Inventory Turnover Ratio: Cost of goods sold OR sales/Average Inventory, Average inventory is (Opening + Closing balance / 2), Trade receivables turnover ratio: Net Credit Sales/Avg. Accounts Receivable, Net credit sales consist of gross credit sales minus sales return. Trade receivables include sundry debtors and bills receivables. Average trade debtors = (Opening + Closing balance / 2). Trade payables turnover ratio: Net Sales/Working Capital, Net sales shall be calculated as total sales minus sales returns. Working capital shall be calculated as current assets minus current liabilities. Net profit ratio: Net Profit/Net Sales, Net profit shall be after tax. Net sales shall be calculated as total sales minus sales returns. Return on capital employed (ROCE): Earning before interest and taxes/Capital Employed, Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability. Return on investment=Net Profit after Tax/Capital Employed.

49. Before dealing with other companies, Company always check the status of other companies and to the best of knowledge of the company, company do not have any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of companies Act, 1956 except one case where outstanding receivables is amount ₹ 11 lakhs.
50. The Company has taken land on lease for its plants from different Govt. /Govt. Agencies for long term period, with terms of further renewal.
51. Balances of some of the Trade Receivable, Other Assets, Trade and Other Payables are subject to confirmations/reconciliations. However, Management does not expect to have any material financial impact of such pending confirmation/reconciliations.
52. The Company operates in one segment only i.e. "Iron & Steel" and therefore, has only one reportable segment in accordance with IND AS 108 "operating segments"
53. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. Figures have been rounded off to the nearest lakh rupees unless otherwise stated.

As per our report of even date attached

For Chaturvedi & Co.

Chartered Accountants

Firm Registration No.302137E

Pankaj Chaturvedi

Partner

M.No.091239

London

03rd May, 2022

Ashwini Kumar

Company Secretary

M.No.FCS 11446

Vikram Agarwal

Managing Director

DIN:00054125

M.L. Pareek

Whole Time Director

DIN:01795975

Deepak Mishra

Chief Financial Officer

For and on behalf of the Board

New Delhi

NOTICE

NOTICE is hereby given that the 41st Annual General Meeting of the Members of Prakash Industries Limited will be held on Wednesday, the 28th September, 2022 at 12.30 p.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31st March, 2022, together with the Reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended on 31st March, 2022, together with Profit & Loss Account and Cash Flow Statement for the period ending on that date and the Report of Board of Directors and Auditors thereon be and are hereby considered and adopted.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to file the Financial Statements, Board of Directors Report and Auditors Report with the Registrar of Companies and to do all things, deeds and acts as may be deemed necessary in this regard."

2. To appoint Shri Vikram Agarwal (DIN : 00054125), who retires by rotation as a Director and being eligible, offers himself for re-appointment as a Director and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Vikram Agarwal, (DIN : 00054125), who retires by rotation as a Director at this Annual General Meeting, and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

3. **To approve the appointment of Shri Sanjay Jain (DIN:00038557) as a Director of the Company**

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

"RESOLVED THAT pursuant to the provisions of Section 149,152 and any other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), upon the recommendation of Nomination and Remuneration Committee, Shri Sanjay Jain (DIN:00038557), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 2nd August, 2022 and who holds office till the date of ensuing Annual General Meeting in terms of Section 161 of the Act, and who is eligible for appointment as a Director of the Company, be

and is hereby appointed as a Director of the Company, liable to retire by rotation;

RESOLVED FURTHER THAT Shri Vikram Agarwal, Managing Director and Shri Arvind Mahla, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

4. **To approve the appointment of Shri Sanjay Jain (DIN:00038557) as Whole-time Director 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 recommendation of Nomination and Remuneration Committee of the Company and as per provisions of Section 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force), also read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the members be and is hereby accorded for the appointment of Shri Sanjay Jain (DIN:00038557) as Whole-time Director of the Company for a period of three years with effect from 2nd August, 2022 to 1st August, 2025 subject to approval of appropriate authorities, if required, on the following terms and conditions:

- 1) Salary : ₹ 1,90,000 p.m.
(increment of 9% per annum effective from 1st April, 2023)
- 2) Ex-gratia in lieu of Bonus : 20% of salary as per rules of the Company.
- 3) Special Allowance : ₹ 1,30,000 p.m.
- 4) House Rent Allowance : ₹ 10,000 p.m.
- 5) Perquisites : In addition to the aforesaid salary, the following perquisites would be allowed:
 - i) Medical Reimbursement : Expenses incurred for self and family subject to a ceiling of one month's salary in a year.
 - ii) Leave Travel Concession : For self and family to and fro to any place in India once in a year subject to a ceiling of one month's salary.
 - iii) Company's contribution towards Provident Fund equivalent to 12% of the salary if he is a member of provident fund or in case he is a non-member of provident fund, ex-gratia in lieu of contribution to provident fund equivalent to 12% of the salary.
 - iv) Gratuity - In accordance with the provisions of Payment of Gratuity Act but shall not exceed half month's salary for each completed year of service.

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- v) Leave on full pay and allowances as per rules of the Company. Leave accumulated but not availed may be allowed to encash as per rules of the Company.
- vi) Free use of Company's Car with driver for Company's business.
- 6) He shall also be entitled to reimbursement of expenses on actual basis which are incurred for business of the Company.
- 7) No sitting fee is to be paid for attending the meetings of Board of Directors or Committees thereof.

Provided that the total remuneration shall not exceed 5% of the net profit of the Company.

RESOLVED FURTHER THAT the services of the Whole-time Director would be subject to termination by one month's notice from either side or payment of salary in lieu thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to accept any modification(s) in the terms and conditions of the said appointment and remuneration in such manner as may be suggested by shareholders / authorities and acceptable to Shri Sanjay Jain.

RESOLVED FURTHER THAT notwithstanding anything to the contrary contained hereinabove, where in any financial year, the Company has no profits or its profits are inadequate, the remuneration as decided by the Board and recommended by Nomination and Remuneration Committee from time to time pursuant to the provisions of Schedule V and other applicable provisions of the Companies Act, 2013 as amended from time to time shall be paid to Shri Sanjay Jain, Whole-time Director as minimum remuneration during the tenure of his appointment i.e. from 2nd August, 2022 to 1st August, 2025.

RESOLVED FURTHER THAT Shri Vikram Agarwal, Managing Director and Shri Arvind Mahla, Company Secretary of the Company, be and are hereby severally authorised for obtaining necessary approvals - statutory, contractual or otherwise and do all such acts, deeds, matters and things as are incidental thereto or as may be deemed necessary or desirable and settle any question or difficulty that may arise, in such manner as they may deem fit in order to give effect to the above resolution."

5. To ratify the remuneration of Cost Auditors

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

"RESOLVED THAT in accordance with the provisions of Section 148 and all other applicable provisions, if any of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) the remuneration payable to M/s Rakshit & Associates (FRN 101951), Cost Accountants, the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2022-23 amounting to ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand Only) apart from reimbursement of actual expenses to be incurred by them in connection with conducting the audit of cost records of the Company, be and is hereby ratified and confirmed.

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

By order of the Board
For Prakash Industries Limited

Registered Office:

15 Km. Stone,
Delhi Road,
Hissar – 125044 (Haryana)

Dated : 2nd August, 2022

CIN : L27109HR1980PLC010724

Arvind Mahla
Company Secretary

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NOTES:

1. The statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
2. Pursuant to MCA Circular Nos.20/2020 dated May 5, 2020, Circular No.02/2021 dated January 13, 2021 and Circular 02/2022 dated May 5,2022 ("MCA Circulars") and SEBI Circular No.SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular Nos. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 ("SEBI Circulars") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 41st Annual General Meeting (AGM) of the Company is being held through VC/OAVM without the physical presence of Members at a common venue. Notice of the AGM along with the Annual Report for the financial year 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.prakash.com, websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM i.e. www.evotingindia.com.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorised e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of Members has been dispensed with and there is no provision for the appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act will not be available for the 41st AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice
7. Register of Members and Share Transfer Books will remain closed from 20th September, 2022 to 22nd September, 2022 (both days inclusive).
8. Members whose name are appearing on the Register of Members/List of Beneficial owners as on the Cut-off date shall be eligible for e-voting. A person who is not a Member on Cut-off Date should treat this notice for information purpose only.
9. During the financial year Company has appointed M/s Skyline Financial Services Pvt. Ltd. as Registrar and Transfer Agent of the Company and has made arrangements to facilitate members to receive this notice electronically and cast their vote electronically, as per the process given below:
 - a) For voting on the resolutions proposed in the notice through e-voting, members who have not registered their email address may get their email address registered by sending an email to admin@skylinerta.com. The members shall provide the following details in the email.

Full Name
No. of shares held
Folio number (if shares held in physical)
Share certificate number (if shares held in physical)
DPID & Client ID (if shares are held in demat)
Email id
 - b) On receipt of the email, the member would get soft copy of the notice and the procedure for e-voting alongwith the User ID and Password to enable e-voting for this AGM In case of any queries, member may write to admin@skylinerta.com.
 - c) It is clarified that for permanent registration of email address, members are required to register their email address, in respect of electronic holdings with their concerned Depository Participants and in respect of physical holdings, with the RTA of the Company

Skyline Financial Services Pvt. Ltd.

D-153A, 1st Floor, Okhla Industrial Area, Phase-I,
New Delhi – 110020.

Phone : (011) - 40450193-97
Website : www.skylinerta.com
E-mail : admin@skylinerta.com

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10. i) Members are requested to quote their folio, DP and client ID No. in all correspondence with the RTA..
 - ii) If there is any change in the postal address / email ID, members may update their new address or email ID with their respective DP in case of holding shares in demat form and if holding shares in physical form they should write to the RTA.
11. As per rules regarding unpaid / unclaimed dividend prescribed by MCA, Company has already given the details of unpaid/ unclaimed dividend for the financial year 2018-19 on the website of Investor Education and Protection Fund (IEPF) viz. www.iepf.gov.in. Investors can also check their unpaid / unclaimed dividend details from the above said website.

Members who have not received / encashed their dividend warrants for the financial year 2018-19 may please write to RTA or Company for claiming the said dividend. Members are requested to note that dividend not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund.

Also pursuant to the provisions of the recently notified Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more were transferred to the Investor Education and Protection Fund (IEPF).

12. Transfer of Unpaid / Unclaimed Amount and Shares to Investor Education and Protection Fund during the year under review, the Company has credited ₹18.28 Lakhs to the Investor Education and Protection Fund (IEPF) and also credited 1,83,826 equity shares of ₹10/- each to the IEPF Authority, in respect of which dividend had not been paid or claimed by the members for seven consecutive years or more as on the cut-off date pursuant to the provisions of the Companies Act, 2013. The Company has uploaded on its website the details of unpaid and unclaimed amount lying with the Company as on date of last Annual General Meeting i.e. 29th July, 2021 and details of shares transferred to IEPF during the financial year 2021-22. The aforesaid details are put on the Company's website and can be accessed at [https:// prakash.com/unclaimed-dividend/](https://prakash.com/unclaimed-dividend/).

The Company has also uploaded these details on the website of the IEPF Authority viz. www.iepf.gov.in.

The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares by filing of Form IEPF-5 with IEPF Authority.

13. Members holding shares in physical form are advised to convert their shareholding in dematerialized form with any depository participant.

As per Securities and Exchange Board of India (SEBI) vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 read with Circular No.

SEBI/HO/MIRSD_RTAM/P/CIR/2021/687 dated 14th December 2021 mandated that shareholder holding shares in physical form should submit copies of PAN card, KYC details, Bank account details and Nomination to the Company/ Registrar and Share Transfer Agent (RTA). In this respect the Company has already sent the requisite forms to the shareholders who hold shares in physical form. Shareholders are requested to ensure that the above details are updated with RTA on or before 1st April, 2023, since folios for which the above details will not be available shall be frozen thereafter.

14. The Extracts of the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 are available on the website of the Company.15.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 25th September, 2022 (09:00 a.m.) and ends on 27th September, 2022 (05:00 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 (record date) of 21st September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members 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 9th December, 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.
- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 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. Members are advised to update their mobile number and email Id in their demat accounts in order to access the e-voting facility.

Login method for Individual Shareholders holding securities in Demat mode is given below:

<p>Individual Shareholders holding securities in Demat mode with CDSL</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 URL for users to login to Easi/ Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 i.e. CDSL/NSDL/KARVY/LINKINTIME, 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 https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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 or click on https://evoting.cdslindia.com/Evoting/EvotingLogin 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.
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<p>Individual Shareholders holding securities in Demat mode with NSDL</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.nsdl.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 redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 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 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 or joining virtual meeting & voting during the meeting
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Individual Shareholders (holding securities in demat mode) login through their Depository Participants	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 or joining virtual meeting & voting during the meeting.
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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.

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 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.com.in or contact at 1800 1020 990, 1800 22 44 30.

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- (1) The members 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. Members 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 Shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by RTA or contact to RTA or Company
Dividend Bank Details OR Date of Birth (DOB)	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. 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 as mentioned in instruction (3).

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

PRAKASH INDUSTRIES LIMITED

"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.

(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) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

(xvii) Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.

– Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as "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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

– 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 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 RTA at the email address viz; admin@skylinerta.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting

will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 4 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at Company's email id viz. investorshelpline@prakash.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 4 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at Company's email id viz. investorshelpline@prakash.com. Queries that remain unanswered at the AGM will be appropriately responded by the Company.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the evoting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE RTA/ 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 (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to RTA at admin@skylinerta.com.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)

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- 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 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 on 1800 22 55 33.

OTHER INFORMATION:

- A. Only those shareholders of the Company who are holding shares either in physical form or in dematerialized form, as on the cut-off date (i.e. Wednesday, the 21st September, 2022), shall be entitled to cast their vote either through remote e-voting or at the AGM, as the case may be. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- B. The Members who have cast their votes by e-voting prior to the AGM may also attend and participate in the proceedings of the AGM at venue but shall not be entitled to cast their votes again.
- C. The members can opt for only one mode of voting i.e. remote e-voting or venue voting at the AGM. In case of voting by both the modes, vote cast through remote e-voting will be considered final and voting at AGM will not be considered.
- D. The Board of Directors has appointed M/s B.K. Bohra & Associates, Company Secretaries (CP No.23511) as the Scrutinizer and Alternate scrutinizer to scrutinize the remote e-voting process and voting at venue in a fair and transparent manner.
- E. The results declared along with the Scrutinizer's Report shall be placed on the Company's website at www.prakash.com and on the website of CDSL at www.evotingindia.com immediately.
11. Details of Directors seeking appointment/re-appointment at the forthcoming AGM pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5. of the SS-2 are as per Annexure -A

EXPLANATORY STATEMENT

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

As required by Section 102 of the Companies Act, 2013, ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item No.3 to 5 of the accompanying Notice:

Item No.3

Pursuant to recommendation of Nomination and Remuneration Committee ("NRC") Shri Sanjay Jain (DIN:00038557) was appointed as an Additional Director, by the Board of Directors of the Company, with effect from 2nd August, 2022, who shall hold office up to the ensuing Annual General Meeting of the Company. Shri Sanjay Jain is not disqualified from being appointed as a Director by virtue of the provisions of Section 164 of the Act and also not debarred from holding the office of Director by virtue of any SEBI order or any other such authority. The said appointment requires to be approved by the Members by way of an Ordinary Resolution. The Board recommends the Ordinary Resolution set out at Item No.3 for your approval.

Item No.4

Shri Sanjay Jain is an experienced professional having Educational Qualification of BE (Mechanical) & MBA (Operations Management) and rich experience of over 30 years in Operations, Projects, Environmental Management, Cost Economics etc. He is associated with the Company since 2004. He is thus conversant with all the facets of the working of the Company.

Having regard to the knowledge and experience of Shri Sanjay Jain, the Board of Directors on the recommendation of NRC at its meeting held on 2nd August, 2022 approved the appointment of Shri Sanjay Jain as Whole-time Director designated as Director (Operations) of the Company for the period of three year with effect from 2nd August, 2022 to 1st August, 2025 on the terms and conditions and remuneration as mentioned in the resolution as set out at item No.4 of the notice subject to the approval of shareholders.

A copy of the resolution passed by the Board of Directors relating to the terms and conditions of payment of remuneration and other relevant documents are open for inspection for the members at the Registered Office of the Company between 11.00 AM to 1.00 PM on any working day prior to the date of the meeting. The above terms and conditions as set out in the said Resolution may be treated as an abstract under Section 190 of the Companies Act, 2013.

None of the Directors except Shri Sanjay Jain is interested in the Resolution.

The Board recommends the Special Resolution set out at Item No.4 for your approval.

Item No.5

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

The Board on the recommendation of the Audit Committee has approved the remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2022-23 as mentioned in the resolution set out at Item No.5 of the notice.

PRAKASH INDUSTRIES LIMITED

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at this item of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2022-23.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

The Board recommends the Resolution set out at Item No.5 for ratification by the shareholders.

By order of the Board
For Prakash Industries Limited

Registered Office:

15 Km. Stone,
Delhi Road,
Hissar – 125044 (Haryana)
Dated :2nd August, 2022
CIN : L27109HR1980PLC010724

Arvind Mahla
Company Secretary

PRAKASH INDUSTRIES LIMITED**ANNEXURE-A****Details of Director(s) seeking appointment/reappointment at the forthcoming Annual General Meeting(AGM) pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of the Secretarial Standard 2**

Name of the Director	Shri Vikram Agarwal
Date of Birth	04.12.1978
Date of First appointment on the Board	28.05.2005
Qualifications	Graduate
Experience / Expertise in specific function areas / Brief resume of the Director.	Shri Vikram Agarwal is associated with the Company since 2005.
Terms and Conditions of appointment/re-appointment	Proposed re-appointment is as per Section 152 of Companies Act, 2013.
Details of remuneration sought to be paid and remuneration last drawn	Remuneration as per terms and conditions of re-appointment vide special resolution passed in 40 th AGM held on 29 th July, 2021
Disclosure of Relationship with other Directors, Manager and Key Managerial Personnel of the Company	Shri Vikram Agarwal Managing Director and Shri Kanha Agarwal, Joint Managing Director of the Company are sons of Shri Ved Prakash Agarwal (Chairman)
No. of Meeting of Board of Directors attended during the F.Y. 2021-22	6
Other Directorship held	7
Other Directorship held in other listed entities	Prakash Pipes Limited
Membership/Chairmanship of Committees of other Boards	4
Shareholding in the Company	4,06,500 Shares

Name of the Director	Shri Sanjay jain
Date of Birth	18.05.1970
Date of First appointment on the Board	02.08.2022
Qualifications	BE (Mechanical) & MBA (Operations Management)
Experience / Expertise in specific function areas / Brief resume of the Director.	Shri Sanjay Jain is an experienced professional having Educational Qualification of BE (Mechanical) & MBA (Operations Management) and rich experience of over 30 years. He is associated with the Company since 2004. He is thus conversant with all the facets of the working of the Company.
Terms and Conditions of appointment/re-appointment	Terms and conditions of appointment vide proposed special resolution to be passed in ensuing AGM.
Details of remuneration sought to be paid and remuneration last drawn	Remuneration as per terms and conditions of appointment vide proposed special resolution to be passed in ensuing AGM.
Disclosure of Relationship with other Directors Manager and Key Managerial Personnel of the Company	Not inter-se related to any other Director or key Managerial Personnel
No. of Meeting of Board of Directors attended during the F.Y. 2021-22	Nil
Other Directorship held	Nil
Other Directorship held in other listed entities	Nil
Membership/Chairmanship of Committees of other Boards	Nil
Shareholding in the Company	13,795 Shares



Prakash
Industries Limited

Corporate Office:

Sriwan, Bijwasan, New Delhi - 110061,

Tel : +91-11-25305800

Email : pilho@prakash.com

www.prakash.com