



Prakash Industries Limited

Srivan, Najafgarh-Bijwasan Road, 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/2016

6th October, 2016

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 2015-16

Dear Sir / Madam,

We wish to inform you that the members of the Company in their 35th Annual General Meeting held on 29th September 2016 have approved and adopted the Annual Report for the financial year 2015-16 in terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A copy of the same is enclosed for your information and necessary record please.

Thanking you,

Yours faithfully,
For **Prakash Industries Limited**

Ashwini Kumar
Company Secretary

Encls : as above



ANNUAL REPORT 2015-16



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 & CEO
Shri P.L. Gupta	Whole - time Director & CFO
Shri K. C. Mehra	Independent Director
Dr. S. L. Keswani	Independent Director
Shri Y.N. Chugh	Independent Director
Shri M.R. Agarwal	Independent Director
Smt. Purnima Gupta	Independent Director

COMPANY SECRETARY

Shri Ashwini Kumar

STATUTORY AUDITORS

Chaturvedi & Partners
Chartered Accountants

BANKERS

Corporation Bank
Kotak Mahindra Bank

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)

Kashipur (Uttarakhand)

Koira, Distt. Koenjhar (Odisha)

Muppandal (Tamil Nadu)

WEBSITE

www.prakash.com

PRAKASH INDUSTRIES LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your Directors present the 35th Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2016.

FINANCIAL RESULTS

	(₹ in Crores)	
	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Net Sales & Other Income	2060.11	2,844.13
EBIDTA	190.96	417.62
Depreciation	101.73	95.79
Financial Expenses	68.64	60.73
Expenses Amortised	-	2.70
Profit before exceptional item and tax	20.59	258.40
Exceptional Item	-	249.06
Provision for Taxes	0.01	-
Profit after tax	20.58	9.34
Balance brought forward	12.36	23.71
	32.94	33.05
Depreciation on transition to schedule II of the Companies Act, 2013	-	20.69
MAT Credit reversal	7.28	-
Carried over to next year	25.66	12.36

PERFORMANCE

During the year under review, the Net sales revenue & other income was ₹2060.11 crores. After providing for interest, depreciation and tax, the Profit After Tax of the Company was ₹ 20.58 crores as against ₹ 9.34 crores in the previous year.

OPERATIONAL REVIEW

Your Directors are pleased to inform you that the performance of the Company was stable and satisfactory during the year. Further, imposition of Minimum Import Price (MIP) by the Government of India to curb predatory low price steel imports in the country helped the Company and the market scenario improved significantly. In the finished steel segment, the Company has recorded higher production volumes by more than 10%. Also, during later part of the year, the Company completed retrofitting of Waste Heat Recovery Boilers, which led to additional 8 MW power generation without any additional cost, thereby contributing significantly to the bottomline. Company also installed capacitors and harmonic filters to improve power factor thereby saving costs. Rigid PVC Pipe Division recorded higher sales volumes of more than 23% over the previous year with much better margins and profitability.

DIVIDEND

After careful assessment of the available profit during the financial year ended 31st March, 2016, your Directors have not recommended any dividend for the financial year ended 31st March, 2016.

FUTURE PROSPECTS

The Company has always focussed on achieving optimum levels of integration in its

operations. The Company is undertaking expansion and modernization in its Steel Melting Shop by setting up energy efficient furnaces. The successful implementation of the above plan shall lay a strong foundation for the future prospects of the business. The Company is making all its efforts to make operational its allotted Iron Ore mines in the states of Chhattisgarh and Odisha, which will enhance operational performance significantly.

The Company has registered growth of more than 23% in the Rigid PVC Pipe Division, with operating margins growing from 10% to 13%. The Company is confident that this growth trajectory will continue and contribute significantly to the bottom line in the coming years.

ENVIRONMENT AND SOCIAL RESPONSIBILITY

The Company has adequate and effective Environmental Management System, which conforms to ISO: 14001. Environmental Management System is a structured and systematic process for achieving continuous improvement in environmental performance & to provide effective environment. The Company integrates the consideration of environmental concerns and its impacts in its decision making and activities by promoting environmental awareness among its employees and encouraging them to work in an environmentally responsible manner & communicate environmental commitment to its clients, customers and public to encourage them to support it. The Company continually improves its environmental performance by minimizing the social impact of its activities by periodically reviewing its environmental policy in the light of current and planned future activities.

The Company is committed to provide a quality service in a manner that ensures a safe and healthy workplace for its employees and minimizes its potential impact on the environment. The Company operates in compliance with all relevant environmental legislation and will continue to strive for pollution prevention and environmental best practices.

In addition to complying with all applicable environmental laws and regulation, the Company is committed to maintain 'Zero' discharge pattern by installation of Effluent Treatment Plant & Sewage Treatment Plant, installation of Continuous Emission Monitoring System to monitor pollution level, setting up well equipped Environmental Laboratory for Air & Water and practicing hazardous waste & solid waste management.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year of the Company to which the financial statements relate and the date of the report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Company has not received any significant or material order passed by regulators or courts impacting the Company's going concern status or the Company's operations in future.

CHANGE IN NATURE OF BUSINESS, IF ANY.

There are no changes in the nature of business in the financial year 2015-16.

DETAILS OF SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATE COMPANIES

No company has become or ceased to be its subsidiary, joint venture or associate company during the financial year ended 31st March, 2016. The Company's policy for determining material subsidiaries is available at www.prakash.com.

PRAKASH INDUSTRIES LIMITED

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

Corporate Social Responsibility (CSR) has been an integral part of the way we have been doing our business since inception. The Company's initiatives towards fulfilling its philosophy of Corporate Social Responsibility include promoting education facilities, primary health centers, hospitals, sports hub and places of worship, employment opportunity for the local people, recreation facilities and emphasis on plantation etc. We are following the Companies (Corporate Social Responsibility Policy) Rules 2014 & incorporated our work in following areas-

- " Providing clean & safe drinking water facility
- " Promotion of education in all villages nearby our industry
- " Health care & medical camps
- " Environmental awareness- Plantation and water conservation
- " Expenses on social causes

Corporate Social Responsibility and Governance Committee (CSR & G Committee) comprising Dr. S. L. Keswani, as Chairman and Shri K C Mehra, Smt. Purnima Gupta, Shri Vikram Agarwal and Shri Kanha Agarwal as other members has been entrusted with the responsibility of the activities to be undertaken by the Company for monitoring and implementation of the CSR activities under framework of the Corporate Social Responsibility Policy (CSR Policy) of the Company and recommending the amount to be spent on CSR activities to the Board.

The details of CSR activities during the year are given in the Annexure I to this report.

BOARD EVALUATION

The performance of Board, its Committees and Individual Directors was reviewed during the year pursuant to subsection (3)(p) of Section 134 of Companies Act, 2013. Separate meeting of Independent Directors was held during the year to evaluate the performance of other Non- Independent Directors and of the Board as a whole and to review the performance of Committees of the Board. The performance of Board, Individual Directors and Committees was found to be satisfactory during the year 2015-16.

NUMBER OF MEETINGS OF THE BOARD

The details of the Board Meetings and other committee Meetings held during the financial year 2015-16 are stated in the Corporate Governance Report.

DIRECTORS

The Company has received declarations from all the Independent Directors under Section 149 of the Companies Act, 2013 and confirmation that they meet the criteria of independence as prescribed under Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

During the year Shri Pankaj Chaturvedi has resigned from the Board as Independent Director w.e.f. 6th February, 2016 and Shri Kanha Agarwal has been designated and appointed as Joint Managing Director of the Company w.e.f. 6th February, 2016.

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

- i) Shri M.L. Pareek, Chief Executive Officer
- ii) Shri P.L. Gupta, Chief Financial Officer
- iii) Shri Ashwini Kumar, Company Secretary

Pursuant to Section 134(3)(q) read with Rule 5 of Companies (appointment and Remuneration of Managerial Personnel) Rules 2014, the Remuneration and other

details of Key Managerial Personnel and other Employees for the year ended 31st March, 2016 are annexed to this report.

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

BOARD COMMITTEES

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

FIXED DEPOSITS

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

DIRECTORS' RESPONSIBILITY STATEMENT

Your Company's Directors make the following statement in terms of sub-section (5) of Section 134 of the Companies Act, 2013, which is to the best of their knowledge and belief and according to the information and explanations obtained by them:

- I. The financial statements have been prepared in conformity with the applicable Accounting Standards and requirements of the Companies Act, 2013, ("the Act") to the extent applicable to the Company; on the historical cost convention; as a going concern and on the accrual basis. There are no material departures in the adoption of the applicable Accounting Standards.
- II. The Board of Directors 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. The Board of Directors 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. The Board of Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- V. The Board of Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS & AUDITORS REPORTS

i) Statutory Auditors

M/s Chaturvedi and Partners, Chartered Accountants, were appointed as Auditors of the Company for tenure of three years i.e. from the conclusion of 33rd Annual General Meeting till the conclusion of the 36th Annual General Meeting to be held in the year 2017 of the Company. However, this appointment is subject to ratification by members at every Annual General Meeting held after appointment during their tenure of office. The Auditors' in their Report to the members, have given three qualified opinions and the explanations of Board with respect to it in pursuant to section 134(3) (f) of Companies Act 2013 are as follows:-

Explanations to Point (a) of Independent Auditors' Report

"The net deferred tax liability computed in terms of Accounting standard 22 'Accounting for taxes on Income' amounting to ₹ 38 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."

Explanations Response to Point (b) of Independent Auditors' Report

The Company has outstanding FCCB of US\$ 60 million, which were due for

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payment on 30th April, 2015. Out of this, FCCB of US\$ 35.7 million have been restructured as per terms accepted by FCCB holders. Balance FCCB of US\$ 24.3 mn have yet to be restructured, as such the Company has not provided any interest on the same as the terms of restructuring are still not settled. For the restructured FCCB of US\$ 35.7 million, the Company has partly paid interest on the same upto 30th September, 2015. The Company has initiated discussions with the bondholders for waiver of the interest payable on these bonds, which is under their active consideration. Accordingly, no provision of interest has been made in the books of accounts on these FCCB towards unpaid interest dues. Had the provision been made, the interest payable would have been higher by ₹1052 lacs. Explanations to Point no. (c) of Independent Auditors' Report

Considering the future profitability and taxable position in the subsequent years, the Company has recognized Minimum Alternate Tax (MAT) credit as an asset by crediting the Profit & Loss Account and including the same under Long term Loans & Advances in accordance with the Guidance note on "Accounting for credit available in respect of Minimum Alternate Tax under Income Tax Act 1961" issued by the Institute of Chartered Accountants of India. In case this credit is not utilized within the time limit prescribed under the Income Tax Act, the same will be set off against the surplus in Profit & Loss Account.

Observations other than above made by the Statutory Auditors in their report for the financial year ended 31st March 2016 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

ii) Secretarial Auditor

The Board had appointed M/s S.K.Hota & Associates, Company Secretaries, to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith as Annexure II of this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

iii) Cost Auditor

The Board had appointed, subject to ratification of the remuneration payable to the cost auditor by the shareholders in the 35th Annual General Meeting, M/s. Rakshit & Associates, Cost and Management Accountants, to conduct the audit of the cost accounting records for financial year 2016-17.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, are given in the notes to the financial statements.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All related party transactions are placed before the Audit Committee and also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a quarterly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

The policy on related party transactions as approved by the Board is uploaded on the Company's website and can be accessed at <http://www.prakash.com/policy-related-party-transactions>. None of the Directors have any pecuniary relationships or transactions vis-à-vis the Company.

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 III.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

The Company has established a Whistle Blower Policy for Directors and employees to report their genuine concern. The details of the Vigil Mechanism and Whistle Blower Policy are available on the website of the Company.

NOMINATION & REMUNERATION POLICY

Your Company has a Nomination & Remuneration Policy, which, inter-alia, lays down the criteria for identifying the persons who are qualified to be appointed as Directors and/or senior management personnel of the Company, along with the criteria for determination of remuneration of Directors, Key Managerial Personnels and other employees and their evaluation and includes other matters, as prescribed under the provisions of Section 178 of Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

RISK MANAGEMENT

The Company has established effective risk assessment and minimization procedures, which are reviewed by the Board and Risk Management Committee periodically. The procedures comprise of an in-house exercise on Risk Management, carried out periodically by the Company, including the functioning of a structure to identify and mitigate various risks faced by the Company from time to time.

The structure also comprises of risk identification and assessment by the concerned departments, identification of controls in place/ mitigation process in place, updating of risk registers by various departments, if required.

Your Company, by identifying and proactively addressing risks and opportunities, protects and creates value for stakeholders, including owners, employees, customers, regulators, and society overall.

The Risk Assessment is also discussed in the Management Discussion and Analysis attached to this report.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, extract of the Annual Return for the financial year ended 31st March, 2016 made under the provisions of Section 92(3) of the Act is attached as Annexure IV to this report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act 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 V

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

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual,

PRAKASH INDUSTRIES LIMITED

temporary, trainees) are covered under this policy.

Your Directors state that during the year under review, there was no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

CORPORATE GOVERNANCE

The significance of Corporate Governance has always been recognized by the Company. A separate report on Corporate Governance and Management Discussion and Analysis alongwith a certificate from Statutory Auditors regarding compliance of the conditions of Corporate Governance as stipulated under relevant regulations of SEBI (LODR) Regulations 2015 are attached with this Report as Annexure VI and Annexure VII respectively

INTERNAL AUDIT & INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

Your Company had appointed a practicing Chartered Accountant firm as Internal Auditor who reports to the Audit Committee of the Board of Directors of the Company, and conducts comprehensive internal audit of functional areas and operations of the Company to examine the adequacy of and compliance with policies, procedures, statutory and regulatory requirements. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations.

The Internal Auditors maintain their independence and objectivity while carrying out assignments. They evaluate on a continuous basis, the adequacy and effectiveness of internal control mechanism. The Auditors also proactively recommend improvement in policies and processes and suggest streamlining of controls against various risks.

Your Company has laid down set of standards, processes and structure, which enables it to implement internal financial control across the Company and ensure that the same are adequate and operating effectively.

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

As required under Section 134 of the Companies Act, 2013 read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988, a statement showing the information relating to the Conservation of Energy, Research and Development, Technology Absorption and Foreign Exchange Earnings and Outgo is enclosed as Annexure VIII to this report.

ACKNOWLEDGMENTS

The Board places on record, its deep sense of appreciation to all the employees for adopting the values of the Company, viz., collaborative spirit, unrelenting dedication and expert thinking and the Company's customers for letting us deliver the Company's Mission statement, to engineer meaningful technology solutions to help the businesses and societies flourish. The Board also immensely thanks all the shareholders, investors, vendors, service providers, bankers, institutions and all other stakeholders for their continued and consistent support to the Company during the year.

By Order of the Board

Place : New Delhi
Dated : 24th May, 2016

P. L. Gupta	Vikram Agarwal
Whole-time Director	Managing Director
DIN:00048868	DIN:00054125

PRAKASH INDUSTRIES LIMITED

ANNEXURE-I

Annual Report on Corporate Social Responsibility (CSR) Activities (Pursuant to Rule 9 of Companies (Accounts) (Corporate Social Responsibility Policy) Rules, 2014)

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.

The Company believes in engaging and giving back to the community in a good way and in line with its commitment to philanthropy. It intends to undertake the CSR activities strategically, systematically and more thoughtfully and to move from institutional building to community development through its various CSR programs and projects.

The CSR Committee of the Board approved core areas for identification of projects amongst other programmes like making safe drinking water facility, promotion of education, ensuring environment awareness, promotion of rural sports, Social issues, Vocational Training and Drivers training and taking up Rural Development projects.

1. The Composition of the CSR Committee

- Dr. S.L. Keswani
- Shri K.C. Mehra
- Smt. Purnima Gupta
- Shri Vikram Agarwal
- Shri Kanha Agarwal

2. Average net profit (after tax) of the Company for last three financial years ₹ 11579.67 lacs

3. Prescribed CSR Expenditure (two percent of the amount as in item 2 above) ₹ 231.59 lacs

4. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year. ₹ 231.59 lacs

(b) Amount unspent, if any; ₹ 76.28 lacs

(c) Manner in which the amount spent during the financial year is detailed below: (₹.in Lacs)

(1) Sl No	(2) CSR Project or Activity identified	(3) Sector in which the Project is covered	(4) Projects or Programs (1) Local Area or others (2) specify the states and district where projects or programmes were undertaken	(5) Amount outlay(Budget) Project or programmewise	(6) Amount spent on Projects or programs	(7) Cumulative expenditure upto the reporting period	(8) Amount Spent direct or through implementing agency
1	Drinking Water Facility	Making available Safe Drinking Water Schedule VII (i)	Champa, Chhatisgarh	0.42	0.42	0.42	Direct, 0.42
2	Training Programme & Promotion of Education	Promoting Education Including Special Education and Employment Enhancing Vocational Skills Schedule VII (ii)	Champa, Chhatisgarh	85.47	85.47	85.47	Direct, 85.47
3	Health Care	Promoting Health Care Schedule VII (i)	Champa, Chhatisgarh	0.15	0.15	0.15	Direct, 0.15
4	Environment Awareness	Ensuring Environment Sustainability Schedule VII (iv)	Champa, Chhatisgarh	23.95	23.95	23.95	Direct, 23.95
5	Rural Development Projects	Rural Development Projects, Schedule VII (x)	Champa, Chhatisgarh	18.43	18.43	18.43	Direct, 18.43
6	Social Causes	Measures for reducing inequalities, Schedule VII (iii)	Champa, Chhatisgarh	22.84	22.84	22.84	Direct, 22.84
7	Promotion of Rural Sports	Promotion of rural sports, Schedule VII(vii)	Raipur, Chhatisgarh	2.25	2.25	2.25	Direct, 2.25
8	Rural Development Projects	Rural Development Projects, Schedule VII (x)	Ram Nagar Raipur, Chhatisgarh	1.80	1.80	1.80	Direct, 1.80
	Total			155.31	155.31	155.31	

5. The Committee decided that during the current year due to following reason, Company is unable to spend the said amount of ₹ 76.28 lacs.

Reason of unspent amount: Subsequent to the de-allocation of Chotia Coal mine which was operational mine with the company, the profitability margins were affected. Further, the global recession in the steel sector particularly in India due to glut of cheap steel imports from China added to the woes of the domestic steel players during major part of the year under review. Due to these exceptional circumstances, Company's margin were impacted and resulted into inadequate net profit in the financial year ended 31st March, 2016.

6. The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the company.

Vikram Agarwal
Managing Director
DIN:00054125

Dr. S.L. Keswani
Chairman-CSR Committee
DIN:00190790

PRAKASH INDUSTRIES LIMITED

ANNEXURE-II

FORM No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2016

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

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

We have conducted the secretarial audit of the compliance of, applicable statutory provisions and adherence to good corporate practices by PRAKASH INDUSTRIES LIMITED (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 our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2016 complied with the statutory provisions listed hereunder. The Company has proper Board - processes and compliance -mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2016 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 thereunder 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) The Securities and Exchange Board of India (Prohibition of insider Trading) Regulation, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;- 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;- Not applicable to the Company during the Audit Period
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009:- Not applicable to the Company during the Audit Period

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not applicable to the Company during the Audit Period

vi. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:

- 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

For the compliances of Labour Laws & other General Laws our 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, and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable General laws and Labour Laws.

We have also examined compliances with the applicable clauses of Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India and it was noted that the Company has complied with the same as per Secretarial Standards issued by Institute of Company Secretaries of India.

We further report that during the period under review the Company has complied with the Listing Agreement to the extent applicable entered into by the Company with the BSE Limited & National Stock Exchange of India Limited and SEBI (Listing obligations and disclosure requirements) Regulation, 2015 made effective 1st December, 2015.

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals. Further, the Statutory Auditors have given qualified views on various issues, our report should also be read along with the qualified views, as given by the Statutory Auditors in their report for the financial year 2015-2016.

During the period under review, the Company had complied with the provisions of the Act, rules, regulations, guidelines, standards, etc.

We 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 and that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system

PRAKASH INDUSTRIES LIMITED

exists for seeking and obtaining further information 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 Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that 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.

We further report that during the review period the Company has:

Public/Right/Preferential issue of Shares/Debentures/sweat equity shares - **Nil**;
Redemption/ Buy-Back of securities- **Nil** ;
Major decisions taken by the members in pursuance to section 180(1) (c) of the Companies Act, 2013 - **Nil** ;
Merger/Amalgamation/ Reconstruction, etc. - **Nil** ;
Foreign technical collaboration - **Nil** ;

Appointment of Director/Managing Directors - Company has re-appointed Shri Vikram Agarwal as Managing Director, Shri M.L. Pareek as Whole-time Director designated as Director (Project) and Chief Executive Officer (CEO) and Shri P.L. Gupta, Whole-time Director designated as Director (Finance) and Chief Financial Officer (CFO).

Annexure 1 forms part of this Secretarial Audit for the year 2015-16.

For S. K. HOTA & ASSOCIATES
Company Secretaries

(SUSANTA KUMAR HOTA)
Proprietor

Place: New Delhi
Date: 24.05.2016

ACS No. 16165
C P No. 6425

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'

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. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
- (2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- (3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- (4) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. Our examination was Limited to the verification of procedures on test basis.
- (5) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For S.K. HOTA & ASSOCIATES
Company Secretaries

SUSANTA KUMAR HOTA
Proprietor

Place: New Delhi
Date: 24.05.2016

ACS No. 16165
C P No. 6425

PRAKASH INDUSTRIES LIMITED

ANNEXURE-III

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 39 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	<ul style="list-style-type: none">- 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	Not Applicable
2.	Subsidiary	<ul style="list-style-type: none">- 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	
3.	Holding Company	Investment by the loanee in the shares of parent Company and subsidiary Company has made a loan or advance in the nature of loan.	

By Order of the Board

Place : New Delhi
Dated : 24th May, 2016

P. L. Gupta
Whole-time Director
DIN:00048868

Vikram Agarwal
Managing Director
DIN:00054125

PRAKASH INDUSTRIES LIMITED

ANNEXURE-IV

Form No.MGT-9**Extract of Annual Return**

as on the financial year ended on 31st March, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i) CIN	L27109HR1980PLC010724
ii) Registration Date	31-07-1980
iii) Name of the Company	Prakash Industries Limited
iv) Category / Sub-Category of the Company	Public Company / Limited by Shares
v) Address of the Registered Office and contact details	15 Km. Stone Delhi Road, Hissar - 125044 (Haryana) Tel : +91 11 25305800 Fax : +91 11 28062119
vi) Whether listed Company	Yes
vii) Name, Address and contact details of Registrar and Transfer Agent, if any	Prakash Industries Limited, SRIVAN, Bijwasan, New Delhi - 110061

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company are given below :

Sr. No.	Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1	Ferro Alloys	24104	12
2	MS TMT / MS Coil and Allied	24105	52
3	HB Wire Rod	24108	18
4	PVC Pipe & Sockets	22209	11

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr.No.	Name and Address of the Company	CIN /GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	Madanpur (North) Coal Company Pvt. Ltd. Flat No.302, Govardhan Tower, Chaytanya Nagar, Dhimrapur Road, Raigarh, Chhattisgarh - 496001	U10101CT2007PTC020161	Joint Venture	20.67	2(6)
2	Fatehpur Coal Mining Company Pvt. Ltd. Navbharat Udyog Bawan, Ring Road No.1, Telibandha, Raipur, Chhattisgarh - 492006	U10100CT2008PTC020663	Joint Venture	38.46	2(6)

IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Shareholding**

	Category-wise Shareholders	No. of Shares held at beginning of the year as on 01.04.2015				No. of Shares held at the end of the year as on 31.03.2016				% of change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of total Shares	
(A)	PROMOTERS									
(1)	Indian									
(a)	Individuals/ Hindu Undivided Family	7165528	0	7165528	5.33	7305169	0	7305169	5.43	0.10
(b)	Central Govt. / State Govt(s).	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	49202262	6154600	55356862	41.16	49062621	6154600	55217221	41.06	-0.10
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A)(1)	56367790	6154600	62522390	46.49	56367790	6154600	62522390	46.49	0.00

PRAKASH INDUSTRIES LIMITED

	Category-wise Shareholders	No. of Shares held at beginning of the year as on 01.04.2015				No. of Shares held at the end of the year as on 31.03.2016				% of change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of total Shares	
(2)	Foreign									
(a)	Individuals (Non Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	56367790	6154600	62522390	46.49	56367790	6154600	62522390	46.49	0.00
(B)	PUBLIC SHAREHOLDING									
(1)	Institutions									
(a)	Mutual Funds / UTI	3887525	40900	3928425	2.92	13004	40800	53804	0.04	-2.88
(b)	Financial Institutions / Banks	1130	2655	3785	0.00	1130	2655	3785	0.00	0.00
(c)	Central Government / State Governments	0	0	0	0.00	0		0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0		0	0.00	0.00
(e)	Insurance Companies	100	200	300	0.00	100	200	300	0.00	0.00
(f)	Foreign Institutional Investors	5169847	1850	5171697	3.85	3936502	1850	3938352	2.93	-0.92
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0		0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0		0	0.00	0.00
(i)	Any Other (specify)	0	0	0	0.00	0		0	0.00	0.00
	Sub-Total (B)(1)	9058602	45605	9104207	6.77	3950736	45505	3996241	2.97	-3.80
(2)	Non-institutions									
(a)	Bodies Corporate	35374143	941802	36315945	27.00	27265185	1036147	28301332	21.04	-5.96
(b)	Individuals *									
	i. Individual shareholders holding nominal share capital upto ₹ 2 lakh	16713422	2685527	19398949	14.42	22363538	2547066	24910604	18.52	4.10
	ii. Individual shareholders holding nominal share capital in excess of ₹2 lakh	6162637	41520	6204157	4.61	13585598	0	13585598	10.10	5.49
(c)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (specify) NRIs / OCBs	940403	2463	942866	0.70	1169886	2463	1172349	0.87	0.17
	Sub-Total (B)(2)	59190605	3671312	62861917	46.74	64384207	3585676	67969883	50.54	3.80
	Total Public Shareholding (B)=(B)(1)+(B)(2)	68249207	3716917	71966124	53.51	68334943	3631181	71966124	53.51	0.00
	TOTAL (A) + (B)	124616997	9871517	134488514	100.00	124702733	9785781	134488514	100.00	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	124616997	9871517	134488514	100.00	124702733	9785781	134488514	100.00	0.00

* Previous year figures for ₹.1 Lakh

ii) Shareholding of Promoters

	Category-wise Shareholders	No. of Shares held at beginning of the year as on 01.04.2015			No. of Shares held at the end of the year as on 31.03.2016			% of change during the year
		No. of Shares	% of total Share of the Company	% of Shares Pledged/ encumbered to to total Shares	No. of Shares	% of total Share of the Company	% of Shares Pledged/ encumbered to total shares	
1	Shri V.P. Agarwal	526884	0.39	0.00	526884	0.39	0.00	0.00
2	Shri V.P. Agarwal (HUF)	229389	0.17	0.00	229389	0.17	0.00	0.00
3	Smt. Mohini Agarwal	6123856	4.55	0.00	6123856	4.55	0.00	0.00
4	Shri Vikram Agarwal	266859	0.20	0.00	406500	0.30	0.00	0.10
5	Shri Kanha Agarwal	18540	0.01	0.00	18540	0.01	0.00	0.00

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	Category-wise Shareholders	No. of Shares held at beginning of the year as on 01.04.2015			No. of Shares held at the end of the year as on 31.03.2016			% of change during the year
		No. of Shares	% of total Share of the Company	% of Shares Pledged/encumbered to total Shares	No. of Shares	% of total Share of the Company	% of Shares Pledged/encumbered to total shares	
6	Aircon Systems (India) Pvt. Ltd.	96000	0.07	0.00	96000	0.07	0.00	0.00
7	Ambrosia Commerce Pvt. Ltd.	300000	0.22	0.00	1020500	0.76	40.67	0.54
8	Chaibasa Steel Pvt. Ltd.	250000	0.19	0.00	250000	0.19	0.00	0.00
9	Dhruv Commerce Pvt. Ltd.	3712050	2.76	96.31	4761500	3.54	100.00	0.78
10	Essential Electronics Pvt. Ltd.	200400	0.15	0.00	400400	0.30	0.00	0.15
11	Evershine Mercantile Pvt. Ltd.	1921700	1.43	84.30	1359700	1.01	0.00	-0.42
12	Excel Fincap Pvt. Ltd.	102135	0.08	97.91	102135	0.08	97.91	0.00
13	Focus Securities & Credits Pvt. Ltd.	1460000	1.09	71.92	2085000	1.55	22.18	0.46
14	Four Wings Marketing Pvt. Ltd.	700	0.00	0.00	401700	0.30	0.00	0.30
15	GMK Builders Pvt. Ltd.	12401300	9.22	92.73	7664800	5.70	32.63	-3.52
16	Goel Containers Pvt. Ltd.	1378682	1.03	99.01	1585682	1.18	99.96	0.15
17	Hissar Tubes Pvt. Ltd.	1350012	1.00	100.00	1760012	1.31	4.55	0.30
18	Hi-tech Mercantile (India) Pvt. Ltd.	3000695	2.23	99.98	2585695	1.92	99.97	-0.31
19	New Era Commerce & Securities Pvt. Ltd.	215985	0.16	99.54	215985	0.16	76.39	0.00
20	Ocean Ispat Pvt. Ltd.	300000	0.22	0.00	300000	0.22	0.00	0.00
21	Pareek Overseas Pvt. Ltd.	1200110	0.89	72.70	1200110	0.89	74.99	0.00
22	Prakash Capital Services Ltd.	1508467	1.12	99.44	798467	0.59	0.00	-0.53
23	Prakash Industrial Finance Ltd.	904950	0.67	76.25	1338950	1.00	84.99	0.32
24	Premier Fincap Pvt. Ltd.	793480	0.59	49.15	1523480	1.13	99.97	0.54
25	Primenet Global Ltd.	2953987	2.20	99.95	2498987	1.86	67.03	-0.34
26	Prime Mercantile Pvt. Ltd.	3701470	2.75	74.98	3267470	2.43	0.00	-0.32
27	Prospero Securities Pvt. Ltd.	611800	0.45	99.87	241800	0.18	99.67	-0.28
28	Rourkela Steel Pvt. Ltd.	1566774	1.16	80.80	746133	0.55	0.00	-0.61
29	Samyak Securities Pvt. Ltd.	0	0.00	0.00	1500000	1.12	0.00	1.12
30	Shikha Mercantile Pvt. Ltd.	70600	0.05	0.00	70600	0.05	0.00	0.00
31	Shree Labh Lakshmi Capital Services Pvt. Ltd.	2311471	1.72	80.47	2219471	1.65	79.70	-0.07
32	Spring Mercantile Pvt. Ltd.	1390900	1.03	79.80	1390900	1.03	85.05	0.00
33	Style Leasing & Finance Pvt. Ltd.	1114400	0.83	77.17	3480400	2.59	42.41	1.76
34	Sunvin Trading & Investment Pvt. Ltd.	1250000	0.93	97.20	1120000	0.83	60.27	-0.10
35	Suvarna Marketing Pvt. Ltd.	95000	0.07	0.00	95000	0.07	0.00	0.00
36	Suvarna Mercantile Pvt. Ltd.	90910	0.07	99.00	90910	0.07	99.00	0.00
37	Techdrive Software Ltd.	0	0.00	0.00	175550	0.13	0.00	0.13
38	Tools India Pvt. Ltd.	900900	0.67	99.90	300900	0.22	0.00	-0.45
39	Unity Mercantile Pvt. Ltd.	251575	0.19	99.97	251575	0.19	0.00	0.00
40	Vanshi Farms Pvt. Ltd.	777043	0.58	57.91	600043	0.45	0.00	-0.13
41	Vision Mercantile Pvt. Ltd.	2166700	1.61	85.38	666700	0.50	0.00	-1.12
42	Welter Securities Ltd.	5006666	3.72	99.77	7050666	5.24	99.99	1.52
	Total	62522390	46.49	77.43	62522390	46.49	48.58	0.00

PRAKASH INDUSTRIES LIMITED

iii) Change in Promoters' Shareholding

		No. of Shares held at beginning of the year as on 01.04.2015			No. of Shares held at the end of the year as on 31.03.2016
Sr.No.		No. of Shares	% of total Share of the Company	No. of Shares	% of total Share of the Company
	At the beginning of the year	62522390	46.49	62522390	46.49
	Date wise increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	*		*	
	TOTAL	62522390	46.49	62522390	46.49

Note : There is no change in the total shareholding of promoters between 01.04.2015 and 31.03.2016

* Inter-se Transfer among Promoters

S. No.	Name	Shareholding		Date	Increase/ Decrease in Share holding	Reason for Change	Cumulative Share holding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.04.2015/end of the year 31.03.2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	SHRI VIKRAM AGARWAL	266859	0.20	1-Apr-2015				
		406500	0.30	6-Aug-2015	139641	Transfer (Inter-se Transfers)	406500	0.30
				31-Mar-2016			406500	0.30
2	AIRCON SYSTEMS (INDIA) PVT LTD	96000	0.07	1-Apr-2015				
				14-Jan-2016	96000	Transfer (Inter-se Transfers)	192000	0.14
				12-Mar-2016	-96000		96000	0.07
		96000	0.07	31-Mar-2016			96000	0.07
3	AMBROSIA COMMERCE PVT LTD	300000	0.22	1-Apr-2015				
				25-Jun-2015	1000000	Transfer (Inter-se Transfers)	1300000	0.97
				30-Jun-2015	-590000		710000	0.53
				25-Jul-2015	-210000		500000	0.37
				05-Nov-2015	636500		1136500	0.85
				29-Dec-2015	-306000		830500	0.62
				01-Feb-2016	590000		1420500	1.06
				16-Feb-2016	-400000		1020500	0.76
		1020500	0.76	31-Mar-2016			1020500	0.76
4	CHAIBASA STEEL PVT LTD	250000	0.19	1-Apr-2015				
				16-Jan-2016	250000	Transfer (Inter-se Transfers)	500000	0.37
				10-Mar-2016	-250000		250000	0.19
		250000	0.19	31-Mar-2016			250000	0.19
5	DHRUV COMMERCE PVT LTD	3712050	2.76	1-Apr-2015				
				30-Jun-2015	590000	Transfer (Inter-se Transfers)	4302050	3.20
				26-Aug-2015	835000		5137050	3.82
				6-Nov-2015	-500000		4637050	3.45

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				9-Nov-2015	-40000		4597050	3.42
				1-Feb-2016	-1660000		2937050	2.18
				07-Mar-2016	-175550		2761500	2.05
				17-Mar-2016	2000000		4761500	3.54
		4761500	3.54	31-Mar-2016			4761500	3.54
6	ESSENTIAL ELECTRONICS PVT LTD	200400	0.15	1-Apr-2015				
				05-Nov-2015	699000	Transfer (Inter-se Transfers)	899400	0.67
				29-Dec-2015	-499000		400400	0.30
		400400	0.30	31-Mar-2016			400400	0.30
7	EVERSHINE MERCANTILE PVT LTD	1921700	1.43	1-Apr-2015				
				25-Jul-2015	-1500	Transfer (Inter-se Transfers)	1920200	1.43
				04-Aug-2015	1500		1921700	1.43
				10-Nov-2015	-600000		1321700	0.98
				26-Nov-2015	-559000		762400	0.57
				29-Nov-2015	-162000		600700	0.45
				29-Jan-2016	-115000		485700	0.36
				03-Feb-2016	300000		785700	0.58
				15-Feb-2016	259000		1044700	0.78
				16-Feb-2016	-285000		759700	0.56
				03-Mar-2016	600000		1359700	1.01
		1359700	1.01	31-Mar-2016			1359700	1.01
8	FOCUS SECURITIES & CREDITS PVT LTD	1460000	1.09	1-Apr-2015				
				10-Jun-2015	-715000	Transfer (Inter-se Transfers)	745000	0.55
				25-Jul-2015	498000		1243000	0.92
				04-Aug-2015	-13000		1230000	0.91
				06-Aug-2015	230000		1460000	1.09
				05-Nov-2015	-230000		1230000	0.91
				07-Nov-2015	-275000		955000	0.71
				10-Nov-2015	650000		1605000	1.19
				14-Jan-2016	-235000		1370000	1.02
				16-Feb-2016	715000		2085000	1.55
		2085000	1.55	31-Mar-2016			2085000	1.55
9	FOUR WINGS MARKETING PVT LTD	700	0.00	1-Apr-2015				
				05-Nov-2015	401000	Transfer (Inter-se Transfers)	401700	0.30
				10-Nov-2015	-400000		1700	0.00
				03-Mar-2016	400000		401700	0.30
		401700	0.30	31-Mar-2016			401700	0.30
10	GMK BUILDERS PVT LTD	12401300	9.22	1-Apr-2015				
				18-May-2015	-1500000	Transfer (Inter-se Transfers)	10901300	8.11
				25-Jun-2015	-1000000		9901300	7.36
				26-Aug-2015	-335000		9566300	7.11
				05-Nov-2015	-1736500		7829800	5.82
				09-Nov-2015	40000		7869800	5.85
				10-Nov-2015	71200		7941000	5.90
				31-Dec-2015	-1136000		6805000	5.06
				16-Jan-2016	-71200		6733800	5.01
				01-Feb-2016	295000		7028800	5.23
				16-Feb-2016	-500000		6528800	4.85

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				16-Feb-2016	300000		6828800	5.08
				10-Mar-2016	336000		7164800	5.33
				12-Mar-2016	300000		7464800	5.55
				15-Mar-2016	200000		7664800	5.70
		7664800	5.70	31-Mar-2016			7664800	5.70
11	GOEL CONTAINERS PVT LTD	1378682	1.03	1-Apr-2015				
				29-May-2015	92000	Transfer (Inter-se Transfers)	1470682	1.09
				29-Jan-2016	115000		1585682	1.18
		1585682	1.18	31-Mar-2016			1585682	1.18
12	HISSAR TUBES PVT LTD	1350012	1.00	1-Apr-2015				
				10-Jun-2015	-175000	Transfer (Inter-se Transfers)	1175012	0.87
				25-Jul-2015	175000		1350012	1.00
				31-Dec-2015	-125000		1225012	0.91
				01-Feb-2016	410000		1635012	1.22
				03-Feb-2016	100000		1735012	1.29
				10-Feb-2016	50000		1785012	1.33
				15-Feb-2016	25000		1810012	1.35
				15-Feb-2016	-246000		1564012	1.16
				10-Mar-2016	246000		1810012	1.35
				18-Mar-2016	125000		1935012	1.44
				18-Mar-2016	175000		1760012	1.31
		1760012	1.31	31-Mar-2016			1760012	1.31
13	HI-TECH MERCANTILE (INDIA) PVT LTD	3000695	2.23	1-Apr-2015				
				10-Nov-2015	-415000	Transfer (Inter-se Transfers)	2585695	1.92
		2585695	1.92	31-Mar-2016			2585695	1.92
14	NEW ERA COMMERCE & SECURITIES PVT LTD.	215985	0.16	1-Apr-2015				
				11-Aug-2015	36000	Transfer (Inter-se Transfers)	251985	0.19
				05-Nov-2015	-36000		215985	0.16
				31-Dec-2015	36000		251985	0.19
		251985	0.19	31-Mar-2016			251985	0.19
15	OCEAN ISPAT PVT LTD	300000	0.22	1-Apr-2015				
				31-Dec-2015	300000	Transfer (Inter-se Transfers)	600000	0.45
				12-Mar-2016	-300000		300000	0.22
		300000	0.22	31-Mar-2016			300000	0.22
16	PAREEK OVERSEAS PVT LTD	1200110	0.89	1-Apr-2015				
				31-Dec-2015	300000	Transfer (Inter-se Transfers)	1500110	1.12
				10-Mar-2016	-300000		1200110	0.89
		1200110	0.89	31-Mar-2016			1200110	0.89
17	PRAKASH CAPITAL SERVICES LTD	1508467	1.12	1-Apr-2015				
				11-Aug-2015	180000	Transfer (Inter-se Transfers)	1688467	1.26
				05-Nov-2015	-180000		1508467	1.12
				01-Feb-2016	-410000		1098467	0.82
				16-Feb-2016	-300000		798467	0.59
		798467	0.59	31-Mar-2016			798467	0.59
18	PRAKASH INDUSTRIAL FINANCE LTD	904950	0.67	1-Apr-2015				
				31-Dec-2015	634000	Transfer (Inter-se Transfers)	1538950	1.14
				15-Mar-2016	-200000		1338950	1.00
		1338950	1.00	31-Mar-2016			1338950	1.00

PRAKASH INDUSTRIES LIMITED

19	PREMIER FINCAP PVT LTD	793480	0.59	1-Apr-2015		Transfer (Inter-se Transfers)		
				10-Nov-2015	-71200		722280	0.54
				16-Jan-2016	71200		793480	0.59
				01-Feb-2016	450000		1243480	0.92
				18-Feb-2016	280000		1523480	1.13
				31-Mar-2016			1523480	1.13
20	PRIMENET GLOBAL LTD	2953987	9.20	1-Apr-2015		Transfer (Inter-se Transfers)		
				14-Jan-2016	-398000		2555987	1.90
				16-Jan-2016	-700000		1855987	1.38
				01-Feb-2016	325000		2180987	1.62
				18-Feb-2016	-280000		1900987	1.41
				10-Mar-2016	907000		2807987	2.09
				12-Mar-2016	96000		2903987	2.16
				17-Mar-2016	-500000		2403987	1.79
				18-Mar-2016	95000		2498987	1.86
				31-Mar-2016			2498987	1.86
		2498987	1.86					
21	PRIME MERCANTILE PVT LTD	3701470	2.75	1-Apr-2015		Transfer (Inter-se Transfers)		
				26-Nov-2015	259000		3960474	2.94
				31-Dec-2015	-434000		3526470	2.62
				15-Feb-2016	-259000		3267470	2.43
				31-Mar-2016			3267470	2.43
22	PROSPERO SECURITIES PVT LTD	611800	0.45	1-Apr-2015		Transfer (Inter-se Transfers)		
				29-Dec-2015	-370000		241800	0.18
		241800	0.18	31-Mar-2016			241800	0.18
23	ROURKELA STEEL PVT LTD	1566774	1.16	1-Apr-2015		Transfer (Inter-se Transfers)		
				06-Aug-2015	-369641		1197133	0.89
				11-Aug-2015	-331000		866133	0.64
				05-Nov-2015	446000		1312133	0.98
				31-Dec-2015	-636600		675533	0.50
				12-Mar-2016	70600		746133	0.55
				31-Mar-2016			746133	0.55
		746133	0.55					
24	SAMYAK SECURITIES PVT LTD	0	0	1-Apr-2015		Transfer (Inter-se Transfers)		
				18-May-2015	1500000		1500000	1.12
				26-Aug-2015	-500000		1000000	0.74
				06-Nov-2015	500000		1500000	1.12
				10-Nov-2015	1000000		2500000	1.86
				03-Mar-2016	-1000000		1500000	1.12
				31-Mar-2016			1500000	1.12
		1500000	1.12					
25	SHIKHA MERCANTILE PVT LTD	70600	0.05	1-Apr-2015		Transfer (Inter-se Transfers)		
				11-Aug-2015	250000		320600	0.24
				31-Dec-2015	70600		391200	0.29
				12-Mar-2016	-320600		70600	0.05
				31-Mar-2016			70600	0.05
26	SHREE LABH LAKSHMI CAPITAL SERVICES PVT LTD	2311471	1.72	1-Apr-2015		Transfer (Inter-se Transfers)		
				29-May-2015	-92000		2219471	1.65
				16-Jan-2016	450000		2669471	1.98
				10-Mar-2016	-450000		2219471	1.65
				31-Mar-2016			2219471	1.65
		2219471	1.65					

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27	SPRING MERCANTILE PVT LTD	1390900	1.03	1-Apr-2015					
				14-Jan-2016	207000	Transfer (Inter-se Transfers)	1597900	1.19	
				10-Mar-2016	-207000		1390900	1.03	
		1390900	1.03	31-Mar-2016			1390900	1.03	
28	STYLE LEASING & FINANCE PVT LTD	1114400	0.83	1-Apr-2015					
				31-Dec-2015	566000	Transfer (Inter-se Transfers)	1680400	1.25	
				15-Feb-2016	246000		1926400	1.43	
				16-Feb-2016	1800000		3726400	2.77	
				10-Mar-2016	-246000		3480400	2.59	
		3480400	2.59	31-Mar-2016			3480400	2.59	
29	SUNVIN TRADING & INVESTMENT PVT LTD	1250000	0.93	1-Apr-2015					
				10-Jun-2015	-35000	Transfer (Inter-se Transfers)	1215000	0.90	
				25-Jul-2015	-450000		765000	0.57	
				07-Nov-2015	275000		1040000	0.77	
				10-Nov-2015	-235000		805000	0.60	
				29-Dec-2015	-130000		675000	0.50	
				14-Jan-2016	235000		910000	0.68	
				25-Jan-2016	35000		945000	0.70	
				18-Mar-2016	175000		1120000	0.83	
		1120000	0.83	31-Mar-2016			1120000	0.83	
30	SUVARNA MARKETING PVT LTD	95000	0.07	1-Apr-2015					
				14-Jan-2016	95000	Transfer (Inter-se Transfers)	190000	0.14	
				18-Mar-2016	-95000		95000	0.07	
		95000	0.07	31-Mar-2016			95000	0.07	
31	TECHDRIVE SOFTWARE LTD	0	0	1-Apr-2015					
				07-Mar-2016	175550		175550	0.13	
		175550	0.13	31-Mar-2016			175550	0.13	
32	TOOLS INDIA PVT LTD	900900	0.67	1-Apr-2015					
				16-Feb-2016	-600000		300900	0.22	
		300900	0.22	31-Mar-2016			300900	0.22	
33	UNITY MERCANTILE PVT LTD	251575	0.19	1-Apr-2015					
				11-Aug-2015	-250000	Transfer (Inter-se Transfers)	1575	0.00	
				12-Mar-2016	250000		251575	0.19	
		251575	0.19	31-Mar-2016			251575	0.19	
34	VANSHI FARMS PVT LTD	777043	0.58	1-Apr-2015					
				10-Jun-2015	-177000	Transfer (Inter-se Transfers)	600043	0.45	
		600043	0.45	31-Mar-2016			600043	0.45	
35	VISION MERCANTILE PVT LTD	2166700	1.61	1-Apr-2015					
				10-Jun-2015	925000	Transfer (Inter-se Transfers)	3091700	2.30	
				26-Nov-2015	300000		3391700	2.52	
				31-Dec-2015	300000		3691700	2.74	
				25-Jan-2016	-35000		3656700	2.72	
				03-Feb-2016	-400000		3256700	2.42	
				10-Feb-2016	-50000		3206700	2.38	
				15-Feb-2016	-25000		3181700	2.37	
				16-Feb-2016	-1015000		2166700	1.61	
				17-Mar-2016	-1500000		666700	0.50	
		666700	0.50	31-Mar-2016			666700	0.50	

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36	WELTER SECURITIES LTD	500666	3.72	1-Apr-2015				
				25-Jul-2015	-11500	Transfer (Inter-se Transfers)	4995166	3.71
				04-Aug-2015	11500		500666	3.72
				11-Aug-2015	115000		5121666	3.81
				29-Dec-2015	1644000		6765666	5.03
				31-Dec-2015	125000		6890666	5.12
				16-Feb-2016	285000		7175666	5.34
				18-Mar-2016	-125000		7050666	5.24
		7050666	5.24	31-Mar-2016			7050666	5.24

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and holders of GDRs and ADRs)

S. No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Share holding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.04.2015/end of the year 31.03.2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	SMC Comtrade Ltd.	9000000	6.69	1-Apr-2015				
		6011001	4.47	31-Mar-2016	-2988999	Transfer during the year	6011001	4.47
2	Jhunjunwala Rakesh Radheshyam	4000000	2.97	1-Apr-2015		Nil movement during the year		
		4000000	2.97	31-Mar-2016			4000000	2.97
3	Amarjoti Vanijiya Pvt. Ltd.	0	0	1-Apr-2015				
		3909250	2.91	31-Mar-2016	3909250	Transfer during the year	3909250	2.91
4	Sunidhi Capital Pvt. Ltd.	0	0	1-Apr-2015				
		2950000	2.19	31-Mar-2016	2950000	Transfer during the year	2950000	2.19
5	Makrana Tradecom Pvt. Ltd.	0	0	1-Apr-2015				
		2600330	1.93	31-Mar-2016	2600330	Transfer during the year	2600330	1.93
6	Acacia Partners, LP.	1206300	0.90	1-Apr-2015		Nil movement during the year		
		1206300	0.90	31-Mar-2016			1206300	0.90
7	Elara Capital Mauritius Ltd.	1096777	0.82	1-Apr-2015		Nil movement during the year		
		1096777	0.82	31-Mar-2016			1096777	0.82
8	Soyz Trading Company Ltd.	0	0	1-Apr-2015				
		797168	0.59	31-Mar-2016	797168	Transfer during the year	797168	0.59
9	Sharekhan Financial Services Pvt. Ltd.	0	0	1-Apr-2015				
		674326	0.50	31-Mar-2016	674326	Transfer during the year	674326	0.50
10	Manek Bhanshali	0	0	1-Apr-2015				
		600000	0.45	31-Mar-2016	600000	Transfer during the year	600000	0.45

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v) Shareholding of Directors and Key Managerial Personnel

S. No.	Name	Shareholding		Date	Increase/ Decrease in Share-holding	Reason	Cumulative Share holding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.04.2015/end of the year 31.03.2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Shri V.P. Agarwal Chairman	526884	0.39	1-Apr-2015		Nil movement during the year		
		526884	0.39	31-Mar-2016			526884	0.39
2	Shri V.P. Agarwal (HUF)	229389	0.17	1-Apr-2015		Nil movement during the year		
		229389	0.17	31-Mar-2016			229389	0.17
3	Shri Vikram Agarwal Managing Director	266859	0.20	1-Apr-2015	139641	Transfer during the year		
		406500	0.30	6-Aug-2015 31-Mar-2016			406500	0.30
4	Shri Kanha Agarwal * Joint Managing Director	18540	0.01	1-Apr-2015		Nil movement during the year		
		18540	0.01	31-Mar-2016			18540	0.01
5	Sh. M.L. Pareek Whole-Time Director	802	0.00	1-Apr-2015		Nil movement during the year		
		802	0.00	31-Mar-2016			802	0.00
6	Dr. S.L. Keswani Non-Executive Director	22000	0.01	1-Apr-2015	2000	Transfer during the year		
		24000	0.02	22-Mar-2016 31-Mar-2016			24000	0.02
7	Shri Pankaj Chaturvedi ** Non-Executive Director	5000	0.00	1-Apr-2015		Nil movement during the year		
		5000	0.00	31-Mar-2016			5000	0.00
8	Shri P.L. Gupta Whole-time Director	0	0.00	1-Apr-2015		Nil holding		
		0	0.00	31-Mar-2016			0	0.00
9	Shri K.C. Mehra Non-Executive Director	0	0.00	1-Apr-2015		Nil holding		
		0	0.00	31-Mar-2016			0	0.00
10	Shri Y.N. Chugh Non-Executive Director	0	0.00	1-Apr-2015		Nil holding		
		0	0.00	31-Mar-2016			0	0.00
11	Shri M.R. Agarwal Non-Executive Director	0	0.00	1-Apr-2015		Nil holding		
		0	0.00	31-Mar-2016			0	0.00
12	Smt. Purnima Gupta Non-Executive Director	0	0.00	1-Apr-2015		Nil holding		
		0	0.00	31-Mar-2016			0	0.00

* Appointed as Joint Managing Director w.e.f. 06.02.2016

** Resigned w.e.f. 06.02.2016

PRAKASH INDUSTRIES LIMITED

13	Shri Ashwini Kumar *	0	0.00	1-Apr-2015		Nil holding		
	Company Secretary	0	0.00	31-Mar-2016			0	0.00
14	Shri Manoj Aggarwal	0	0.00	1-Apr-2015		Nil holding		
	Company Secretary **	0	0.00	31-Mar-2016			0	0.00

* Appointed w.e.f 01.10.2015 ** Resigned w.e.f 04.09.2015

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(₹ in lacs)

	Secured Loans (Excluding Deposits)	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2015)				
i) Principal Amount	43214	48133	-	91347
ii) Interest due but not paid	1561	986	-	2547
iii) Interest accrued but not due	30	-	-	30
TOTAL (i+ii+iii)	44805	49119	-	93924
Change in Indebtedness during the financial year				
Addition	7176	1904	-	9080
Reduction	(6833)	(6710)	-	(13543)
Exchange Difference	-	2245	-	2245
Net Change	343	(2561)	-	(2218)
Indebtedness at the end of the financial year (31.03.2016)				
i) Principal Amount	43557	45572	-	89129
ii) Interest due but not paid	3774	-	-	3774
iii) Interest accrued but not due	12	-	-	12
TOTAL (i+ii+iii)	47343	45572	-	92915

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Remuneration to Chairman, Managing Director, Joint Managing Director, Whole-time Directors and / or Manager :

(₹ in lacs)

Sr. No.	Particulars of Remuneration	Name of Chairman / MD / Joint MD / WTD / Manager					Total Amount
		Sh. V.P. Agarwal	Sh. Vikram Agarwal	Sh Kanha Agarwal	Sh. M.L. Pareek	Sh. P.L. Gupta	
1	Gross Salary						
a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	384.00	156.11	4.10	49.28	34.88	628.37
b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.40	0.40	0.07	6.40	4.33	11.60
c)	Profit in lieu of salary u/s 17(3) of the Income-tax Act, 1961	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-
5	Others	-	-	-	-	-	-
	TOTAL (A)	384.40	156.51	4.17	55.68	39.21	639.97

PRAKASH INDUSTRIES LIMITED

B) Remuneration to other Directors :

(₹ In lacs)

Sr No.	Particulars of Remuneration	Name of Directors							Total Amount
		Dr. S.L. Keswani	Sh. K.C. Mehra	Sh. Y.N. Chugh	Sh. M.R. Agarwal	Sh. Pankaj Chaturvedi*	Smt. Purnima Gupta	Sh. Kanha Agarwal**	
1	Independent Directors								
	Fees for attending Board / Committee Meetings	3.20	2.40	2.00	2.00	0.60	2.20	-	12.40
	Commission	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-
	Stock Option	-	-	-	-	-	-	-	-
	Sweat Equity	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-
	TOTAL (1)	3.20	2.40	2.00	2.00	0.60	2.20	-	12.40
2	Other Non-Executive Directors								
	Fees for attending Board / Committee Meetings	-	-	-	-	-	-	1.20	1.20
	Commission	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-
	Stock Option	-	-	-	-	-	-	-	-
	Sweat Equity	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-
	TOTAL (2)	0	0	0	0	0	0	1.20	1.20
	TOTAL MANAGERIAL REMUNERATION #	3.20	2.40	2.00	2.00	0.60	2.20	1.20	13.60

Total remuneration to Chairman, Managing Director, Joint Managing Director, Whole-time Directors and other Directors (being the total of A and B)

* Resigned w.e.f. 6th February, 2016 ** Appointed as Joint Managing Director w.e.f. 6th February, 2016

C) Reuneration to Key Managerial Personnel:

(₹ in lacs)

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel				Total Amount
		CEO Sh. M.L. Pareek	CFO Sh. P.L. Gupta	Company Secretary Sh. Manoj Aggarwal	Company Secretary Sh. Ashwini Kumar**	
1	Gross Salary					
a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	49.28	34.88	6.35	4.01	94.52
b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	6.40	4.33	0.11	-	10.84
c)	Profit in lieu of salary u/s 17(3) of the Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
5	Others - Medical	-	-	-	-	-
	TOTAL (A)	55.68	39.21	6.46	4.01	105.36

* Resigned w.e.f. 4th September, 2015 ** Appointed w.e.f. 1st October, 2015.

VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / punishment / compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any (give details)
Penalty Pushnishment Compounding			NIL		
OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding					

PRAKASH INDUSTRIES LIMITED

ANNEXURE-V

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><thead><tr><th>Director</th><th>Ratio</th></tr></thead><tbody><tr><td>Shri V.P. Agarwal, Chairman</td><td>161: 1</td></tr><tr><td>Shri Vikram Agarwal, Managing Director</td><td>73 : 1</td></tr><tr><td>Shri Kanha Agarwal, Joint Managing Director</td><td>12 : 1</td></tr><tr><td>Shri M.L. Pareek, Whole-time Director & CEO</td><td>24 : 1</td></tr><tr><td>Shri P.L. Gupta, Whole-time Director & CFO</td><td>17 : 1</td></tr><tr><td>Dr. S.L. Keswani, Director *</td><td></td></tr><tr><td>Shri K.C. Mehra, Director *</td><td></td></tr><tr><td>Shri Y.N. Chugh, Director *</td><td></td></tr><tr><td>Shri M.R. Agarwal, Director *</td><td></td></tr><tr><td>Shri Pankaj Chaturvedi, Director *</td><td></td></tr><tr><td>Smt. Purnima Gupta, Director *</td><td></td></tr></tbody></table>	Director	Ratio	Shri V.P. Agarwal, Chairman	161: 1	Shri Vikram Agarwal, Managing Director	73 : 1	Shri Kanha Agarwal, Joint Managing Director	12 : 1	Shri M.L. Pareek, Whole-time Director & CEO	24 : 1	Shri P.L. Gupta, Whole-time Director & CFO	17 : 1	Dr. S.L. Keswani, Director *		Shri K.C. Mehra, Director *		Shri Y.N. Chugh, Director *		Shri M.R. Agarwal, Director *		Shri Pankaj Chaturvedi, Director *		Smt. Purnima Gupta, Director *									
Director	Ratio																																	
Shri V.P. Agarwal, Chairman	161: 1																																	
Shri Vikram Agarwal, Managing Director	73 : 1																																	
Shri Kanha Agarwal, Joint Managing Director	12 : 1																																	
Shri M.L. Pareek, Whole-time Director & CEO	24 : 1																																	
Shri P.L. Gupta, Whole-time Director & CFO	17 : 1																																	
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Shri Pankaj Chaturvedi, Director *																																		
Smt. Purnima Gupta, 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><thead><tr><th>Director</th><th>Ratio</th></tr></thead><tbody><tr><td>Shri V.P. Agarwal, Chairman</td><td>7 %</td></tr><tr><td>Shri Vikram Agarwal, Managing Director</td><td>8 %</td></tr><tr><td>Shri Kanha Agarwal, Joint Managing Director</td><td>Nil</td></tr><tr><td>Shri M.L. Pareek, Whole-time Director & CEO</td><td>14 %</td></tr><tr><td>Shri P.L. Gupta, Whole-time Director & CFO</td><td>13 %</td></tr><tr><td>Dr. S.L. Keswani, Director *</td><td></td></tr><tr><td>Shri K.C. Mehra, Director *</td><td></td></tr><tr><td>Shri Y.N. Chugh, Director *</td><td></td></tr><tr><td>Shri M.R. Agarwal, Director *</td><td></td></tr><tr><td>Shri Pankaj Chaturvedi, Director *</td><td></td></tr><tr><td>Smt. Purnima Gupta, Director *</td><td></td></tr><tr><td colspan="2">Key Managerial Personnel</td></tr><tr><td>Shri M.L. Pareek, Whole-time Director & CEO</td><td>14 %</td></tr><tr><td>Shri P.L. Gupta, Whole-time Director & CFO</td><td>13 %</td></tr><tr><td>Shri Ashwini Kumar, Company Secretary</td><td>Nil</td></tr></tbody></table>	Director	Ratio	Shri V.P. Agarwal, Chairman	7 %	Shri Vikram Agarwal, Managing Director	8 %	Shri Kanha Agarwal, Joint Managing Director	Nil	Shri M.L. Pareek, Whole-time Director & CEO	14 %	Shri P.L. Gupta, Whole-time Director & CFO	13 %	Dr. S.L. Keswani, Director *		Shri K.C. Mehra, Director *		Shri Y.N. Chugh, Director *		Shri M.R. Agarwal, Director *		Shri Pankaj Chaturvedi, Director *		Smt. Purnima Gupta, Director *		Key Managerial Personnel		Shri M.L. Pareek, Whole-time Director & CEO	14 %	Shri P.L. Gupta, Whole-time Director & CFO	13 %	Shri Ashwini Kumar, Company Secretary	Nil
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Shri Ashwini Kumar, Company Secretary	Nil																																	
(iii)	The percentage increase in the median remuneration of employees in the financial year	12 %																																
(iv)	The number of permanent employees on the rolls of Company	2592 as on 31st March, 2016																																
(v)	The explanation on the relationship between average increase in remuneration and Company performance	Increase in remuneration depends upon factors like Company performance, benchmarking, inflationary trends, talent availability & turnover apart from individual performance of employees. The average increase in remuneration in FY' 16 was 12 %. This has been arrived at considering only those employees who were eligible for increment.																																
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	Total ₹ 1.08 Crores towards KMP remuneration is 0.56 % of EBITDA for FY '16																																

PRAKASH INDUSTRIES LIMITED

(vii)	Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year	a) The market capitalisation as on 31st March, 2016 was ₹ 402.12 crores (₹ 474.74 crores as at 31st March, 2016) b) Earning Per Share was ₹ 1.53 as at 31st March, 2016 (₹ 0.69 as at 31st March, 2015) c) The Company had come out with initial public offer (IPO) in Year 1992.
(viii)	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 12% in FY 16 over previous year. The salary increase is based on compensation philosophy of the organisation which takes into account internal as well as external factors.
(ix)	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	Key Managerial Personnel Remuneration of CEO as a 0.30 % of EBITDA for FY 16 Remuneration of CFO as a 0.21 % of EBITDA for FY 16 Remuneration of Company Secretary as a 0.05 % of EBITDA for FY 16
(x)	The key parameters for any variable component of remuneration availed by the Directors	The Company has no variable component of remuneration availed by the Directors
(xi)	The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year	Not Applicable
(xii)	Affirmation that the remuneration is as per the remuneration policy of the Company	Affirmed

* No remuneration, only sitting fee paid

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, 2016

Employed throughout the financial year under review and were in receipt of remuneration for the year in aggregate not less than ₹ 60 Lacs per annum :

Sr. No.	Name	Age (Years)	Qualifications	Experience (Years)	Designation/ Nature of Duties	Remuneration (₹) Lacs	Date of Commencement of Employment	Particulars of last Employment
1.	Sh.V.P.Agarwal	60	B.Com.	37	Chairman	384	01.01.1981	Surya Roshini Limited
2.	Sh.Vikram.Agarwal	38	B.Com.	14	Managing Director	175	28.05.2005	Primenet Global Limited

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

REPORT ON CORPORATE GOVERNANCE
1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is the system by which organisations are directed and controlled. It provides the platforms and basic structures through which the Company's objectives are set and provides the means of implementing and attaining those objectives. Prakash beholds Corporate Governance measures as an integral part of business strategy which adds considerable internal and external values and contributes to the business growth in ethical perspective.

Your Company has been practicing the principles of good corporate governance. We believe that good governance is a systematic process which enables the Company to operate in a manner that meets with ethical, legal and business expectations and at the same time fulfills its social responsibilities. We conduct ourselves with the highest standards of integrity and are transparent in our professional transactions and dealings that impact the workplace.

2. BOARD OF DIRECTORS
a) Composition

The Board is broad-based and consists of eminent individuals with considerable professional experience from industry, management, finance and other fields. As on 24th May 2016 the Board of PIL had 10 Directors, comprising of five Executive (including the Chairman), and five Non Executive and Independent Directors as defined under SEBI (LODR) Regulations, 2015. The Company is managed by the Board of Directors in co-ordination with the Senior Management team. The Board periodically evaluates the needs for change in its composition and size.

b) Board Functioning and Procedures

The Board meets at least once a quarter to review the quarterly performance and financial results. Board meetings are generally held at the Corporate Office of the Company in New Delhi and are governed by a structured agenda. The agenda, along with the explanatory notes are sent to all the Directors well in advance of the date of Board meeting to enable the Board to take informed decisions. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman. The Chief Financial Officer provided financial insights, status of internal controls in the working of the Company to the Board for discussing corporate strategies. All relevant information required to be placed before the Board, as required under relevant regulations of SEBI (LODR) Regulations, 2015 is considered and taken on record / approved by the Board.

c) Attendance of each Director at the Board meetings & last Annual General Meeting during the year 2015-16 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	5	No	-	17	-	-
2.	Shri Vikram Agarwal Managing Director DIN:00054125	Executive & Promoter	3	No	-	18	-	-
3.	Shri Kanha Agarwal* Joint Managing Director DIN:06885529	Executive & Promoter	5	No	-	15	-	-
4.	Dr. S.L. Keswani DIN:00190790	Non-executive & Independent	5	Yes	-	8	-	-
5.	Shri K.C. Mehra DIN:00128733	Non-executive & Independent	5	No	-	2	2	-
6.	Shri Y.N. Chugh DIN:02225961	Non-executive & Independent	5	No	-	-	-	-
7.	Shri M.R. Agarwal DIN:00180671	Non-executive & Independent	5	No	-	-	-	-
8.	Shri Pankaj Chaturvedi ** DIN:00003278	Non-executive & Independent	3	No	-	6	-	-
9.	Smt. Purnima Gupta DIN:06885738	Non-executive & Independent	5	No	-	-	-	-
10.	Shri M.L. Pareek DIN:01795975	Executive	5	Yes	-	1	-	-
11.	Shri P.L. Gupta DIN:00048868	Executive	5	No	-	3	-	-

* Appointed as Joint Managing Director w.e.f. 6th February, 2016

** Resigned w.e.f. 6th February, 2016

PRAKASH INDUSTRIES LIMITED

d) 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. Apart from that there are no relationships existing among other Directors of the Company.

e) No. of Board Meetings

During the year 2015-2016 five Board Meetings were held on 25th May, 2015, 24th June, 2015, 11th August, 2015, 14th November, 2015 and 6th February, 2016. The maximum gap between any two meetings was not more than four months.

Details of the Board meetings are as under:

S.No.	Date of Board Meeting	Board Strength	No. of Directors present
1.	25.05.2015	11	11
2.	24.06.2015	11	09
3.	11.08.2015	11	11
4.	14.11.2015	11	09
5.	06.02.2016	10	10

f) Meetings of Independent Directors

The Company's Independent Directors met on 6th February, 2016 in financial year 2015-16 without the presence of Executive Directors or management personnel to discuss matters pertaining to the Company's affairs and put forth their views. The Chairman of meeting had taken appropriate steps to present Independent Directors' views to the Chairman and Managing Director.

g) Details of shareholding of non-executive Directors in the Company as on 31st March, 2016 :

S.No.	Name of Director	No. of shares held
1.	Dr. S.L. Keswani	24000
2.	Shri K.C. Mehra	Nil
3.	Shri Y.N. Chugh	Nil
4.	Shri M.R. Agarwal	Nil
5.	Smt. Purnima Gupta	Nil

h) 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.

The Committee comprises of five members and majority of them are Independent Directors. Dr. S.L. Keswani (non-executive and independent Director) is the Chairman of the Audit Committee, Shri K. C. Mehra, Shri Y.N. Chugh, Shri M.R. Agarwal, Smt. Purnima Gupta (all non-executive and independent Directors) and Shri Vikram Agarwal (Managing Director) are members of the Audit Committee.

ii) No. of Audit Committee Meetings

The Audit Committee met four times during the year 2015-16 on 25th May, 2015, 11th August, 2015, 14th November, 2015 and 6th February, 2016 and attendance was as under:-

S.No.	Name of Director	Status	Meetings Attended
1.	Dr. S.L. Keswani	Chairman	4
2.	Shri K.C. Mehra	Member	4
3.	Shri Y.N. Chugh	Member	4
4.	Shri M.R. Agarwal	Member	4
5.	Smt. Purnima Gupta	Member	4
6.	Shri Vikram Agarwal	Member	3

Audit Committee meetings are also attended by representative of Internal Auditor, Joint Managing Director and Whole-time Directors of the Company who are permanent invitees for the meeting. Company Secretary acts as Secretary of the Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

i) Terms, composition, names of members and chairman

The Board of Directors had constituted a Remuneration Committee in the year 2002 which was renamed and reconstituted in the year 2014. 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 Committee comprises of Dr. S.L. Keswani (non-executive and independent Director) as the Chairman of the Nomination and Remuneration Committee and Shri K.C. Mehra and Shri Y. N. Chugh (both non-executive and independent Directors) as members of the Nomination and Remuneration Committee of the Board of Directors.

During the year, one meeting of the Committee was held on 6th February, 2016 and all members of the Committee had attended the meeting.

Performance evaluation criteria for independent Directors: Performance evaluation of Independent Directors shall be done on annual basis. The Rating shall be provided by the all the Directors except the Independent Director being evaluated. The evaluation criteria shall be reviewed by the Nomination and Remuneration Committee and the Board from time to time and shall be subject to the provisions of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 and rules made thereunder and amendments thereto from time to time.

5. DETAILS OF REMUNERATION / SITTING FEE PAID TO DIRECTORS FOR THE PERIOD FROM 1ST APRIL, 2015 TO 31ST MARCH, 2016:

a) Pecuniary Relationship

Independent Directors viz. Dr. S. L. Keswani, Shri K. C. Mehra, Shri Y.N. Chugh, Shri M.R. Agarwal, Shri Pankaj Chaturvedi and Smt. Purnima Gupta 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.

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(₹ in Lacs)

S.No.	Name of Director	Salary	Perquisites	Sitting Fee
1.	Shri V.P. Agarwal	384.00	Nil	N.A.
2.	Shri Vikram Agarwal	156.00	18.83	N.A.
3.	Shri Kanha Agarwal *	4.10	0.49	1.20
4.	Dr.S.L.Keswani	Nil	Nil	3.20
5.	Shri K.C.Mehra	Nil	Nil	2.40
6.	Shri Y.N. Chugh	Nil	Nil	2.00
7.	Shri M.R. Agarwal	Nil	Nil	2.00
8.	Shri Pankaj Chaturvedi **	Nil	Nil	0.60
9.	Smt.Purnima Gupta	Nil	Nil	2.20
10.	Shri M.L. Pareek	38.40	21.49	N.A.
11.	Shri P.L. Gupta	27.00	15.37	N.A.

* Appointed as Joint Managing Director w.e.f. 6th February, 2016 **Resigned w.e.f. 6th February, 2016

- b) 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.

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	01.04.2014	N.A.
2.	Shri Vikram Agarwal	3 years	01.04.2015	N.A.
3.	Shri Kanha Agarwal	3 years	06.02.2016	N.A.
4.	Shri M.L. Pareek	3 years	01.04.2015	One month
5.	Shri P.L. Gupta	3 years	01.04.2015	One month

6. **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee (formerly known as Shareholders'/ Investors' Grievance Committee) consists of Dr. S.L. Keswani (Non-Executive and Independent Director), Chairman of the Committee, Shri V.P. Agarwal (Chairman), and Shri Vikram Agarwal (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.

The Committee met four times during the year 2015-16 on 18th April, 2015, 18th July, 2015, 17th October, 2015 and 16th January, 2016 and attendance of members at the meeting was as follows:

S. No.	Name of Director	Status	Meetings Attended
1.	Dr. S.L.Keswani (Non-executive and independent)	Chairman	4
2.	Shri V.P. Agarwal (Executive)	Member	4
3.	Shri Vikram Agarwal (Executive)	Member	4

Compliance Officer : Shri Ashwini Kumar
Company Secretary

No. of shareholders/ investors complaints received upto 31st March, 2016 : 12

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. **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 transferees within the prescribed time. 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 also constituted a Finance Committee on 14th November, 2013 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. The Committee comprises of Shri K.C. Mehra (Non-Executive and independent Director) as Chairman of the Committee, Dr. S.L. Keswani (non-Executive and Independent Director), Shri P.L. Gupta, (Whole-time Director and Chief Financial Officer) and Shri M.L. Pareek (Whole-time Director) as members of the Finance Committee of the Board of Directors.

No meeting was held during the financial year 2015-16.

c) **ALLOTMENT COMMITTEE**

The Board has also constituted an Allotment Committee for allotment of equity shares or any other instrument convertible into equity shares. The Committee comprises of Dr. S.L. Keswani (Non-Executive and Independent Director) as the Chairman of the Allotment Committee and Shri K.C. Mehra, Shri Y.N. Chugh (all Non-Executive and Independent Directors) and Shri Vikram Agarwal (Managing Director) as members of the Allotment Committee of the Board of Directors.

Since there was no allotment of equity shares or any other instrument convertible into equity shares, no meeting was held during the financial year 2015-16.

d) **FCCB CONVERSION COMMITTEE**

The Board has also constituted 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.P. Pareek and Shri P.L. Gupta (Whole-

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time Directors) as members of the FCCB Conversion Committee of the Board of Directors.

Since there was no allotment of equity shares, so no meeting was held during the financial year 2015-16.

e) CORPORATE SOCIAL RESPONSIBILITY AND GOVERNANCE COMMITTEE

The Board has constituted the Corporate Social Responsibility and Governance Committee (CSR & G Committee) comprising Dr. S. L. Keswani, as Chairman and Shri K C Mehra, Smt. Purnima Gupta, Shri Vikram Agarwal and Shri Kanha Agarwal as other 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.

The Committee met once during the year 2015-16 on 6th February, 2016 and attendance of members at the meeting was as follows:

S. No.	Name of Director	Status	Meetings Attended
1.	Dr. S.L.Keswani	Chairman	1
2.	Shri K.C.Mehra	Member	1
3.	Shri Vikram Agarwal	Member	1
4.	Smt. Purnima Gupta	Member	1
5.	Shri Kanha Agarwal	Member	1

f) RISK MANAGEMENT COMMITTEE

In terms of the provisions of SEBI (LODR) Regulations, 2015, Company has constituted a Risk Management Committee comprising of Shri Vikram Agarwal, Managing Director as Chairman and Shri M.L. Pareek and Shri P.L. Gupta, Whole-time Directors of the Company as members.

The Committee met once during the year 2015-16 on 6th February, 2016 and attendance of members at the meeting was as follows:

S. No.	Name of Director	Status	Meetings Attended
1.	Shri Vikram Agarwal	Chairman	1
2.	Shri M.L. Pareek	Member	1
3.	Shri P.L. Gupta	Member	1

The Committee is empowered pursuant to its terms of reference:

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

The Committee in its meeting held on 6th February, 2016 had developed and implemented a Risk Management Manual containing the Risk Management Policy and Project Schedule Risk Assessment.

The Committee in its above meeting had also formulated and implemented a Risk Management Plan for the Company including the procedure to inform Board Members about risk assessment and minimization procedures.

8. GENERAL BODY MEETINGS

Last three Annual General Meetings of the Company were held at the Registered

Office of the Company at 15 Km. Stone, Delhi Road, Hissar - 125044 (Haryana) as detailed below:

Year	Date & Time	Details of Special Resolutions
2014-2015	26.09.2015 at 12.30 p.m	Resolution for waiver of recovery of excess remuneration paid to Chairman and Managing Director Re-appointment of Managing Director and Whole-time Directors
2013-2014	24.09.2014 at 12.30 p.m.	Re-appointment of Chairman, Conversion of loan into equity shares, Enhance the borrowing powers, Enhancement of the limit of creation of charge / mortgage / hypothecation and pledge etc. and Amendment in Articles of Association
2012-2013	28.09.2013 at 12.30 p.m.	Revise the remuneration of Managing Director

Special Resolution passed through Postal Ballot

No special resolution was passed through postal ballot during the Financial Year 2015-16. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through postal ballot.

9 MEANS OF COMMUNICATIONS

The Board of Directors approves and takes on record the quarterly / half yearly and annual results of the performance of the Company which are published in English and Hindi language newspapers. The results are sent to the Stock Exchanges on which the shares of the Company are listed in the prescribed format so as to enable the respective stock exchanges to put the same on their own Website. The results are also displayed on the Company's Website viz. www.prakash.com. The Notice of AGM alongwith the Annual Report is sent to the shareholders well in advance of the AGM. The stock exchanges are notified of any important developments. Management Discussion & Analysis report which forms part of the Annual Report is attached to the Directors Report and sent to the shareholders.

NSE Electronic Application Processing System (NEAPS):

The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

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10. 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 29th September, 2016 at 12.30 p.m.
Venue 15 Km. Stone, Delhi Road, Hissar-125044

c) Financial Calendar for 2016-17:

- i) First quarter results upto 14th August, 2016
- ii) Second quarter results upto 15th November, 2016
- iii) Third quarter results upto 15th February, 2017
- iv) Fourth quarter / Annual results upto 15th / 30th May, 2017

d) Book Closure : 27th September, 2016 to 29th September, 2016 (both days inclusive)

e) Stock Exchanges where listed:

i) Equity Shares

S.No.	Name of the Stock Exchange	Stock Code
1.	BSE Ltd.	506022
2.	National Stock Exchange of India Ltd.	PRAKASH
ISIN No. for equity shares :		INE603A01013

ii) Foreign Currency Convertible Bonds (FCCB):

FCCB issued by the Company

ISIN No. for FCCB : XS1299011871

f) Market Price Data :

Market price of Company's Equity Share of ₹10 each during the year from April, 2015 to March, 2016 at BSE Ltd. and National Stock Exchange (NSE) are given below:

Month	BSE		NSE	
	Highest	Lowest	Highest	Lowest
April, 2015	49.40	39.90	49.50	34.75
May, 2015	43.70	33.65	43.50	33.60
June, 2015	36.85	29.35	37.20	29.20
July, 2015	34.30	27.70	34.35	27.60
August, 2015	33.70	23.15	33.60	23.10
September, 2015	28.35	24.15	28.65	24.00
October, 2015	34.85	26.85	34.90	26.60
November, 2015	30.40	26.55	30.35	25.90
December, 2015	37.90	27.70	37.80	27.50
January, 2016	38.70	26.90	38.80	26.80
February, 2016	30.00	23.05	29.85	22.80
March, 2016	31.70	25.50	31.60	25.45

g) Distribution of Shareholding (as on 31st March, 2016)

No. of Equity Shares held	No. of Share Holders	% of Share Holders	No. of Shares	% of Share Holding
Upto 5000	43345	82.31	7582235	5.64
5001 - 10000	4386	8.33	3570998	2.66
10001 - 20000	2222	4.22	3434100	2.55
20001 - 30000	785	1.49	2015286	1.50
30001 - 40000	423	0.80	1529459	1.14
40001 - 50000	354	0.67	1686433	1.25
50001 - 100000	528	1.00	3926745	2.92
100001 – above	622	1.18	110743258	82.34
Total	52665	100.00	134488514	100.00

h) Shareholding Pattern (as on 31st March, 2016)

Category	No. of Shares	% of Shares
Promoters & Promoter Group	62522390	46.49
Mutual Fund / UTI	53804	0.04
Financial Institutions / Banks	3785	0.00
Insurance Companies	300	0.00
Foreign Institutional Investors	3938352	2.93
Bodies Corporate	28301332	21.05
NRI's/OBCs	1172349	0.87
Public (Individuals)	38496202	28.62
Total	134488514	100.00

i) Registrar and Transfer Agents

The Company is doing transfer / split / consolidation / transmission of shares held by shareholders in physical form as well as demat / remat of shares "in-house" since it has got electronic connectivity with both National Securities Depositories Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

j) 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.

k) 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. As on 31st March, 2016; 92.72% of Equity Shares of the Company were held in dematerialized form.

l) Listing Fee :

The Company has paid the listing fees upto the year 2016-17 of BSE Ltd. and National Stock Exchange of India Ltd. where the shares of the Company are listed and traded.

PRAKASH INDUSTRIES LIMITED

- m) **Outstanding Foreign Currency Convertible Bonds (FCCB)**
The total outstanding FCCB as on 31st March, 2016 is 42.15 Million US\$.
- n) **Plant Locations :**
i) Champa, Distt. Janjgir – Champa (Chhattisgarh)
ii) Raipur (Chhattisgarh)
iii) Kashipur (Uttarakhand)
iv) Koira, Distt. Koenjhar (Odisha)
v) Muppandal (Tamil Nadu)
- o) **Address for Correspondence and for Share Transfer and related matters:**
Prakash Industries Ltd.
SRIVAN, Bijwasan,
New Delhi – 110061.
Ph. : (011) - 25305800 & 28062115
Fax. : (011) - 28062119
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.39 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 in 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.**
- c) The details of establishment of Vigil Mechanism & Whistle Blower Policy can be accessed on the Company's website www.prakash.com. Further it is affirmed that there is a proper policy to look into the grievances of the personnel of the Company and no person has been denied access to the Audit Committee.
- 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) There has been no instance of non-compliance by the Company on any requirement of corporate Governance report as per Para C of Schedule V of SEBI (LODR), Regulations, 2015.
- g) The Company has adopted and fulfilled the disclosure requirements in compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI(LODR) Regulations, 2015.

12. CODE OF CONDUCT

The Company has adopted a Code of Conduct for all Directors and Senior Management personnel including 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 CEO 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 2015-16"

Place : New Delhi M. L. Pareek P. L. Gupta
Date : 24th May, 2016 Chief Executive Officer Chief Financial Officer

13. 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

Annexure-VII

Compliance Certificate from the Practising Company Secretaries on Corporate Governance

To
The Members of
Prakash Industries Limited

We have examined the compliance of conditions of corporate governance by Prakash Industries Limited ("the Company"), for the year ended 31st March, 2016 as stipulated in SEBI(LODR) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our 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 our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the said SEBI (LODR) , Regulations, 2015.

We 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 Reetika Gupta & Associates
Company Secretaries

New Delhi
24th May, 2016

(Reetika Gupta)
Proprietor
ACS:27111,CP:12440

PRAKASH INDUSTRIES LIMITED

ANNEXURE-VIII

INFORMATION IN ACCORDANCE WITH THE PROVISIONES OF THE 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, 2016

CONSERVATION OF ENERGY

The Energy is one of the key cost driver for the company and being a designated energy consumer our company gives utmost importance to optimum energy use and conservation of Energy in all its processes.

Our Company is the first integrated steel plant in the country owning the ISO 50001:2011 by the BSI since the year 2012 and recertified in 2015 by BSI for its committed effort towards Energy Management System.

As a part of the ISO-50001:2011 the company has developed a dedicated Energy Management Cell, which conducts the energy audits, identifies potential areas for energy conservation and implements them after preparing the Energy Management Plan (EnMP). The Company has initiated and implemented various Energy Conservation & improvement Plans in all Divisions under ISO-50001:2011 as Energy Improvement Management Programmes. Energy Audits are conducted by External Agencies like CII-Hyderabad, M/s MC Jain Engineers Raipur and Accredited by Bureau of Energy Efficiency (BEE) Govt. of India. The company implements the Energy Saving Proposals/ recommendations of these Audits and Reviews at Periodical Interval.

The Company ensures energy Conservation as a part of its energy Policy by focusing on Energy Efficiency while purchasing equipment like Energy Efficient Motors, Star rated Equipments, Screw compressors for compressed air, CFLs and LEDs and Aerofoil Design Energy Efficiency Cooling tower Fans. The company celebrated Energy Conservation Day on 14th December, 2015 for creating employee awareness at all levels across the company to promote the policy of energy conservation by conducting competitions on energy slogans, energy posters for all employees and families.

The Company has a policy to send the Employees and Energy team for participating in the training programmes conducted by CII, other reputed authorities for sharpening the Skill. Training department also organizes in-house training programmes on appropriate and applicable Energy conservation topics by energy manager and internal faculties for all plant teams to create the Energy Awareness at all Levels.

INFORMATION AS PER PRESCRIBED FORM 'A' :

(A) Power and Fuel Consumption

	Billets Division		TMT Mill Division		Wire Rod Mill Division	
	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015
1. Electricity Purchased*						
Units in Lacs	329	302	190	154	508	518
Total Amount (₹ Lacs)	2,643	1,887	1,062	822	2,813	2,630
Rate/Unit (₹)	8.03	6.24	5.59	5.34	5.54	5.08
* excluding transfer of power from captive plant						
2. Furnace Oil						
Quantity (K.Ltrs.)	271	301	-	-	2,984	-
Total Amount (₹ Lacs)	65	112	-	-	492	-
Average Rate (₹)	23,963	37,098	-	-	16,499	-

(B) Consumption per unit of production

Product		Steel Billets Division		TMT Mill Division		Wire Rod Mill Division	
		2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015
Electricity (KWH)	Units	945	914	110	113	107	109
Furnace Oil	Ltrs.	0.44	0.43	-	-	34	-
Coal	Kgs.	-	-	102	107	103	105

PRAKASH INDUSTRIES LIMITED

TECHNOLOGY ABSORPTION

A) Research & Development (R&D)

- (a) **Specific areas in which R&D carried out by the Company:** Research and Development activities are undertaken by the company primarily in the areas of manufacturing processes and product cost, which enable it to achieve improved performance through optimum utilisation of materials, manpower and utilities.

The Company has initiated research and development activities in various areas including the following:-

Sponge Iron Division

1. Increase the Use of Imported coal in Injection Side as well as Feed Side to reduce the Specific Coal Consumption and Improve the production.
2. Increase the FeM in the DRI for Getting the Better Recovery in the Steel Melting Process.
3. Increase the Steam Generation in Kiln / WHRB for utilizing the Waste Heat of the Kilns
4. Reduction of LOI in flue gases from Kiln/WHRB by optimizing coal combustion in the Kiln and optimization of process parameters.
5. Increase the Use of Back flow in kilns (Recycling of waste) to minimize the Fresh Coal Consumption.
6. Stopped Idle Running Equipments (Belt Conveyors of Silo) at SID final production areas
7. Automation and logical Interlocking of Belt Conveyors with Dust Extraction Systems and Air Compressors leading to Energy Saving and reduction of Running Hrs of RMP Circuit.
8. Installation of VVFD for Kiln 1, Kiln 2, Kiln 3 and Kiln 4 Cooler main drive to reduce the Energy Consumption.
9. Feed Rate is kept on higher side in the kilns to get more production in the available time and to improve operational practices and monitoring controls in Sponge Iron division to achieve higher production of good quality and reduce off grade.

Induction Furnace Division

1. Up-gradation of old and lower capacity induction furnaces with Energy Efficient and higher capacity furnaces for improvement of production and Energy conservation.
2. Implementation of Energy Conservation Measures, Like Replacement of Inefficient pumps, Replacement of Bigger Size of pump with Right Size for reducing the Auxiliary Power Consumption.
3. Improve the Operational Practices and Charge Mix Blend to Minimize the Cost of production and reduce the Energy Consumption.
4. Increase the use of recovered metal from the IFD slag (Recycling of waste) to minimize the Fresh DRI Consumption.
5. Improvement in Efficiency of Heat Exchangers and Cooling towers for minimizing the auxiliary power Consumption.

SAF Division

1. Installation of VVFD for SAF ID fans to reduce and optimize the Energy Consumption.
2. Use of Imported Mn ore in SAF production for process improvement & reduction of Energy consumption.
3. Use of Crane Weighing Scale in SAF division to reduce the requirement of trucks & minimize the load of weigh bridge.
4. Recovery of Si Mn from the Waste SAF Slag through Jigging Process
5. Retrofitting of SAF 3 with higher capacities and better efficient technology.
6. Trail of the Pigging casting Methodology in SAF division for Automation and minimizing of manual operation of sizing.

Power Plant Division

1. Increase the use of Dolochar (byproduct from kilns) at power plant, Boilers are designed for use of Dolochar and optimum utilization of byproducts, It leads to reduce the consumption of Fresh Coal in the Boilers.
2. Implementing the Integrated Power management Systems to avoid and controlling the black outs & variability in Power system.
3. Arrested leaks, modified APH ducts and provided insulation and increased air temperature resulted into coal saving and
4. Improved performance of HP heaters with cleaning and replacing gaskets and increase in Feed water temperature resulted into coal saving
5. Retrofitting of WHRB-2 to increase steam flow and pressure for increasing the power Generation.
6. Castable application of boiler tubes to improve the performance and enhance the tube life.
7. Implementation of Energy Saving Proposals in Cooling Tower, CEP, Pumps, Compressors and ID Fan and PA Fans to minimize the Auxiliary power consumption.

The company has engaged CII Hyderabad for conducting the detailed Energy Audit in Feb'16 and Mar'16 and the Energy Saving proposals / recommendation are being under implementations..

As per BEE-PAT requirement, M/s MC Jain Engineers, Raipur conducted the Energy Audit and Recommendations & Proposals are under implementation.

- b) **Benefit derived as a result of above R & D :**

Company has achieved various tangible benefits including cost reduction, higher productivity, improved quality and efficiency and optimal utilization of resources and utilities through the various R&D activities implemented by it.

- c) **Future Plan of Action :**

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The Company has implemented quality (ISO-9001), environment (ISO-14001), health and safety (OHSAS-18001) and energy management system (ISO-50001) and WCM concepts for aligning the Company's process with the International standards through documentation, review, internal and external audit and improved energy efficiency.

The Company is also planning to implement various improvement oriented Initiatives i.e. Lean Six Sigma TPM / Quality Circle for further improvement in the cost effectiveness and Increase in Productivity.

1. Installation of Coal Dryer Methodology in DRI process to Optimize the Process in rainy season
2. Installation of 20 MT Furnaces in the Induction Furnace Division.
3. Explore the possibility of different refractory Material in SID kilns and Induction Furnace for Better performance.
4. Exploring the ladle weighing & measurement systems for better monitoring and controls.
5. To install Hydraulic Shear machine in IFD section for better performance of CCM and reduce Oxygen / N₂ / LPG consumption.
6. To Study the Air Tube life with Changing and Improve the MOC to improve availability of kilns.
7. Retrofitting of SAF 1 to 4 with higher capacities and efficient technology.

d) Expenditure on R & D :

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

B) Technology Absorption, Adaption & Innovation :

- a) Efforts in brief made towards Technology Absorption, Adaption and Innovation:** Company had initially setup Sponge Iron Kilns based on SL/RN technology of Lurgi, Germany. Over the time, SL/RN process for making Sponge Iron was reviewed and matched with deficiencies in present operating system. Company is undertaking expansion in Steel & Power capacities, for which efforts are being made to adopt the best possible state of art technology available.

Waste Heat Recovery Boilers (WHRB) installed at Sponge Iron kilns for Steam generation

Use of Dolochar (by product from kilns) at power plant, Boilers are designed for use of Dolochar and optimum utilization of byproducts.

Use of Back flow (Recycling) at SID - kilns.

Installation of Slag Crushing facility for Recovery of metal and recover material is being used in Induction Furnace Division.

Installation of jigging for recovery of product Si-Mn and the Recovered Material is sold to Market.

- b) Benefits derived as a result of the above efforts:** Higher production achieved in Sponge Iron Kilns.

c)	Particulars of Technology Imported during last 5 years :	Technology Imported	Year of Import	Has Technology been fully absorbed.
	Nil	Nil	Nil	Nil

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 lacs)	Previous Year (₹ in lacs)
i) Foreign exchange used	1,356	4,552
ii) Foreign exchange earned	-	-

PRAKASH INDUSTRIES LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure & Developments

Steel and Power Division: In the current scenario, the Global steel demand is expected to grow from the current level of approx. 1.5 bn tpa to 2.0bn tpa by the year 2025. Furthermore, the situation for the steel sector is far more attractive in developing economies like India, since the forces of economic growth will require continued investments in infrastructure, automobile, consumer durables and construction sectors to drive the economy forward. The present government's focus on 'Make in India' and infrastructure looks to take off and translate into sustained demand for steel in the next couple of years. Also, initiatives taken by the government like reform of labor laws, rationalization of land acquisition process and providing better transport and infrastructure shall also create an environment favorable for the growth of the domestic steel industry.

PVC Pipe division: The PVC Pipe Industry has been growing at 15 per cent CAGR since last five years. This growth momentum is expected to continue in coming years primarily fueled by the government policies promoting development of 'Housing for all', '100 smart cities' and 'Swachh Bharat Abhiyan'. Each segment under these policies will need pipes for plumbing, sewerage and rain water. Further, the relatively low per capita consumption in India of 2kg compared to 11.8kg per capita in the US and 10.3 kg per capita in China, shows that future prospects for the Indian PVC processing industry are bright. With these factors, the capex cycle of the industry is also expected to revive. Also, with growing brand consciousness in the market, the consumers are shifting from the unorganised sector of the Indian PVC Pipe industry to the organized sector, which shall also boost the growth of organized players in the industry.

Opportunities and Threats

Steel and Power Division: The Indian steel industry is riding high on expected growth in domestic demand in the coming years and expects to remain more lucrative than its Asian peers assisted by higher domestic economic growth and rising demand. The demand growth is likely to pick up towards the second half of the current year as several government sponsored infrastructure projects gather momentum. On the long term perspective, the government's focus on 'Make in India' and thrust on infrastructure investments is expected to take off and translate into sustained demand for steel in the next couple of years. India is likely to be among the few countries worldwide where steel demand will see an upswing. However, the major threat to the domestic steel industry continues to be oversupply of steel in global markets which has led to a surge in imports from countries like China, Japan and Korea. Exports from these countries surged to all-time highs because of their sluggish domestic demand, excess capacity and competitive currencies, which resulted in unhealthy competition to domestic steel players. However, the imposition of the safeguard duty and minimum import price by India during the fag end of the year under review was a welcome decision. This created a level-playing field for domestic steel producers. Another area of threat for the steel industry continues to be the governance and regulatory issues of the central and state governments, which have been long affecting the mining sector of the country.

PVC Pipe Division: PVC pipes will gradually replace conventional piping systems in the market due to their lower cost and higher durability. The organized segment of the market is predicted to grow at a faster rate in the coming years with shifting preferences towards branded and quality products being witnessed in the domestic market.

In view of the limited availability of PVC Resin in the domestic market, the dependence on imported PVC Resin is significant. Since the cost of imported

Resin is affected by numerous factors like foreign exchange fluctuation, volatility in crude oil pricing and international trade policies, the industry is not insulated against any cost escalation arising therefrom.

Segment Wise / Product Wise Performance

Steel and Power Division: The performance of the integrated steel and power operations has been satisfactory during the year under review. The capacity utilization in the finished steel segment comprising Wire Rod and TMT Bars was higher by more than 10% in comparison to the previous year. Capacity of the Ferro Alloy division was expanded during the year by setting up an additional furnace. The Company also undertook replacement of some of its existing furnaces with new energy efficient furnaces in the Steel Melting Shop division.

PVC Pipe Division: The division, fuelled by robust market conditions, recorded the highest ever production during the year coupled with significant improvement in the operating margins. The Company has an advantage of a network of more than 100 dealers and 500 retailers spread across the northern region of the country. Traditionally, Prakash PVC has been one of the strongest brands in North India, where it is continually and exponentially growing to become number one player in this industry.

Outlook

Steel and Power Division: Today, India already is the third largest producer of crude steel, with steel consumption of approx. 86 million tpa. Considering the present per capita steel consumption of less than 100 kg and present urbanization at below 35% of the total population, the domestic steel industry has substantial growth prospects. Further, the growth in the Indian steel sector is also actively driven by domestic availability of raw materials such as iron ore and cost-effective labour. Looking at the current scenario, India is expected to become the world's second largest producer of crude steel in the next 10 years as its capacity is projected to increase to about 300 million tpa by 2025.

PVC Pipe Division: The Indian PVC pipes and fittings market likely to grow at a double digit CAGR over the period FY'2015-FY'2020 and is projected to reach INR 327 billion by FY'2020. The launch of new products, improved penetration of the companies with expanding distribution network and significant role played by the government in the development of irrigation infrastructure and real estate sector in the country will bolster the growth in the industry. Besides, a deficient and uneven rainfall in the country is expected to increase the demand for irrigation systems in the coming years, which will boost the demand for PVC pipes, tubes and hoses.

Risks and Concerns

Risk Management is a five step process involving establishing the context, identifying the risks, analyzing the risks, evaluating the risks and treating the risks. The management feels that before risk can be clearly understood and dealt with, it is important to understand the context in which it exists. Risks can be physical, financial, ethical or legal. Physical risks are those involving personal injuries, environmental and weather conditions and the physical assets of the organisation such as property, buildings, equipment, vehicles, stock and grounds. Financial risks are those that involve the assets of the organisation and include theft, fraud, or pay-out of damages claims or penalties and fines by the government. Ethical risks involve actual or potential harm to the reputation, while legal risks consist of responsibilities imposed on providers, participants and consumers arising from laws made by federal, state and local government authorities. The management feels that Risk evaluation involves comparing the level of risk found during the analysis process with previously established risk criteria, and deciding whether risks can be

accepted. If the risk falls into the low or acceptable categories, they may be accepted with minimal further treatment, although should be monitored and periodically reviewed to ensure they remain within acceptable limits. If risks do not fall into the low or acceptable category and is potential in nature, then these should be treated well in time.

In the context of the operations of the Company, the main risk continues to be steady and uninterrupted supplies of key inputs like coal, iron ore and power on one hand and stiff competition from glut of cheap imports from countries like China on the other. As the Company has its own captive power plant, it is self-reliant to that extent, however, the Company continues to be dependent on external sources for iron ore and coal. This too has been taken care of, to a certain extent, as the Company has been allotted captive iron ore mines in the states of Odisha and Chhattisgarh, which are expected to be operational by end of the current financial year. As regards the competition from imported steel, the government has imposed Minimum Import Price and Safeguard Duty on imported steel, which has been a significant relief to indigenous steel players.

Internal Control System and their Adequacy

The Internal Control System (ICS) is one of the key management devices available with a business house. Prakash Industries Ltd continuously invests in strengthening its internal control processes. The Company has put in place an adequate system of internal financial control commensurate with its size and nature of business which helps in ensuring the orderly and efficient conduct of its business.

Every business is subject to certain risks based on the industry in which it operates, the markets to which it caters and its utilisation of resources and accordingly, to ensure the desired results, controls should be tailor made for an enterprise. Our company has adequate internal control systems to ensure that business objectives are achieved with effective and efficient management,

to ensure compliance with laws and regulations, to safeguard business assets and to ensure timely and reliable financial reporting. The Company has an Audit Committee constituted out of the Members of the Board of Directors to take view of the observations and findings of the Internal Auditors on quarterly basis.

Material developments in human resources/industrial relations front, including number of people employed

The Company understands the human resource as the core of any organization which plays a vital role in its success. The Company ensures the continuous skill development of the workforce by identifying the functional/behavioural and organization training needs of individuals and imparting continuous learning and training sessions to tap and nurture their potential. Regular training, workshops and monitoring sessions are conducted to develop the professional skills, efficiency, productivity and enriching the quality of life of its work force. The Company ensures healthy and conducive work environment and ensures to take care of the employee's personal life and organizes sports, cultural and social events for the families of its employees to inculcate the feeling of togetherness and harmonious relationships.

This approach has enabled the Company to create and retain a team of able and experienced professionals. With the concerted efforts of its Human Resource Department (HRD) like development of HR policies, initiatives and welfare measures, the Company has been able to keep its employees motivated and dedicated. HRD ensures the availability of good working conditions and hygienic civic amenities to its workforce and keeps continuous vigil on the safety measures at the workplace. With its friendly approach, the Company has been able to maintain cordial industrial relations throughout the year at all locations. During the year, the total number of employees of the Company at all its locations was more than 5000.

PRAKASH INDUSTRIES LIMITED

INDEPENDENT AUDITORS' REPORT

To,
The Members of
PRAKASH INDUSTRIES LIMITED

1. Report on the Financial Statements

We have audited the accompanying financial statements of **Prakash Industries Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

2. 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 Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the

appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Basis for qualified opinion

We refer to the following matters:-

(a) Refer Note No. 28, in terms of a court order, the deferred tax liability for the year has been adjusted against Securities Premium account. Had the deferred tax liability for the year been accounted for pursuant to Accounting Standard-22 'Accounting for Taxes on Income', profit after tax for the year would have been higher by Rs. 38 lacs.

(b) Refer Note No. 29 regarding non-provision of the interest of Rs.1052 lacs on restructured Foreign Currency Convertible Bonds for the reasons stated therein. Further, no provision of interest (amount not ascertained) has been made in respect of the Foreign Currency Convertible Bonds pending for restructuring as mentioned in the note. Had the provisions been made, Capital work in progress would have been higher to that extent.

(c) Refer Note No. 1(n)(ii), MAT credit entitlement expired during the year amounting to Rs. 728 lacs has been adjusted against the opening balance of surplus in the Profit and Loss Account. Had this been adjusted in the statement of Profit & Loss for the year, profit after tax would have been lower by such amount.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects/possible effects of the matters described in the above para of basis for qualified opinion, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016 and its profit and its cash flows for the year ended on that date.

5. Emphasis of matter

We draw attention to the following matters:-

(a) Refer Note No. 1(n)(i), the provision of tax made by the Company is subject to assessment by the tax authorities and set off of MAT credit entitlement is subject to availability of taxable income in future within the prescribed time limit as per relevant provisions of the Income Tax Act, 1961.

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- (b) Refer Note No. 4(d), The Company has shown Foreign Currency Convertible Bonds of Rs. 16119 lacs matured on April 30, 2015 under the head 'Long Term Borrowings' for the reasons stated therein.
- (c) Refer Note No. 30, the Coal mines allocated to the Joint Venture Companies have been cancelled in terms of a Hon'ble Supreme court order and no adjustment for any diminution in the book value has been made by the Company in its investments amounting to Rs. 218 lacs made in these Companies as the amount of compensation receivable by the Joint Venture Companies for the mines cancelled is not ascertainable at present.
- (d) Refer Note No. 31, the assets of Chotia Coal Mine have been transferred by the Company in terms of a government order and the compensation receivable by the Company is pending. The book value of the assets transferred by the Company has been shown as Claim recoverable in the books of account and the adjustment for the difference between book value and the actual compensation received by the Company will be made after receipt of the compensation as the amount of compensation receivable is not ascertained at present.
- (e) Refer Note No. 48, managerial remuneration amounting to Rs. 523 lacs paid/provided during the year is subject to approval by the members of the Company and the Central Government.

Our opinion is not qualified in respect of these matters.

6. Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A a statement on the matters specified in the paragraph 3 and 4 of the Order.
- 2. As required by Section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

- (d) subject to our comments described in the above para of the basis for qualified opinion, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 24 to the financial statements;
 - ii. The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts except in case referred to in above para (b) of the basis for qualified opinion. The Company did not have any derivatives contracts; and
 - iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

for Chaturvedi & Partners
Chartered Accountants
(Registration No. 307068E)

(L.N. Jain)

Partner

M.No. 72579

New Delhi
24th May, 2016

PRAKASH INDUSTRIES LIMITED

ANNEXURE A REFERRED TO IN INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF PRAKASH INDUSTRIES LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management according to a phased programme designed to cover all locations, 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 by the management during the verification carried out during the year.
- (c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company except for the freehold land of Rs. 98 lacs.
- ii. The inventory except materials/goods in transit has been physically verified at reasonable intervals by the management. In our opinion, the frequency of verification is reasonable. As explained to us, the discrepancies noticed on physical verification of inventory as compared to the book records were not material and the same have been properly dealt with in the books of account.
- iii. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, in respect of loans, investments, guarantees and security.
- v. According to the information and explanations given to us, the Company has not accepted any deposit during the year. Accordingly, the clause (v) of paragraph 3 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 for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- vii. a. As per records of the Company and according to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, duty of customs, and other statutory dues except sales-tax, service tax, duty of excise and duty on power with the appropriate authorities. The outstanding statutory dues as on 31st March, 2016 include the amount of Rs. 772 lacs outstanding for a period of more than six months from the date they became payable.
- b. According to the information and explanations given by the management and relied upon by us, there were no disputed amounts payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax as on March 31, 2016 except the following:

Nature of the dues	Amount (₹ in lacs)	Forum where the dispute is pending
Excise Duty	381.31	CESTAT, New Delhi
	36.15	Appellate Authority- Addl. Commissioner
	5.09	Appellate Authority- Jt. Commissioner
	6.29	Appellate Authority- Dy. Commissioner
	2.81	Appellate Authority- Asst. Commissioner
Income Tax	358.45	Commissioner of Income Tax (Appeals)

- viii. According to the information and explanations given to us, the details of the repayments of loans/borrowings to the financial institutions, banks and the bond holders outstanding in arrears as on March 31, 2016 are as under:-

Lender	Amount of repayment (₹ in lacs)	Period of Default	Amount of Interest (₹ in lacs)	Period of Default
REC Ltd.	4215	1-456 days	3458	1-366 days
Corporation Bank	4475	1-366 days	317	1-91 days
FCCB	19671	183-336 days		

The Company has not paid/ provided for interest of Rs. 349 lacs and Rs. 356 lacs due on September 30, 2015 and March 31, 2016 respectively on restructured Foreign Currency Convertible Bonds. Further, no provision of interest (amount not ascertained) has been made by the Company during the year on other outstanding Foreign Currency Convertible Bonds matured on April 30, 2015 (Refer Notes No. 29 & 35).

- ix. As per information and explanations given to us, the term loans taken by the Company during the year have been applied for the purposes for which those were taken. No money has been raised by the Company during the year under review by way of initial public offer or further public offer (including debt instruments).
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, approval of the members and the Central government is required for the managerial remuneration amounting to Rs.523 lacs paid/provided by the Company during the year. As explained to us, the management is hopeful to get the requisite approvals so steps to be taken by the Company for securing refund of this amount are pending (Refer Note No.48).
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 177 and 188 of the Companies Act, 2013 with respect to transactions with the related parties and has disclosed the details in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them.

PRAKASH INDUSTRIES LIMITED

xvi. In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

for Chaturvedi & Partners
Chartered Accountants
(Registration No. 307068E)

New Delhi
24th May, 2016

(L.N. Jain)
Partner
M.No. 72579

ANNEXURE B REFERRED TO IN INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF PRAKASH INDUSTRIES LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

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, 2016 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 (the "Guidance Note") 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Act, 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 audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for Chaturvedi & Partners
Chartered Accountants
(Registration No. 307068E)

New Delhi
24th May, 2016

(L.N. Jain)
Partner
M.No. 72579

PRAKASH INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2016

	Note No.	As at 31st March, 2016 ₹ in lacs	As at 31st March, 2015 ₹ in lacs
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	13,449	13,449
Reserves & Surplus	3	2,07,195	2,07,059
		<u>2,20,644</u>	<u>2,20,508</u>
Non-Current Liabilities			
Long Term Borrowings	4	57,471	63,029
Deferred Tax Liabilities (Net)		8,057	8,095
Long-Term Provisions	5	2,183	1,756
		<u>67,711</u>	<u>72,880</u>
Current Liabilities			
Short-Term Borrowings	6	8,110	13,010
Trade Payables		8,888	7,722
Other Current Liabilities	7	38,215	29,456
Short-Term Provisions	8	1,194	897
		<u>56,407</u>	<u>51,085</u>
Total		<u>3,44,762</u>	<u>3,44,473</u>
ASSETS			
Non-Current Assets			
Fixed Assets	9		
Tangible Assets		1,72,273	1,73,033
Intangible Assets		-	290
Capital Work-in-Progress		95,521	88,782
Intangible Assets Under Development		-	5,631
		<u>2,67,794</u>	<u>2,67,736</u>
Non-Current Investments	10	218	218
Long-Term Loans and Advances	11	35,236	37,153
		<u>3,03,248</u>	<u>3,05,107</u>
Current Assets			
Current Investments	12	-	-
Inventories	13	18,258	19,407
Trade Receivables	14	7,994	9,697
Cash and Cash Equivalents	15	2,402	3,553
Short-Term Loans and Advances	16	12,752	6,594
Other Current Assets	17	108	115
		<u>41,514</u>	<u>39,366</u>
Total		<u>3,44,762</u>	<u>3,44,473</u>

Notes on Financial Statements

1 to 51

As per our report of even date attached
For Chaturvedi & Partners
Chartered Accountants

(L.N. Jain)
Partner

For and on behalf of the Board

NEW DELHI
24th May, 2016

Ashwini Kumar
Company Secretary

Vikram Agarwal
Managing Director
DIN:00054125

M.L. Pareek
Whole - time Director & CEO
DIN:01795975

P.L. Gupta
Whole - time Director & CFO
DIN:00048868

PRAKASH INDUSTRIES LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Note No.	This Year ₹ in lacs	Previous Year ₹ in lacs
INCOME			
Sale of products		2,28,321	3,16,067
Less: Excise duty		22,791	32,426
Revenue from operations		2,05,530	2,83,641
Other Income	18	481	772
Total Revenue		2,06,011	2,84,413
EXPENSES			
Cost of Material Consumed		1,45,415	1,96,781
Changes in Inventories of Finished Goods			
Work-in-Progress and Stock in Trade	19	597	(1,440)
Employee Benefits Expenses	20	14,903	14,910
Finance Costs	21	6,864	6,073
Depreciation and Amortization Expenses	22	10,173	9,849
Other Expenses	23	26,000	32,400
Total Expenses		2,03,952	2,58,573
Profit from operations before Exceptional items and Tax		2,059	25,840
Exceptional Item		-	24,906
Profit before Tax		2,059	934
Tax Expenses			
Current Tax		440	187
Less : MAT Credit Entitlement		439	187
Net Current Tax		1	-
Profit after Tax		2,058	934
Earning Per Share			
Basic / Diluted (₹)		1.53	0.69

Notes on Financial Statements

1 to 51

As per our report of even date attached
For Chaturvedi & Partners
Chartered Accountants

(L.N. Jain)
Partner

For and on behalf of the Board

NEW DELHI
24th May, 2016

Ashwini Kumar
Company Secretary

Vikram Agarwal
Managing Director
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M.L. Pareek
Whole - time Director & CEO
DIN:01795975

P.L. Gupta
Whole - time Director & CFO
DIN:00048868

PRAKASH INDUSTRIES LIMITED

CASH FLOW STATEMENT

This Year

(₹ in lacs)
Previous Year

A. Cash Flow From Operating Activities :

Net Profit as per Profit & Loss Account Before Tax	2,059		934
Adjustments for			
Exceptional Item	-	24,906	
Provision for gratuity and leave encashment	582	595	
Provision for doubtful debts and advances	24	1	
Depreciation and expenses amortised	10,173	9,849	
Interest and other Income	(481)	(707)	
Loss/(Profit) on sale of fixed assets	45	(65)	
Financial expenses	6,864	17,207	6,073
Operating Profit before working Capital changes	19,266		41,586
Adjustments for			
Trade receivables	1,687	(1,007)	
Other receivables	1,930	(1,031)	
Inventories	1,149	3,875	
Trade payables & provisions	1,961	6,727	5,650
Cash generated from operations	25,993		49,073
Taxes Paid	145		2,455
Additional Levy on Coal	1,485		23,421
Net Cash from operating activities	24,363		23,197

B. Cash Flow From Investing Activities

Sale of fixed assets	328		363
Purchase of fixed assets	(16,204)		(18,061)
Interest and other Income received	488		676
Advances to Group companies & Joint venture	(7)		2,818
Purchase/sale of investment	-		3,317
Net cash used in investing activities	(15,395)		(10,887)

PRAKASH INDUSTRIES LIMITED**C. Cash Flow From Financing Activities :**

Payment of Dividend and Dividend Tax	-	(1,548)
Proceeds/(Repayment) from Loans (Net)	(4,464)	(5,718)
Financial expenses paid	(5,655)	(3,542)
Net Cash from financing activities	(10,119)	(10,808)
Net Changes in Cash & Cash equivalents (A+B+C)	(1,151)	1,502
Opening balance of Cash & Cash equivalents	3,553	2,051
Closing balance of Cash & Cash equivalents	2,402	3,553

Notes :

- The Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard-3 'Cash Flow Statements'
- Cash and Cash equivalents include earmarked deposits, which are not available currently for use by the Company (refer note no.15).
- Purchase of fixed assets include movement of capital work in progress and interest capitalized.
- Previous year's figures have been regrouped/rearranged wherever considered necessary, to confirm to this year's presentation.

As per our report of even date attached
For Chaturvedi & Partners
Chartered Accountants

(L.N. Jain)
Partner

NEW DELHI
24th May, 2016

Ashwini Kumar
Company Secretary

Vikram Agarwal
Managing Director
DIN:00054125

M.L. Pareek
Whole - time Director & CEO
DIN:01795975

P.L. Gupta
Whole - time Director & CFO
DIN:00048868

For and on behalf of the Board

PRAKASH INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under historical cost convention on accrual basis of accounting, unless otherwise stated, and comply with the Accounting Standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the relevant provisions of the Companies Act, 2013.

(a) Basis of Accounting

- i) Accrual method of accounting is followed with regard to income and expenses.
- ii) Sales are inclusive of excise duty and exclusive of sales tax/value added tax, returns and trade discounts.
- iii) Raw material consumption is net of sale and the profit / loss on sale is charged to the consumption account.
- iv) Insurance claims, duty drawback on exports and other claims and refunds have been accounted for where there is reasonable certainty with regard to the ultimate collection.

(b) Use of estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities as on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. The differences between actuals and estimates are recognized in the periods in which the results are known/materialize.

(c) Classification of Assets and Liabilities as Current and Non Current

All the 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 schedule III to the Companies Act, 2013.

(d) Fixed Assets

- i) Tangible Fixed Assets are stated at Cost which is net of Cenvat/Tax Credit, inclusive of freight, duties, taxes and other incidental expenses relating to acquisition and installation except certain revalued assets which are stated at revalued amount less accumulated depreciation.
- ii) Expenditure incurred during the period of construction are carried forward as Capital-Work in Progress and on completion, the costs are allocated to the respective Fixed Assets.
- iii) Preoperative expenditure comprising of revenue expenses incurred in connection with project implementation during the period upto commencement of commercial production are treated as part of project costs and are capitalized. Such expenses are capitalized only if the project to which they relate involve substantial expansion of capacity or upgradation.
- iv) In order to reflect the book value of the fixed assets of the Company to conform to the present replacement cost, Plant & Machinery of certain divisions as on 31st March, 2005 have been revalued by an approved valuer using the standard indices and accordingly amount has been transferred to Revaluation Reserve.

(e) Depreciation

- i) Depreciation on tangible fixed assets is provided on straight line method at the rates and in the manner specified in the schedule II of the Companies Act, 2013 in accordance with the provisions of section 123(2) of the Companies Act, 2013 except mentioned in point (ii) and (iii).
- ii) Depreciation on Plant & Machinery of certain divisions which were revalued as on 31st March, 2005 has been provided on straight line method at rates based on the useful life as certified by valuer.
- iii) Depreciation on the incremental amount added to the cost of fixed assets on Revaluation is being adjusted against the Revaluation reserve on the basis of estimated remaining useful life of the assets.

(f) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and net of impairments, if any. An intangible asset is recognized if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Mine development cost is amortized on a straight line basis over a period of 10 years.

(g) Inventory

Raw Materials and Stores & spares are valued at lower of cost, computed on FIFO basis, and net realisable value. Finished goods & work in process are valued at lower of cost or net realisable value and scrap & waste at estimated realisable value. Cost of raw materials and Stores & spares includes transport and handling costs and are net of cenvat/vat credits wherever applicable. The cost of finished goods includes materials, labour and related factory overheads including depreciation. Excise duty is included in finished goods valuation, where applicable. The material in transit are valued at cost.

(h) Foreign Currency Transactions

Foreign Currency Transactions are recorded in the accounts at the rates existing at the time of transaction and any exchange difference arising at the time of realisation is dealt within the Profit & Loss Account. Outstanding Foreign Currency monetary items are translated at the year end rates. The amount of Exchange rate difference debited to Capital work in progress during the year is ₹ 2,245 lacs (₹ 1,742 lacs).

(i) Investments

Investments that are readily realizable and are intended to be held for not more than one year at the point of acquisition are classified as "Current Investment". All other investments are classified as "Non-current Investment". Current Investments are stated at lower of cost and fair value. Any reduction in the carrying amount and any reversal of such reduction are charged or credited to the Profit and Loss Account. Long term Investments are stated at cost. Provision is made to recognize a decline, other than temporary, in the value of such investments.

(j) Employee Benefits

In respect of Defined Contributions Scheme, Contribution to Provident Fund & Family Pension and Employee State Insurance Scheme are charged to the Profit & Loss account as incurred.

In respect of Defined Benefit Schemes, the post retirement benefits such as gratuity, leave encashment and other retirement benefits are accounted for, based on valuations, as at the Balance Sheet date, made by an independent Actuary. Actuarial gains/losses are charged to Profit & Loss Account and are not deferred.

(k) Borrowing Costs

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset which necessarily take a substantial period of time to get ready for their intended use are capitalised on that asset. Other borrowing costs are charged to revenue account. The amount of borrowing cost charged to Capital work in progress during the year is ₹ 1,124 lacs (₹ 3,503 lacs)

(l) Segment Reporting Policies

Revenue and expenses are identified to segments on the basis of their relationship to the operative activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, are included under "Unallocable Expenditure/Income".

(m) Earnings Per Share (EPS)

Basic earning per share is computed by dividing net profit or loss for the period attributable to equity share holders by weighted average number of equity shares outstanding during the period. The Diluted earning per share is calculated on the same basis as Basic Earning per share, after adjusting for the effects of potential dilutive equity shares.

(n) Taxes on Income

i) Tax expense for the year comprise of current and deferred tax. Current Tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws. The Company has opted for tax exemption under section 80-I in respect of profits of Power and PVC divisions as per the provisions of the Income Tax Act, 1961. The amount of exempted profit considered by the Company while making provision for its tax liability is subject to assessment by the concerned tax authorities. Deferred tax assets and liabilities are recognised for future tax consequences attributable to the timing differences between the taxable profit and the profit as per the accounts. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are not recognised unless in the opinion of the management there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. The effect on deferred tax assets and liabilities of a change in tax rate is recognised in the year of change. Deferred tax assets/liabilities are reviewed at each balance sheet date. Pursuant to the approval of the shareholders and Hon'ble Punjab & Haryana High Court's order dated 23rd August 2007, Deferred tax liabilities are being adjusted in Securities Premium Account. The taxable income of the Company being lower than the book as per the provisions of the Income Tax Act, 1961, the Company is liable to pay Minimum Alternate Tax (MAT) on its income.

ii) Considering the future profitability and taxable position in the subsequent years, the Company has recognized Minimum Alternate Tax (MAT) credit as an asset by crediting the Profit & Loss Account and including the same under Loans & Advances in accordance with the Guidance note on "Accounting for credit available in respect of Minimum Alternate Tax under Income Tax Act 1961" issued by the Institute of Chartered Accountants of India. In case this credit is not utilised within the time limit prescribed under the Income Tax Act, the same will be set off against the surplus in Profit and Loss account.

(o) Impairment Of Assets

When there is an indication that an asset is impaired, the recoverable amount is estimated and the impairment is recognised to the extent carrying amount exceeds its recoverable amount.

(p) Provisions and Contingencies

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statement.

(q) Prior Period and Extraordinary Items

Prior period and extraordinary items and change in accounting policies, having a material impact on the financial affairs of the company are disclosed, wherever required.

PRAKASH INDUSTRIES LIMITED

2. SHARE CAPITAL	As at 31st March, 2016 ₹ in lacs	As at 31st March, 2015 ₹ in lacs
Authorised :		
170000000 (170000000) Equity Shares of ₹ 10 each	17,000	17,000
	<u>17,000</u>	<u>17,000</u>
Issued , Subscribed & Paid-up :		
Equity		
134488514 (134488514) Equity Shares of ₹ 10 each		
fully paid up	13,449	13,449
	<u>13,449</u>	<u>13,449</u>

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

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	₹ in lacs	No. of Shares	₹ in lacs
At the beginning of the year	134488514	13,449	134488514	13,449
Issued during the year	-	-	-	-
Outstanding at the end of the year	134488514	13,449	134488514	13,449

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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 31st March, 2016		As at 31st March, 2015	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Welter Securities Limited	7050666	5.24	5006666	3.72
GMK Builders Private Limited	7664800	5.70	12401300	9.22
SMC Comtrade Limited	6011001	4.47	9000000	6.69

(d) Foreign Currency Convertible Bond (FCCB) holders of US\$ 17.85mn (Rs. 11840 lacs) have an option to get their bonds converted into equity shares of the Company (refer note 4 (d)).

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3. RESERVES AND SURPLUS	As at 31st March, 2016		As at 31st March, 2015	
	₹ in lacs		₹ in lacs	
Capital Reserve		279		279
Capital Redemption Reserve		800		800
Securities Premium Account				
At Opening	23,700		24,061	
Deferred Tax (Refer Note no.28)	38	23,738	(361)	23,700
Revaluation Reserve				
At Opening	10,044		11,318	
Transfer to Depreciation Account	1,232	8,812	1,274	10,044
General Reserve				
At Opening	1,71,000		1,71,000	
Transfer from Profit & Loss Account	-	1,71,000	-	1,71,000
Surplus in Profit & Loss Account				
At Opening	1,236		2,371	
Add: Profit for the year	2,058		934	
	3,294		3,305	
Less: Appropriations				
Depreciation on transition to schedule II of the Companies Act, 2013 (Net of Deferred Tax)	-		2,069	
MAT Credit reversal for earlier years	728			
		2,566		1,236
		2,07,195		2,07,059

4. LONG TERM BORROWINGS	As at 31st March, 2016		As at 31st March, 2015	
	₹ in lacs		₹ in lacs	
Secured				
Term Loans				
From Banks	77		877	
From Others	23,906	23,983	23,753	24,630
Unsecured				
Foreign Currency Convertible Bonds(FCCB)		32,696		37,554
From Others		792		845
		57,471		63,029
(a) Term of repayment of Secured Term Loans are as follows :	1-3 Years	4 - 5 years		6 - 10 years
Term Loan from banks	75	2	-	
Term Loan from others	17,582	5,621		703

- (b) 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 (save and except book debts), subject to prior charge of the Company's banker on specified movables for working capital requirements, ranking pari passu in all respects with existing charges and personal guarantees of the Chairman and the Managing Director.
- (c) Term Loans from banks and others include ₹ 77 lacs (₹ 87 lacs) and ₹ 1,375 lacs (₹ 1370 lacs) respectively secured against the vehicles financed by the concerned lenders.
- (d) The company has outstanding FCCB of US\$ 60 million which were due for payment on 30th April, 2015. Out of the said bonds, FCCB of US\$ 35.7 mn have been restructured into new bonds in a manner that the bondholders have a right to convert 50% of this i.e. US\$ 17.85 mn into shares with maturity date of 1st October, 2020 carrying interest @5.35% p.a. and balance 50% of this i.e. US\$ 17.85 mn carrying interest @ 5.25% p.a. to be redeemed by 31st July 2017. For the remaining FCCB of US\$ 24.3 mn, the company is in discussion with the bondholders for restructuring. In view of the legal opinion received by the Company this amount is being shown as long term borrowing. Outstanding FCCB are repayable in Foreign Currency and their repayments have not been hedged by any derivative instrument or otherwise by the Company.

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5. LONG TERM PROVISIONS	As at 31st March, 2016 ₹ in lacs	As at 31st March, 2015 ₹ in lacs
Provisions for Employees benefits		
Provisions for Gratuity & Leave Encashment	2,183	1,756
	<u>2,183</u>	<u>1,756</u>

6. SHORT TERM BORROWINGS	As at 31st March, 2016 ₹ in lacs	As at 31st March, 2015 ₹ in lacs
Secured		
Working capital loan from bank	3,323	3,418
Unsecured		
From Others	1,850	5,500
From Related Parties	2,937	4,092
	<u>8,110</u>	<u>13,010</u>

Working Capital loan from bank, repayable on demand is secured by hypothecation of raw materials, consumables stores and spare parts, stock in process, finished goods, book debts and by personal guarantees of the Chairman and the Managing Director of the Company. Further they are also secured by way of pari passu first charge on all the immovable properties of the Company.

7. OTHER CURRENT LIABILITIES	As at 31st March, 2016 ₹ in lacs	As at 31st March, 2015 ₹ in lacs
Current maturities of long term debts	23,548	15,308
Interest accrued but not due on borrowings	12	30
Interest accrued & due on borrowings	3,775	2,547
Unclaimed Dividend	105	105
Trade/Security deposits	1,385	1,480
Other Payables	9,390	9,986
(Including statutory dues, expenses payable etc.)		
	<u>38,215</u>	<u>29,456</u>

8. SHORT TERM PROVISIONS	As at 31st March, 2015 ₹ in lacs	As at 31st March, 2014 ₹ in lacs
Provision for employees Benefits		
Provisions for Gratuity & Leave Encashment	1,052	897
Other Provisions		
For Taxation (Net of Advance Tax)	142	-
	<u>1,194</u>	<u>897</u>

NOTE 9 - FIXED ASSETS

(₹ in Lacs)

	GROSS BLOCK				DEPRECIATION					NET BLOCK	
Particulars	As at 31.03.2015	Additions	Sales/ Adjustments	As at 31.03.2016	Total upto 31.03.2015	For the year	Deductions/ Adjustments	Transitional Adjustments	Total upto 31.03.2016	As at 31.03.2016	As at 31.03.2015
TANGIBLE ASSETS											
Land (Lease hold)	603	-	-	603	-	-	-	-	-	603	603
Land (Free hold)	5609	-	90	5519	-	-	-	-	-	5519	5609
Buildings	40261	118	2,171	38208	11312	1817	188	-	12941	25267	28949
Plant & Machinery	246003	9812	1751	254064	109910	9014	1348	-	117576	136488	136093
Furnitures & Fixtures	596	8	17	587	373	41	9	-	405	182	223
Vehicles	2124	3176	27	5273	654	502	22	-	1134	4139	1470
Office Equipments	490	27	31	486	414	25	19	-	420	66	76
Mould & Dies	64	5	-	69	54	6	-	-	60	9	10
Total	295750	13146	4087	304809	122717	11405	1586	-	132536	172273	173033
Capital Work-in-Progress	88782	16153	9414	95521	-	-	-	-	-	95521	88782
Total	384532	29299	13501	400330	122717	11405	1586	-	132536	267794	261815
Previous Year	367516	29345	12329	384532	109860	10853	1037	3,041	122717	261815	257656
INTANGIBLE ASSETS											
Mine Development Cost	2696	-	2,696	-	2406		2,406	-	-	-	290
Previous Year	2696	-	-	2696	2136	270	-	-	2406	290	560
INTANGIBLE ASSETS UNDER DEVELOPMENT											
Mine Development Cost	5631	18	5,649	-	-	-	-	-	-	-	5631
Previous Year	5819	590	778	5631	-	-	-	-	-	5631	5819

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10. NON-CURRENT INVESTMENTS	As at 31st March, 2016 ₹ in lacs	As at 31st March, 2015 ₹ in lacs
Long Term, Trade, At cost, Unquoted		
Equity Instruments		
Investment in Joint Ventures		
Madanpur (North) Coal Company Private Limited 21,32,236(21,32,236) Equity Shares of ₹ 10 each fully paid up	213	213
Fatehpur Coal Mining Company Private Limited 46,150(46,150) Equity Shares of ₹ 10 each fully paid up	5	5
	<u>218</u>	<u>218</u>
Aggregate Book Value of Unquoted Investments (Refer Note no. 30 & 32)	218	218
Provision for deminution in values	Nil	Nil
11. LONG TERM LOANS AND ADVANCES	As at 31st March, 2016 ₹ in lacs	As at 31st March, 2015 ₹ in lacs
(Unsecured, considered good unless otherwise stated)		
Capital Advances	8,500	9,953
Security Deposits	1,899	2,081
Advances to related parties(refer note no.32 & 39)	189	182
MAT Credit Entitlement (refer note no.1(n) (ii))	<u>24,648</u>	<u>24,937</u>
	<u>35,236</u>	<u>37,153</u>
12. CURRENT INVESTMENTS	As at 31st March, 2016 ₹ in lacs	As at 31st March, 2015 ₹ in lacs
Short Term, Non Trade, At cost		
Quoted	-	-
	<u>-</u>	<u>-</u>
13. INVENTORIES	As at 31st March, 2016 ₹ in lacs	As at 31st March, 2015 ₹ in lacs
(As taken, valued and certified by the Management)		
Stores, Spares & Fuels	2,702	3,347
Raw Materials	7,808	6,743
Raw Materials in Transit	150	976
Finished Products	3,067	4,994
Work in Progress	346	363
Scrap & Waste	<u>4,185</u>	<u>2,984</u>
	<u>18,258</u>	<u>19,407</u>

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14. TRADE RECEIVABLES	As at 31st March, 2016 ₹ in lacs	As at 31st March, 2015 ₹ in lacs
(Unsecured, considered good unless otherwise stated)		
Outstanding exceeding six months	1,129	710
Less : Provisions for doubtful debts	(50)	(34)
Others	6,915	9,021
	<u>7,994</u>	<u>9,697</u>
15. CASH AND CASH EQUIVALENTS	As at 31st March, 2016 ₹ in lacs	As at 31st March, 2015 ₹ in lacs
Balances with Banks in		
Current Accounts	935	1,837
Deposit Accounts	<u>1,369</u>	<u>1,480</u>
Cash in hand	49	90
Cheque/DD in hand	49	146
	<u>2,402</u>	<u>3,553</u>
Balances with Banks include		
Balance in unpaid dividend account	105	105
Deposit accounts with maturity of more than 12 months from the Balance Sheet date	399	784
Deposits pledged/held as margin money	1,369	1,480
16. SHORT TERM LOANS AND ADVANCES	As at 31st March, 2016 ₹ in lacs	As at 31st March, 2015 ₹ in lacs
(Unsecured, considered good unless otherwise stated)		
Trade Advances	3,425	4,809
Advance Income Tax (Net of Provision)	-	153
Balance with statutory/government authorities	337	632
Claims recoverable (refer note no 31)	8,716	645
Other Advances	300	373
	12,778	6,612
Provision for doubtful advances	(26)	(18)
	<u>12,752</u>	<u>6,594</u>
17. OTHER CURRENT ASSETS	As at 31st March, 2016 ₹ in lacs	As at 31st March, 2015 ₹ in lacs
(Unsecured considered good unless otherwise stated)		
Interest accrued on deposits	108	115
	<u>108</u>	<u>115</u>

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18. OTHER INCOME	This Year ₹ in lacs	Previous Year ₹ in lacs
Interest Income	254	273
Miscellaneous income	227	434
Profit on sale of fixed assets (Net)	-	65
	<u>481</u>	<u>772</u>

19. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE	This Year ₹ in lacs	Previous Year ₹ in lacs
Stock in Trade (At Close)		
Finished Products	3,067	4,994
Work in Progress	346	363
Scrap and Waste	<u>4,185</u>	<u>2,984</u>
	7,598	8,341
Stock in Trade (At Opening)		
Finished Products	4,994	6,029
Work in Progress	363	421
Scrap and Waste	<u>2,984</u>	<u>549</u>
	8,341	6,999
	(743)	1,342
Excise Duty on stock movement	146	(98)
	<u>(5,97)</u>	<u>1,440</u>

20. EMPLOYEE BENEFITS EXPENSE	This Year ₹ in lacs	Previous Year ₹ in lacs
Salaries, Wages and Benefits	13,811	13,799
Contribution to Provident & Other Funds	730	707
Staff Welfare Expenses	362	404
	<u>14,903</u>	<u>14,910</u>

21. FINANCE COSTS	This Year ₹ in lacs	Previous Year ₹ in lacs
Interest Expenses	6,707	5,990
Bank Charges	157	83
	<u>6,864</u>	<u>6,073</u>

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22. DEPRECIATION AND AMORTIZATION EXPENSES	This Year ₹ in lacs	Previous Year ₹ in lacs
Depreciation on Tangible Assets	11,405	10,853
Amortization of Intangible Assets	-	270
	<u>11,405</u>	<u>11,123</u>
Less : Transfer from Revaluation Reserve	<u>1,232</u>	<u>1,274</u>
	<u>10,173</u>	<u>9,849</u>

23. OTHER EXPENSES	This Year ₹ in lacs	Previous Year ₹ in lacs
Power & Fuel	10,846	9,383
Mining Expenses	-	5,605
Processing Charges	53	53
Stores & Spares	4,233	4,834
Repairs to :		
Machinery	4,612	4,833
Buildings	264	311
Other	22	15
	4,898	5,159
Insurance	96	130
Rate & Taxes	1,145	942
Travelling & Conveyance	479	731
Vehicle Maintance	125	153
Auditors' Remuneration		
Audit Fees	44	41
Tax Audit Fees	10	10
	54	51
Legal & Professional Charges	1,092	1,591
Miscellaneous Expenses	598	901
Provision for Doubtful Debts & Advances	24	1
Rent	54	51
Directors' Sitting Fees	14	15
Advertisement	30	40
Packing & Forwarding Charges	1,389	1,422
Power transmission expenses	9	11
Sales Promotion	68	44
Discount & Rebate	201	632
Commission	547	651
Loss on sale of Fixed Assets (Net)	45	-
	<u>26,000</u>	<u>32,400</u>

24. Contingent Liabilities not provided for in respect of:

	This year (₹ in lacs)	Previous year (₹ in lacs)
(a) Guarantees/Unexpired Letter of credits issued by banks on behalf of the company	218	1,766
(b) Disputed demands of Excise Duty / Income Tax / Electricity dues/Lease rentals etc.	7,586	6,544
(Amount paid there against ₹471 lacs (₹280 lacs))		

25. Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	36,842	36,026
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26. In the opinion of the management, the Current Assets, Loans and Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for depreciation and all known liabilities is adequate, neither excess nor short than reasonably necessary.
27. The Company is in the process of identifying the Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been made. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the said Act, is not expected to be material.
28. 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 Accounting Standard 22 'Accounting for Taxes on Income' amounting to ₹ 38 lacs (₹ 361 lacs) has been adjusted against Securities Premium Account. Consequently, the profit after tax is lower by the said amount.
29. The Company has outstanding FCCB of US\$ 60 mn, which were due for payment on 30th April, 2015. Out of this, FCCB of US\$ 35.7 mn have been restructured as per terms given in pt. no.(d) of schedule 4. Balance FCCB of US\$ 24.3 mn have yet to be restructured, as such the company has not provided any interest on the same as the terms of restructuring are still not settled. For the restructured FCCB of US\$ 35.7 mn, the company has partly paid interest on the same upto 30th September, 2015. The company has initiated discussions with the bondholders for waiver of the interest payable on these bonds, which is under their active consideration. Accordingly, no provision of interest has been made in the books of accounts on these FCCB subsequent to 30th September, 2015. Had the provision been made, the interest payable would have been higher by Rs. 1052 lacs.
30. The company has made investment in the share capital of following joint venture companies formed for the purpose of developing coal blocks allotted to the Company in consortium with others:

Particulars	As at 31st March, 2016 (₹ in lacs)					2015-2016 (₹ in lacs)	
Name of Joint Venture (In India)	% Holding	Assets	Liabilities	Contingent Liabilities	Capital Commitments	Income	Expenditure
a) Madanpur (North) Coal Company Private Limited	20.67	*(971)	*(971)	*(3318)	*(Nil)	*(151)	*(6)
b) Fatehpur Coal Mining Company Private Limited	38.46	*(451)	*(451)	*(Nil)	*(Nil)	*(Nil)	*(1)

*Figures for the current year are not available since annual accounts are yet to be finalized.

The information required under the first proviso to section 129(3) of the Companies Act 2013 in form of AOC- 1 is not available in respect of joint venture companies Madanpur (North) Coal Co. Pvt Ltd and Fatehpur Coal Mining Co. Pvt Ltd as annual accounts are yet to be finalized in respect of these companies.

The Hon'ble Supreme Court of India vide its Order dated 24th September, 2014 had cancelled the Coal blocks allocated to above Joint Venture Companies. Since the mines have been cancelled there is no activity in these Companies and in view of the same the annual accounts are yet to be finalised and the Company is not able to prepare consolidated accounts with these Joint Venture Companies.

No adjustment has been made by the Company in the book values of the Investments made in Joint Venture Company as the amount of compensation receivable for the coal mines cancelled vide the Hon'ble Supreme court order, is not ascertainable at present.

31. Pursuant to the cancellation of the Choita Coal Mine of the Company vide Honable Supreme Court Order, the assets pertaining to this unit have been vested with the new owner of the mine. The book values of the assets transferred to the new owner have been aggregated and shown as claim recoverable in the Books of Account. Necessary adjustment for gain/loss will be made in the Books of Account on the final settlement of the compensation claimed by the Company..
32. Advance with related parties include
- i) A sum of ₹ Nil lacs (₹ 9 lacs) paid to Madanpur (North) Coal Co. Pvt. Ltd., a joint venture Company. Maximum amount outstanding during the year ₹ 9 lacs (₹ 9 lacs).

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- ii) A sum of ₹ 189 lacs (₹172 lacs) paid to Fatehpur Coal Mining Co. Pvt. Ltd., a joint venture Company. Maximum amount outstanding during the year ₹ 189 lacs (₹172 lacs).
- iii) A sum of ₹ Nil lacs (₹ 1 lacs) due from other companies. Maximum amount outstanding during the year ₹ 1 lacs (₹ 1,314 lacs).
33. The company has taken certain plant and machinery under operating lease during the period prior to 1st April, 2001. The company is having legal disputes with the concerned lessors and there are counter claims which are pending under arbitration/court, as such the future liability on this account, if any, is not ascertainable.
34. Gross Block of Land and Plant & Machinery includes ₹ 2,014 lacs and ₹ 19,824 lacs respectively added on revaluation of assets as at 31st March 2005. The depreciation as shown in the statement of Profit & Loss Account for the year is net of amount of ₹ 1,232 lacs adjusted against the Revaluation reserve.
35. The Company has made certain defaults in repayment of principal and interest thereon. The details of continuing delay as at 31st March 2016 is as follows :-

Nature of Laon	Principal Amount ₹ in lacs	Period of Delay in days	Interest Amount ₹ in lacs	Period of Delay in days
Term Loan from Banks	4,475	1-366	317	1-91
Term Loan from Others	4,215	1-456	3,458	1-366
Foreign Currency Convertible Bonds(FCCB) (also refer note no.29)	19,671	183-336		

The Company has already submitted its proposals to the respective lenders for reschedulement of these dues, which is under their active consideration.

36. Details of Employees Benefits as required by the Accounting Standard 15 "Employee Benefits" are given below:-

a) Defined Contribution Plans:

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

	Current Year	₹ in lacs Previous Year
Contribution to Provident Fund	648	611
Contribution to Employees' State Insurance	81	96

b) Defined Benefit Plan:

Reconciliation of opening and closing balances of Defined Benefit obligation

	Current Year		Previous Year	
	Gratuity (Unfunded)	Leave Encashment (Unfunded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)
Defined Benefits obligation at the beginning of the year	1,978	675	1,540	518
Current Service Cost	189	70	165	63
Interest Cost	158	54	123	42
Actuarial (gain)/loss	240	88	302	182
Benefit paid	(148)	(69)	(152)	(130)
Defined Benefit obligation at the year end	2,417	818	1,978	675
Reconciliation of fair value of assets and obligations				
Present value of obligation at year end	2,417	818	1,978	675
Amount recognized in Balance Sheet	2,417	818	1,978	675
Expenses recognized during the year				
Current Service Cost	189	70	165	63
Interest Cost	158	54	123	42
Actuarial gain/(loss)	240	88	302	182
Total Cost recognized in the Profit & Loss A/c	587	212	590	287

Actuarial assumption

Mortality Table	IALM 2006-08 (Ultimate)	IALM 2006-08 (Ultimate)	IALM 2006-08 (Ultimate)	IALM 2006-08 (Ultimate)
Discount rate(per annum)	8%	8%	8%	8%
Rate of escalation in salary(per annum)	5%	5%	5%	5%

The estimate of rate of escalation is salary considered in actuarial valuation, 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.

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37. Excise duty relating to sales has been disclosed as a deduction from sales. Excise duty related to difference between closing stock and opening stock has been disclosed in Note 19.

38. The breakup of Deferred Tax Assets/(Liabilities) is as under :-

	As at 31.03.2016	As at 31.03.2015
		(₹ in lacs)
Particulars		
Depreciation on Fixed Assets	(9,203)	(9,015)
Disallowances under Section 43B of Income Tax Act, 1961	-	-
Provisions	1,146	920
	<u>(8,057)</u>	<u>(8,095)</u>

39. Related party disclosure as required by Accounting Standard -18 issued by the Institute of Chartered Accountants of India are as under :-

(A) List of related parties and their relationship

a) Enterprise on which key management personnel and/or their relatives exercise significant influence with whom transactions have taken place during the year.

1. Primenet Global Limited
2. Surya Roshini Limited
3. Tools India Private Limited
4. Vanshi Farms Private Limited
5. Hissar Tubes Private Limited
6. Nilkanth Fincon Private Limited

b) Key Management Personnel :

1. Shri V.P.Agarwal, Chairman
2. Shri Vikram Agarwal, Managing Director
3. Shri M.L.Pareek, Whole-time Director
4. Shri P.L. Gupta, Whole-time Director
5. Shri Ashwini Kumar, Company Secretary

c) Joint Venture Entities :

1. Madanpur (North) Coal Company Private Limited
2. Fatehpur Coal Mining Company Private Limited

(B) Transactions with related parties

	This Year	Previous Year
		(₹ in lacs)
Key Management Personnel		
Remuneration	764*	814
Enterprises		
Amount paid for Services	2	1
Amount for Services Rendered	196	226
Rent Received	27	27
Rent Paid	4	3
Purchase of goods	11	-
Purchase of Capital goods	3	-
Advances paid	-	47
Loan Received (Net of Repayment)	(1154)	5,627
Balances outstanding at year end		
Long term advances	-	1
Loan Received	2,937	4,092
Trade Receivable	200	231
Joint Venture Entities		
Advances paid	21	8
Balances outstanding at year end		
Long term advances	189	181

Related party relationships are as identified by the management and relied upon by the Auditors.

No amount due from/to any related party is/has been written off/back or considered doubtful.

*Including remuneration paid to Shri Manoj Aggarwal, Company Secretary, who has since resigned.

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40. Earning per share (EPS)	This Year		Previous Year	
Net Profit (₹ in lacs)	2,058		934	
Weighted average no. of Equity Shares (In lacs)	1,345		1,345	
Basic/Diluted Earning per Share (₹)	1.53		0.69	
Face Value of each Share (₹)	10		10	
Note : Outstanding FCCB being anti dilutive have not been considered for the purpose of computing diluted earning per share.				
41. Particulars of raw materials consumed			(₹ in lacs)	
	This Year		Previous Year	
Chargeable Metal	27,075		57,166	
Coal	44,783		20,926	
PVC Resin	16,863		14,869	
Ores & Minerals	43,346		89,247	
Others	13,348		14,573	
	<u>1,45,415</u>		<u>1,96,781</u>	
42. Value of consumption of imported and indigenous raw materials, stores and spares and percentage to total consumption:				
	This Year		Previous Year	
	₹ in lacs	Percentage	₹ in lacs	Percentage
Raw Material Consumed				
Imported	11,752	8.08%	13,134	6.67%
Indigenous	1,33,663	91.92%	1,83,647	93.33%
	<u>1,45,415</u>	<u>100.00%</u>	<u>1,96,781</u>	<u>100.00%</u>
Stores & Spares				
Imported	47	1.11%	58	1.20%
Indigenous	4,186	98.89%	4,776	98.80%
	<u>4,233</u>	<u>100.00%</u>	<u>4,834</u>	<u>100.00%</u>
43. CIF value of imports (₹ in lacs)				
Stores & Spares	28		40	
Raw Material	652		3,186	
44. Earnings in foreign exchange (₹ in lacs)				
FOB Value of Exports	-		-	
45. Expenditure in foreign currency (₹ in lacs)				
Interest on Bonds	312		1,293	
Professional Charges	364		27	
Travelling	-		6	
46.	Certain balances of Debtors, Advances and Creditors are subject to confirmations. In the opinion of the management, no major adjustment will be required to be made in the accounts on receipt of these confirmations and subsequent to their reconciliations.			
47.	In view of the management, the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet as at 31st March,2016.			
48.	Managerial remuneration paid during the year aggregating to Rs. 523 lacs is subject to approval of members and Central Government. The Company is in the process of seeking the said approvals and the management is hopeful to get the same. In case the requisite approvals are not obtained, the Company would take necessary steps to recover the excess remuneration paid.			
49.	Land of Rs.98 lacs is vet to be transferred in the name of the Company.			

PRAKASH INDUSTRIES LIMITED

50. Segment wise Revenue, Results and Capital Employed

	(₹ in lacs)	
Particulars	This Year	Previous Year
Segment Revenue		
a) Power	34,946	44,958
b) Steel	1,79,887	2,61,646
c) PVC Pipe	25,286	21,515
Total	2,40,119	3,28,119
Less : Inter Segment Revenue (Power)	34,589	44,478
Net Sales/Income from Operations	2,05,530	2,83,641
Segment Results		
Profit before tax and interest		
a) Power	4,647	20,856
b) Steel	987	8,914
c) PVC Pipe	3,289	2,143
Total	8,923	31,913
Less : Financial Expenses	6,864	6,073
Exceptional Item	-	24,906
Total Profit before tax	2,059	934
Capital Employed (Segment Assets-Segment Liabilities - Revaluation Reserve)		
a) Power	1,40,344	1,36,689
b) Steel	1,65,132	1,70,891
c) PVC Pipe	3,543	2,327
Total	3,09,019	3,09,907

51. 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 lac rupees except figures of Earning per share which is rounded off to nearest rupee. Figures in brackets are for previous year.

As per our report of even date attached
For Chaturvedi & Partners
Chartered Accountants

(L.N. Jain)
Partner

For and on behalf of the Board

NEW DELHI
24th May, 2016

Ashwini Kumar
Company Secretary

Vikram Agarwal
Managing Director
DIN:00054125

M.L. Pareek
Whole - time Director & CEO
DIN:01795975

P.L. Gupta
Whole - time Director & CFO
DIN:00048868

PRAKASH INDUSTRIES LIMITED

NOTICE

NOTICE is hereby given that the 35th Annual General Meeting of the Members of Prakash Industries Limited will be held on Thursday, the 29th September, 2016 at 12.30 p.m. at the Registered Office of the Company at 15 Km. Stone, Delhi Road, Hissar-125044 to transact the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2016, Profit and Loss Account and Cash Flow Statement for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri P. L. Gupta (DIN : 00048868), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of fortieth (40th) consecutive Annual General Meeting and to fix their remuneration, and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 139 of the Companies Act, 2013 and other applicable provisions, if any, read with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation made by the Audit Committee of the Board and the Board of Directors, ("the Board") , the consent of the Company be and is hereby accorded for appointment of M/s Chaturvedi & Company, Chartered Accountants (FRN : 302137E) as Statutory Auditors of the Company in place of the retiring Auditors M/s Chaturvedi & Partners, Chartered Accountants (FRN : 307068E), who shall hold office from the conclusion of this 35th Annual General Meeting for term of consecutive five years till conclusion of the 40th Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and that the Board be and is hereby authorised to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors plus applicable service tax , in addition to reimbursement of travelling and out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company."

SPECIAL BUSINESS

4. To consider and, if thought fit, pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT in partial modification of the resolution(s) passed at the Annual General Meeting of shareholders of the Company held on 24th September, 2014 and pursuant to the provisions of Sections 196, 197 and all other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, or any statutory modification(s) or re-enactment thereof and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard and subject to such condition(s) as may be imposed by any authority while granting such consent(s), approval(s) and permission(s) and as agreed to by the Board of Directors (hereinafter referred to as the "Board", which term shall unless repugnant to the context or meaning thereof, be deemed to include any Committee thereof or any person authorized by the Board in this behalf), the approval of the members be and is hereby accorded to the Board to ratify and confirm the waiver of the recovery of excess remuneration paid, over and above the limits prescribed under the provisions of the Act, if any, to Shri V.P. Agarwal, (DIN 00048907) Chairman of the Company with effect from 1st April, 2015 to 31st March, 2016 on the following terms and conditions:

1. Salary: ₹ 32,00,000/- p.m.
(in the grade of ₹ 30,00,000 - 2,00,000 - 34,00,000)
2. Perquisites: In addition to the aforesaid salary, the following perquisites would be allowed.

The following perquisites will not be included in the computation of the ceiling on remuneration as per Schedule V of the Companies Act, 2013.

- i) Gratuity - In accordance with the provisions of the Payment of Gratuity Act but shall not exceed half month's salary for each completed year of service.
 - ii) Leave on full pay and allowances as per rules of the Company. Leave accumulated but not availed may be allowed to be encashed as per rules of the Company.
3. He shall also be entitled to reimbursement of expenses on actual basis which are incurred for business of the Company.
 4. No sitting fees is to be paid for attending the meetings of Board of Directors or Committees thereof.

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 from time to time pursuant to the provisions of Schedule V of the Companies Act, 2013 shall be paid to Shri V.P. Agarwal, Chairman as minimum remuneration with the approval of the Central Government, if required, for the period from 1st April, 2015 to 31st March, 2016.

RESOLVED FURTHER THAT Shri P.L. Gupta, Whole-time Director and Shri Ashwini Kumar, 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 consider and if thought fit, pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT in partial modification of the resolution passed at the Annual General Meeting of shareholders of the Company held on 26th September, 2015 and pursuant to the provisions of Sections 196, 197 Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any statutory modifications or re-enactment thereof and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent(s), approval(s) and permission(s) and as agreed to by the Board of Directors (hereinafter referred to as the "Board", which term shall unless repugnant to the context or meaning thereof, be deemed to include any Committee thereof or any person authorized by the Board in this behalf), the approval of the members be and is hereby accorded to the Board to ratify and confirm the waiver of the recovery of excess remuneration paid, over and above the limits prescribed under the provisions of the Act, if any, to Shri Vikram Agarwal, (DIN 00054125) Managing Director of the Company with effect from 1st April, 2015 to 31st March 2018 on the following revised terms and conditions:

1. Salary: ₹ 12,00,000/- p.m.
(in the grade of ₹ 12,00,000-1,00,000-15,00,000)
2. Perquisites: In addition to the aforesaid salary, the following perquisites would be allowed.
Category 'A'
- 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

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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 member of provident fund or in case he is non-member of provident fund, ex-gratia in lieu of contribution to provident fund equivalent to 12% of the salary.

Category 'B'

The following perquisites will not be included in the computation of the ceiling on remuneration as per Schedule V of the Companies Act, 2013.

- i) Gratuity - In accordance with the provisions of the Payment of Gratuity Act but shall not exceed half month's salary for each completed year of service.
 - ii) Leave on full pay and allowances as per rules of the Company. Leave accumulated but not availed may be allowed to be encashed as per rules of the Company.
- 3) He shall also be entitled to reimbursement of expenses on actual basis which are incurred for business of the Company.
 - 4) No sitting fees is to be paid for attending the meetings of Board of Directors or Committees thereof.

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 from time to time pursuant to the provisions of Schedule V of the Companies Act, 2013 shall be paid to Shri Vikram Agarwal, Managing Director as minimum remuneration with the approval of the Central Government, if required, for the period from 1st April, 2015 to 31st March, 2018.

RESOLVED FURTHER THAT Shri P.L. Gupta, Whole-time Director and Shri Ashwini Kumar, 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."

6. To consider and if thought fit, pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT in partial modification of the resolution passed at the Annual General Meeting of shareholders of the Company held on 26th September, 2015 and pursuant to the provisions of Sections 196, 197 Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any statutory modifications or re-enactment thereof and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent(s), approval(s) and permission(s) and as agreed to by the Board of Directors (hereinafter referred to as the "Board", which term shall unless repugnant to the context or meaning thereof, be deemed to include any Committee thereof or any person authorized by the Board in this behalf), the approval of the members be and is hereby accorded to the Board to ratify and confirm the waiver of the recovery of excess remuneration paid, over and above the limits prescribed under the provisions of the Act, if any, to Shri M.L. Pareek, (DIN 01795975) as Whole-time Director designated as Director (Project) and Chief Executive Officer (CEO) of the Company with effect from 1st April, 2015 to 31st March 2018 on the following revised terms and conditions:

1. Salary: ₹ 3,20,000/- p.m.
(in the grade of ₹ 3,20,000-40,000-4,00,000)
2. Ex-gratia in lieu of Bonus : 20% of salary as per rules of the Company.
3. Perquisites: In addition to the aforesaid salary, the following perquisites would be allowed.

Category 'A'

- 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 member of provident fund or in case he is non-member of provident fund, ex-gratia in lieu of contribution to provident fund equivalent to 12% of the salary.

Category 'B'

The following perquisites will not be included in the computation of the ceiling on remuneration as per Schedule V of the Companies Act, 2013.

- i) Gratuity - In accordance with the provisions of the Payment of Gratuity Act but shall not exceed half month's salary for each completed year of service.
 - ii) Leave on full pay and allowances as per rules of the Company. Leave accumulated but not availed may be allowed to be encashed as per rules of the Company.
4. He shall also be entitled to reimbursement of expenses on actual basis which are incurred for business of the Company.
 5. No sitting fees is to be paid for attending the meetings of Board of Directors or Committees thereof.

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 from time to time pursuant to the provisions of Schedule V of the Companies Act, 2013 shall be paid to Shri M.L. Pareek, Whole-time Director as minimum remuneration with the approval of the Central Government, if required, for the period from 1st April, 2015 to 31st March, 2018.

RESOLVED FURTHER THAT Shri P.L. Gupta, Whole-time Director and Shri Ashwini Kumar, 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."

7. To consider and if thought fit, pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT in partial modification of the resolution passed at the Annual General Meeting of shareholders of the Company held on 26th September, 2015 and pursuant to the provisions of Sections 196, 197 Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any statutory modifications or re-enactment thereof and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent(s), approval(s) and permission(s) and as agreed to by the Board of

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Directors (hereinafter referred to as the "Board", which term shall unless repugnant to the context or meaning thereof, be deemed to include any Committee thereof or any person authorized by the Board in this behalf), the approval of the members be and is hereby accorded to the Board to ratify and confirm the waiver of the recovery of excess remuneration paid, over and above the limits prescribed under the provisions of the Act, if any, to Shri P.L. Gupta, (DIN 00048868) as Whole-time Director designated as Director (Finance) and Chief Financial Officer (CFO) of the Company with effect from 1st April, 2015 to 31st March, 2018 on the following revised terms and conditions:

1. Salary: ₹ 2,25,000/- p.m.
(in the grade of ₹ 2,25,000-25,000-2,75,000)
2. Ex-gratia in lieu of Bonus : 20% of salary as per rules of the Company.
3. Perquisites: In addition to the aforesaid salary, the following perquisites would be allowed.

Category 'A'

- 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 member of provident fund or in case he is non-member of provident fund, ex-gratia in lieu of contribution to provident fund equivalent to 12% of the salary.

Category 'B'

The following perquisites will not be included in the computation of the ceiling on remuneration as per Schedule V of the Companies Act, 2013.

- i) Gratuity - In accordance with the provisions of the Payment of Gratuity Act but shall not exceed half month's salary for each completed year of service.
- ii) Leave on full pay and allowances as per rules of the Company. Leave accumulated but not availed may be allowed to be encashed as per rules of the Company.
4. He shall also be entitled to reimbursement of expenses on actual basis which are incurred for business of the Company.
5. No sitting fees is to be paid for attending the meetings of Board of Directors or Committees thereof.

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 from time to time pursuant to the provisions of Schedule V of the Companies Act, 2013 shall be paid to Shri P.L. Gupta, Whole-time Director as minimum remuneration with the approval of the Central Government, if required, for the period from 1st April, 2015 to 31st March, 2018.

RESOLVED FURTHER THAT Shri M.L. Pareek, Whole-time Director and Shri Ashwini Kumar, 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."

8. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to recommendation of Nomination and Remuneration Committee of the Company and as per the 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), approval of the members be and is hereby accorded for the re-designation and appointment of Shri Kanha Agarwal (DIN : 06885529) as Joint Managing Director of the Company for a period from 6th February, 2016 to 31st March, 2019 subject to approval of the Central Government, if required, on the following terms and conditions:-

- 1) Salary : ₹ 2,20,000 p.m.
[in the grade of ₹ 2,20,000 -30,000 - 2,80,000 (grade pay will be effective every year on 1st April i.e. 1st April, 2017 onwards)].

- 2) Perquisites : In addition to the aforesaid salary, the following perquisites would be allowed:

Category 'A'

- 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 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 member of provident fund or in case he is non-member of provident fund, ex-gratia in lieu of contribution to provident fund equivalent to 12% of the salary.

Category 'B'

The following perquisites shall not be included in the computation of the ceiling on remuneration specified above:

- i) 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.
- ii) Leave on full pay and allowances as per rules of the Company. Leave accumulated but not availed may be allowed to be encashed as per rules of the Company.
- 3) He shall also be entitled to reimbursement of expenses on actual basis which are incurred for business of the Company.

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

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 from time to time pursuant to the provisions of Schedule V of the Companies Act, 2013 shall be paid to Shri Kanha Agarwal as Joint Managing Director as minimum remuneration subject to approval of the Central Government, if required, for the period from 6th February, 2016 to 31st March, 2019.

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 including confirmation of the waiver of the recovery of excess remuneration paid, if any and as may be suggested by shareholders / any authority and acceptable to Shri Kanha Agarwal.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary and desirable to give effect to this resolution."

PRAKASH INDUSTRIES LIMITED

9. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to Sections 196, 197 and 203 of the Companies Act, 2013 read with Schedule V Part I (c) the consent of the members be and is hereby accorded for continuation of Shri M. L. Pareek (DIN :01795975), Whole time Director designated as Director(Project) and Chief Executive Officer of the Company as per terms and conditions specified in the special resolution passed by the members at its 34th Annual General Meeting of the Company held on 26th September 2015 even though he has attained the age of seventy years in May, 2015 and shall be entitled to the remuneration as passed in the above stated resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary and desirable to give effect to this resolution."

10. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions 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 2016-17 and the remuneration amounting to ₹ 1,50,000/- (Rupees One Lac 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 authorised to do 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 : 29th August, 2016
CIN : L27109HR1980PLC010724

Ashwini Kumar
Company Secretary

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. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The instrument appointing the proxy, duly completed, must be deposited at the Company's Registered/Corporate Office not less than 48 hours before commencement of the meeting. A proxy form for the AGM is enclosed.
4. Pursuant to Section 105 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 a person shall not act as proxy for more than fifty (50) members and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
5. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representatives to attend and vote on their behalf at the meeting to the Company .
6. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
7. Register of Members and Share Transfer Books will remain closed from 27th September, 2016 to 29th September, 2016 (both days inclusive).
8. i) Members are requested to quote their folio, DP and client ID No. in all correspondence with the Company.
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 Company.
iii) Members holding shares in physical form and desirous of making nomination in respect of their shareholding in the Company may send Form SH-13 for the purpose which is available at the Corporate Office of the Company or may be downloaded from the Company's website www.prakash.com
- iv) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities Market. Members holding shares in demat form are requested to update their PAN details with their respective DPs and those holding shares in physical form may send self attested copy of PAN card to the Company.
9. As per rules regarding **unpaid / unclaimed dividend** prescribed by MCA; Company has already given the details of unpaid/ unclaimed dividend for the financial year 2010-11, 2011-12, 2012-13 and 2013-14 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 abovesaid website.

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Members who have not received / encashed their dividend warrants for the financial year 2010-11, 2011-12, 2012-13 and 2013-14 may please write to Shri Ashwini Kumar, Company Secretary and Compliance Officer, at the Company's Corporate Office for claiming the said dividends. Members are requested to note that dividends 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.

Form for providing bank details is available on the Company's website www.prakash.com and also **annexed with the Annual Report**.

10. Members holding shares in physical form are advised to convert their shareholding in dematerialized form with any depository participant.
11. 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 will be available for inspection at the AGM.
12. The Ministry of Corporate Affairs (MCA) has undertaken a "Green Initiative in Corporate Governance" and allowed Companies to send documents through electronic mode to its members. As per Regulation 36(1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies shall send soft copies of the Annual Report and other notices to all those members who have registered their email ids for the said purpose. Members are requested to support this Green Initiative by registering /updating their email ids for receiving electronic communications.
Members holding shares in electronic mode are requested to update their email ids with their respective DPs and those holding shares in physical mode are requested to update their email ids with the Company at SRIVAN, Najafgarh - Bijwasan Road, Bijwasan, New Delhi - 110061.

13. Voting through electronic means -

- A. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility to its Members in respect of the businesses to be transacted at the 35th Annual General Meeting ("AGM"). The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") as the Authorised Agency to provide e-voting facilities.
- B. Members are requested to note that the business may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. It is hereby clarified that it is not mandatory for a Member to vote using the e-voting facility. A Member may avail of the facility at his/her/its discretion, as per the instructions provided herein:

Instructions:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 26th September, 2016 (09:00 a.m.) and ends on 28th September, 2016 (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 22nd September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) 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.
- (vi) Next Enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members 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 first two letters of their name and 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of name in CAPITAL letters. Eg. If your name is RAMESH KUMAR with sequence number 1 then enter RA00000001 in the PAN field.
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 (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN of "Prakash Industries Limited".
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and

PRAKASH INDUSTRIES LIMITED

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.

- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed 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.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phones users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non - Individual Shareholders and Custodians
 - " Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - " 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.
- C. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 22nd September, 2016 may follow the same instructions as mentioned above for e-Voting.
- D. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com
- E. M/s. S. K. Hota & Associates, Company Secretaries (Membership No.16165 & CP No.6425) has been appointed as the Scrutinizer and Alternate scrutinizer

to scrutinize the remote e-voting process and voting through Ballot paper in the meeting, in a fair and transparent manner.

- F. The Scrutinizer, after scrutinising the votes cast at the meeting through ballot paper and through remote e-voting, will not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman.
- G. In the event of poll, please note that the members who have exercised their right to vote through electronic means as above shall not be eligible to vote by way of poll at the meeting. The poll process shall be conducted and report thereon shall be prepared in accordance with Section 109 of the Act read with relevant rules. In such an event, votes cast under Poll taken together with the votes cast through remote e-voting shall be counted for the purpose of passing of resolution(s). No voting by show of hands will be allowed at the Meeting.
- H. Subject to receipt of sufficient votes, the resolution(s) shall be deemed to be passed at the 35th Annual General Meeting of the Company scheduled to be held on Thursday, the 29th September, 2016. The Results shall be declared within 48 Hours from the conclusion of the meeting. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website, www.prakash.com and on CDSL's website, www.cdslindia.com within 48 hours of passing of the Resolutions at the meeting and communicated to the Stock Exchanges.
- 14. Details of Directors seeking appointment/reappointment at the forthcoming Annual General Meeting 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 as per Annexure- A
- 15. Members are requested to bring their duly filled Attendance Slip enclosed herewith to attend the meeting along with their copy of Annual Report.
- 16. A route map to the venue of the AGM alongwith prominent landmark for easy location is enclosed.

Item No. 3.

The statutory Auditors, M/s. Chaturvedi & Partners, Chartered Accountants (FRN 307068E) have expressed their unwillingness to be re-appointed as the auditors of the Company. A special notice has been received under Section 140(4)(i) of the Companies Act, 2013 from a member proposing appointment of M/s Chaturvedi & Company, Chartered Accountants (FRN : 302137E), as the statutory auditors.

The Audit Committee has considered the qualifications and experience of the proposed auditors and has recommended their appointment. The Board of Directors has also considered the matter and recommends the passing of the Special Resolution appointing M/s Chaturvedi & Company, Chartered Accountants, as statutory auditors in place of the retiring Auditors M/s. Chaturvedi & Partners, Chartered Accountants. Written consent of the proposed auditors together with a certificate that the appointment, if made, shall be in accordance with the conditions specified in Rule 4 of the Companies (Audit and Auditors) Rules, 2014 has been received.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 3 of the Notice.

Item No.4, 5, 6 & 7

Shri V.P. Agarwal was reappointed as the Chairman of the Company w.e.f. 1st April, 2014. He has been leading the Company since incorporation in 1980 and under his able guidance and services, the Company has achieved various milestones. Shri

PRAKASH INDUSTRIES LIMITED

Vikram Agarwal was reappointed as Managing Director of the Company w.e.f. 1st April, 2015 for three years. He has been associated with the Company since 2005. Shri M.L. Pareek is an experienced technocrat and had been associated with the Company since 2012. He is thus conversant with all the facets of the working of the Company. Shri P.L. Gupta is a Chartered Accountant having work experience of 35 years and has been associated with the Company for more than two decades and thus conversant with all the facets of the working of the Company.

The remuneration of all executive Directors has been approved by Nomination and Remuneration Committee, Board and members of the Company, from time to time. Accordingly, Company has paid them remuneration during their tenure of services. Subsequent to the de-allocation of Chotia Coal mine which was operational mine with the company, the profitability margins were affected. Further, the global recession in the steel sector particularly in India due to glut of cheap steel imports from China added to the woes of the domestic steel players during major part of the year under review. Due to these exceptional circumstances, Company's margins were significantly impacted and resulted into inadequate net profit in the financial year ended 31st March, 2016.

As per the provisions of the Companies Act, 2013 read with Schedule V, in the event of no profit or inadequate profit, Company may pay remuneration as per the limits prescribed under Section II of Schedule V to the Companies Act, 2013 and if the amount exceeds the prescribed limits, then the Company can pay minimum remuneration with the approval of Central Government.

The other information as required under Section-II of Part-II of Schedule V to the Companies Act, 2013 is given as under:-

I. GENERAL INFORMATION:

(1) **Nature of Industry** : Steel and Power

(2) **Date or expected date of commencement of commercial operation**: N.A.
(The Company is an existing Company and was incorporated on 31st July, 1980)

(3) **In case of new companies, expected date of commencement of activities as per the project approved by financial institutions appearing in the prospectus**: N.A.

(4) **Financial performance based on given indicators**:

(₹ In Crores)

PARTICULARS	2015-16 (Audited)	2014-15 (Audited)	2013-14 (Audited)	2012-13 (Audited)
Total Revenue	2060.11	2844.13	2600.14	2513.37
Profit before tax	20.82	9.34	203.59	166.98
Net Profit after tax	20.81	9.34	173.16	164.89
Earnings Per Share (EPS)(₹)	1.55	0.69	12.88	12.26

(5) Foreign investments or collaborations, if any: Not Applicable

II. INFORMATION ABOUT THE APPOINTEE:

Item No. 4

Name of the Director : Shri V.P. Agarwal

Background details : He is the Chairman of the Company since 1996. Under his able leadership and guidance, the Company completed various expansion plans and commercial projects successfully.

Past Remuneration 2013-14 ₹ 2.82 Crores
2014-15 ₹ 3.61 Crores
2015-16 ₹ 3.84 Crores

Recognition or Awards : -

Job profile and suitability: He is leading the Company as Chairman and plays major role in providing the thought leadership and strategic inputs and under his able leadership, guidance and services, Company has grown manifold.

Remuneration proposed : As per resolution

Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

The remuneration payable has been as per standard remuneration being drawn by similar positions in Steel & Power Industry and has been considered by the Nomination and Remuneration Committee and Board of Directors of the Company.

Pecuniary relationship directly or Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

Shri V.P. Agarwal is a promoter of the Company. He holds 5,26,884 equity shares (0.39%) of the Company as on 31st March, 2016. He receives remuneration from the Company as per the details mentioned in the proposed resolution. Apart from this, he does not have any pecuniary relationship in the Company.

Shri Vikram Agarwal, Managing Director and Shri Kanha Agarwal, Joint Managing Director are his sons on the Board of the Company.

Item No.5

Name of the Director : Shri Vikram Agarwal

Background details : He is the Managing Director of the Company. He joined the Company in the year 2005.

Past Remuneration : 2013-14 : ₹ 1.34 Crores
2014-15 : ₹ 1.62 Crores
2015-16 : ₹ 1.75 Crores

Recognition or Awards : He is the recipient of "Emerging India Business Baron Award" conferred by IES in the year 2012.

Job profile and suitability : He is associated with the Company since 2005 and presently he is the Managing Director of the Company. He is actively involved in day to day affairs of the Company.

Remuneration proposed : As per resolution

Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

The remuneration payable has been as per standard remuneration being drawn by similar positions in Steel & Power Industry and has been considered by the Nomination and Remuneration Committee and Board of Directors of the Company.

Pecuniary relationship directly or Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

Shri Vikram Agarwal is a promoter of the Company. He holds 4,06,500 equity shares (0.30%) of the Company as on 31st March, 2016. He receives remuneration from the Company as per the details mentioned in the proposed resolution. Apart from this, he does not have any pecuniary relationship in the Company.

Shri V.P. Agarwal, Chairman is the father of Shri Vikram Agarwal. Shri Kanha Agarwal Joint Managing Director is brother of Shri Vikram Agarwal, Managing Director of the Company.

Item No.6

Name of the Director : Shri M.L. Pareek

Background details : He is Whole-time Director of the Company. He joined the Company in the year 2012.

Past Remuneration : 2013-14 : ₹ 0.41 Crores

PRAKASH INDUSTRIES LIMITED

2014-15 : ₹ 0.47 Crores

2015-16 : ₹ 0.56 Crores

Recognition or Awards : Nil.

Job profile and suitability : He is associated with the Company since 2012 and presently he is the Whole-time Director designated as Director (Project) and Chief Executive Officer of the Company. He is actively involved in day to day affairs of the Company.

Remuneration proposed : As per resolution

Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

The remuneration payable has been as per standard remuneration being drawn by similar positions in Steel & Power Industry and has been considered by the Nomination and Remuneration Committee and Board of Directors of the Company.

Pecuniary relationship directly or Pecuniary relationship indirectly with the Company, or relationship with the managerial personnel, if any

Shri M.L. Pareek holds 802 equity shares of the Company as on 31st March, 2016. He receives remuneration from the Company as per the details mentioned in the proposed resolution. Apart from this, he does not have any pecuniary relationship in the Company.

Item No.7

Name of the Director : Shri P.L. Gupta

Background details : He is Whole-time Director of the Company. He joined the Company in the year 1991.

Past Remuneration :

2013-14 :	₹ 0.31 Crores
2014-15 :	₹ 0.31 Crores
2015-16 :	₹ 0.39 Crores

Recognition or Awards : Nil.

Job profile and suitability : He is a Chartered Accountant having work experience of 36 years and has been associated with the Company for more than two decades and he is the Whole-time Director designated as Director (Finance) and Chief Financial Officer of the Company. He is actively involved in day to day affairs of the Company.

Remuneration proposed : As per resolution

Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

The remuneration payable has been as per standard remuneration being drawn by similar positions in Steel & Power Industry and has been considered by the Nomination and Remuneration Committee and Board of Directors of the Company.

Pecuniary relationship directly or Pecuniary relationship indirectly with the Company, or relationship with the managerial personnel, if any

Shri P.L. Gupta does not hold any share of the Company as on 31st March, 2016. He receives remuneration from the Company as per the details mentioned in the proposed resolution. Apart from this, he does not have any pecuniary relationship in the Company.

III OTHER INFORMATION

Reason of loss or inadequate profits: Subsequent to the de-allocation of Chotia Coal mine which was operational mine with the company, the profitability margins were affected. Further, the global recession in the steel sector particularly in India due to glut of cheap steel imports from China added to the woes of the domestic steel players during major part of the year under review. Due to these exceptional

circumstances, Company's margins were significantly impacted and resulted into inadequate net profit in the financial year ended 31st March, 2016.

Steps taken or proposed to be taken for improvement: The management is putting efforts for reducing the cost of operations at all plants with innovative and new techniques and strategies. These efforts are expected to increase the profitability of the Company in the coming times.

Expected increase in productivity and profits in measurable terms: The demand of steel in financial year 2016-17 is expected to grow in view of Government's focus on "Make in India", "Smart Cities" and major infrastructure investments. Further Company's margin is also likely to improve in coming financial year significantly due to government's protective measures i.e. imposition of safeguard duty, minimum import price and proposed applicability of BIS Standard of Imported steel products. The Company is in process of acquiring Iron Ore mine, which is a major raw material for its steel and power business.

Therefore, the Board of Directors had, in its meeting held on 24th May, 2016, considered these matters and recommends Resolution Nos. 4,5,6 and 7 of the accompanying notice for your approval by way of special resolutions. After the approval of members, application(s), if required, will be made to Central Government for its approval.

The matter was discussed and recommended by the Nomination and Remuneration Committee also.

A copy of the resolution passed by the Board of Directors relating to the terms and conditions of appointment and payment of remuneration and other relevant documents are open for inspection of the members at the Registered Office of the Company between 11.00 A.M. to 1.00 P.M. on any working day prior to the date of the meeting and also at 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 V.P. Agarwal, Shri Vikram Agarwal, Shri Kanha Agarwal, Shri M.L. Pareek, Shri P.L. Gupta and Shri Kanha Agarwal are interested in the resolutions. No other Director and / or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in respect of the said resolutions.

The Board recommends the resolutions set out at Item No. 4,5,6 and 7 for your approval.

Item No 8 :

Shri Kanha Agarwal is a commerce graduate and young industrialist. He is currently pursuing Post Graduate degree in management at the Indian School of Business. He has experience in financial audit, financial modelling and Mergers & Acquisitions. Shri Kanha Agarwal was appointed by the Board of Directors of the Company as an Additional Director w.e.f. 28th May, 2014 and appointed by members as Non-executive Director w.e.f. 24th September, 2014.

Keeping in view of accelerated growth of the Company and his active involvement, Nomination and remuneration Committee and Board of Directors of the Company recommended and appointed him as Joint Managing Director w.e.f. 6th February 2016 to 31st March 2019.

As on 31st March 2016, Shri Kanha Agarwal holds 18450 equity shares of the Company.

Shri V.P. Agarwal, Chairman is father of Shri Kanha Agarwal, Joint Managing Director. Shri Vikram Agarwal, Managing Director of the Company is brother of Shri Kanha Agarwal.

A copy of the resolution passed by the Board of Directors relating to the terms and conditions of appointment and payment of remuneration and other relevant documents

PRAKASH INDUSTRIES LIMITED

are open for inspection of the members at the Registered Office of the Company between 11.00 A.M. to 1.00 P.M. on any working day prior to the date of the meeting and also at the meeting.

None of the Directors except Shri Kanha Agarwal, Shri V.P. Agarwal and Shri Vikram Agarwal are interested in the Resolution.

The Board recommends the resolution set out at item No. 8 for your approval.

Item No.9

As per the requirement of section 196(3) and the Schedule V Part I (c) of the Companies Act, 2013 if a Managing or Whole Time Director has attained the age of 70 years then his appointment/continuation needs to be approved by a special resolution passed by the Company in General Meeting otherwise Central Government approval is required.

Shri M. L. Pareek, (DIN: 01795975) has attained the age of 70 years in May, 2015. Your Directors in their meeting held on 24th May, 2016 have approved and recommended his continuation as Whole time Director designated as Director (Project) and Chief Executive Officer of the Company for approval of the members as a special resolution as per terms and conditions specified in the special resolution passed by the members at its 34th Annual General Meeting of the Company held on 26th September, 2015

None of the Directors except Shri M. L. Pareek, is interested in the Resolution

The Board recommends the Resolution set out at Item No.9 for your approval.

Item No.10

The Board on the recommendation of the Audit Committee has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2016-17 as mentioned in the resolution set out at Item No.10 of the notice.

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 members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.10 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2016-17.

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.10 for your approval.

By order of the Board
For Prakash Industries Limited

Registered Office:
15 Km. Stone,
Delhi Road,
Hissar – 125044 (Haryana)
Dated : 29th August, 2016
CIN : L27109HR1980PLC010724

Ashwini Kumar
Company Secretary

Annexure - A

Details of Directors seeking appointment/reappointment at the forthcoming Annual General Meeting 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 Directors	Sh. P.L. Gupta	Sh. Kanha Agarwal
Date of Birth	05.04.1951	22.10.1991
Date of First appointment on the Board	07.11.2011	28.05.2014
Qualifications	FCA	Commerce Graduate
Experience/Expertise in specific function areas /Brief resume of the Director.	Sh P.L. Gupta is Chartered Accountant. He has over 39 years of experience in various capacities in the field of Finance,Accounts & Taxation. He Joined the Company in 1991and subsequently elevated to the Board of Directors on 7th November 2011. He presently oversees the Finance,Accounts & Taxation functions of the Company.	Has experience in financial audit, financial modelling and Mergers & Acquisitions. Has in depth expertise in family business management. Has been working with the Company since 2014. Has worked with E & Y in different roles prior to joining the Company.
Terms and Conditions of appointment/ re-appointment	Refer to Item no. 2 & 7 of notice	As per terms and conditions specified vide special resolution item no 8.
Details of remuneration sought to be paid and remuneration last drawn	Refer to Item no. 2 & 7 of notice	As per terms and conditions specified vide special resolution item no 8.
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	Son of Shri V.P. Agarwal, Chairman and Brother of Shri Vikram Agarwal, Managing Director. Apart from that not inter-se related to any other Director or key Managerial Personnel.
No. of Meeting of Board of Directors attended during the F.Y. 2015-16	5	5
Other Directorship held	Prakash Thermal Power Ltd. Radhikapur (West)Coal Mining Pvt. Ltd. Manhar Builders Pvt. Ltd.	Prime Mercantile Private Limited Shree Labh Lakshmi Capital Services Private Limited GMK Builders Private Limited Deo Steel and Mines Private Limited Hissar Tubes Private Limited Ambrosia Commerce Private Limited Spring Mercantile Private Limited Focus securities & Credit Private Limited Vanshi Farms Private Limited Ocean Ispat Private Limited Pareek Overseas Private Limited Sunvin Trading and Investment Private Limited Prospero Securities Private Limited New Era Commerce and Securities Private Limited Style Leasing and Finance Private Limited
Membership/Chairmanship of Committees of other Boards	Nil	Nil
Shareholding in the Company	Nil	18450 Equity Shares

E-COMMUNICATION REGISTRATION FORM

To,

Prakash Industries Limited
SRIVAN
Bijwasan
New Delhi - 110061
Ph.No.011-25305800
Fax No. 011-28062119
E-mail: investorshelpline@prakash.com
Website: www.prakash.com

Green Initiative in Corporate Governance

I/We hereby exercise my/our option to receive all Notices / Documents, etc. from the Company including Notice of General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report, Postal Ballot Notice, etc. in electronic mode.

Please register my e-mail ID as given below, in your records, for sending the communications:

DP ID & Client ID / Folio No.	:	.....
Name of 1st Registered Holder	:	.....
Name of Joint Holder(s), if any	:	.....
Registered Address of the Sole/ 1st Registered Holder	:	..... ..... .....
E-mail ID (to be registered)	:	.....

Date :

Signature :

Notes:

1. The above form may be used for registering the E-mail IDs by those Shareholders who hold Shares in physical form.
2. The form duly filled and signed may please be sent to Company's above mentioned address.
3. Members holding shares in electronic mode are requested to ensure to keep their e-mail addresses updated with the depository participants.
4. On registration, all the communications will be sent to the E-mail ID registered.
5. The form is also available on the website of the Company i.e. www.prakash.com under the 'Investors Section'.
6. Shareholders are requested to keep updated to their depository participants / Company's above mentioned address as and when there is any change in the e-mail address.

NATIONAL ELECTRONIC CLEARING SERVICES (NECS)/ ELECTRONIC CLEARING SERVICES (ECS) MANDATE FORM

To, Company Secretary Prakash Industries Ltd. SRIVAN Najafgarh - Bijwasan Road, Bijwasan, New Delhi - 110061	To, The Depository Participant Concerned <i>(In case of shares held in Demat, Form be sent direct to DP and not to the Company)</i>
--	---

Dear Sirs,

Please fill in the information in CAPITAL LETTERS in ENGLISH only.

For Office Only
Ref. No.

Shares held in Physical Form

Folio No.

Shares held in Demat Form

DP ID No. (NSDL)*

Client ID No. :

DP ID & Client ID No.(CDSL)*

*Applicable for Investors holding shares in Demat Form

Name of Sole/First holder	
Bank Name	
Branch Name	
Branch Code	<div style="border: 1px solid black; display: inline-block; width: 100px; height: 1.2em; vertical-align: middle;"></div> <small>(9 Digits Code number appearing on the MICR Band of the cheque supplied by the Bank). Please attached a xerox copy of cancelled cheque for ensuring accuracy of the bank's name, branch name and code number etc.</small>

Account type (Please Tick (✓) wherever applicable)	→	Savings 	→	Current 	→	Cash Credit
---	---	---	---	---	---	---

Account No. (as appearing in the cheque book)	→	
--	---	--

I, hereby declare that the particulars given above are correct and complete. I shall not hold the Company, responsible if any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information supplied as above, I agree to avail the NECS/ECS facility as implemented by Prakash Industries Ltd.

I further undertake to inform Prakash Industries Ltd. OR concerned Depository Participant of any change in the particulars given above to facilitate updation of records.

Place : _____

Date : _____

 (Signature of Sole/First holder)
 Phone/Mob. : _____
 Email : _____

NOTES :

1. FOR SHARES HELD IN PHYSICAL FORM, NECS/ECS MANDATE IS REQUIRED TO BE SENT TO THE COMPANY AT ABOVE ADDRESS.
2. FOR SHARES HELD IN DEMATERIALIZED FORM, NECS/ECS MANDATE IS REQUIRED TO BE FILED WITH THE CONCERNED DEPOSITORY PARTICIPANT AND **NOT TO THE COMPANY**.



Prakash Industries Limited

CIN : L27109HR1980PLC010724

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

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
Joint share holders may obtain additional Slip at the Venue of the Meeting.

Folio or DP ID & Client ID* No.	
Name of Shareholder(s)	

I/We hereby record my/our presence at the 35th Annual General Meeting of the Company to be held on Thursday, 29th September, 2016 at 12.30 PM at 15 Km. Stone, Delhi Road, Hissar-125044 (Haryana)

*Applicable for the investors holding shares in electronic form.

Signature of Shareholder/Proxy

Note : Please read the instructions printed under the Note No.13 to the Notice of 35th Annual General Meeting. The e-voting period starts on Monday, 26th September, 2016 (9.00 am) and ends on Wednesday, 28th September, 2016 (5.00 pm). At the end of the e-voting period, the portal where the votes are cast shall forthwith be blocked by CDSL.



Prakash Industries Limited

CIN : L27109HR1980PLC010724

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

FORM NO. MGT-11

PROXY FORM

(Pursuant to Section 105(8) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Members(s) :	E-mail ID :
Registered Address :	Folio or DP ID & Client ID* No.

I/We, being the member(s) of Prakash Industries Limited holding _____ equity shares, hereby appoint :

- 1) _____ of _____ having E-mail ID _____ or failing him
- 2) _____ of _____ having E-mail ID _____ or failing him
- 3) _____ of _____ having E-mail ID _____ or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the Company to be held on Thursday, 29th September, 2016 at 12.30 PM at 15 Km. Stone, Delhi Road, Hissar-125044 (Haryana) and at any adjournment thereof in respect of such resolutions as are indicated below:

I/we wish my/our above Proxy to vote in the manner as indicated in the box below:

Resolution No.	Description of Resolution	For	Against
1.	Consider and adopt Audited Financial Statements, Reports of the Board of Directors and Auditors as at 31 st March, 2016		
2.	Re-appointment of Shri P.L. Gupta (DIN : 00048868) who retires by rotation		
3.	Appointment of Auditors and fixing their remuneration		
4.	Consider and ratify the remuneration paid and payable to Shri V.P. Agarwal		
5.	Consider and ratify the remuneration paid and payable to Shri Vikram Agarwal		
6.	Consider and ratify the remuneration paid and payable to Shri M.L. Pareek		
7.	Consider and ratify the remuneration paid and payable to Shri P.L. Gupta		
8.	Appointment of Shri Kanha Agarwal as Joint Managing Director		
9.	Consider and ratify the appointment of Shri M.L. Pareek		
10.	Ratification of remuneration of Cost Auditors		

Signed this _____ day of _____, 2016

Signature of shareholder

Affix
Revenue
Stamp
₹1

Signature of first proxy holder

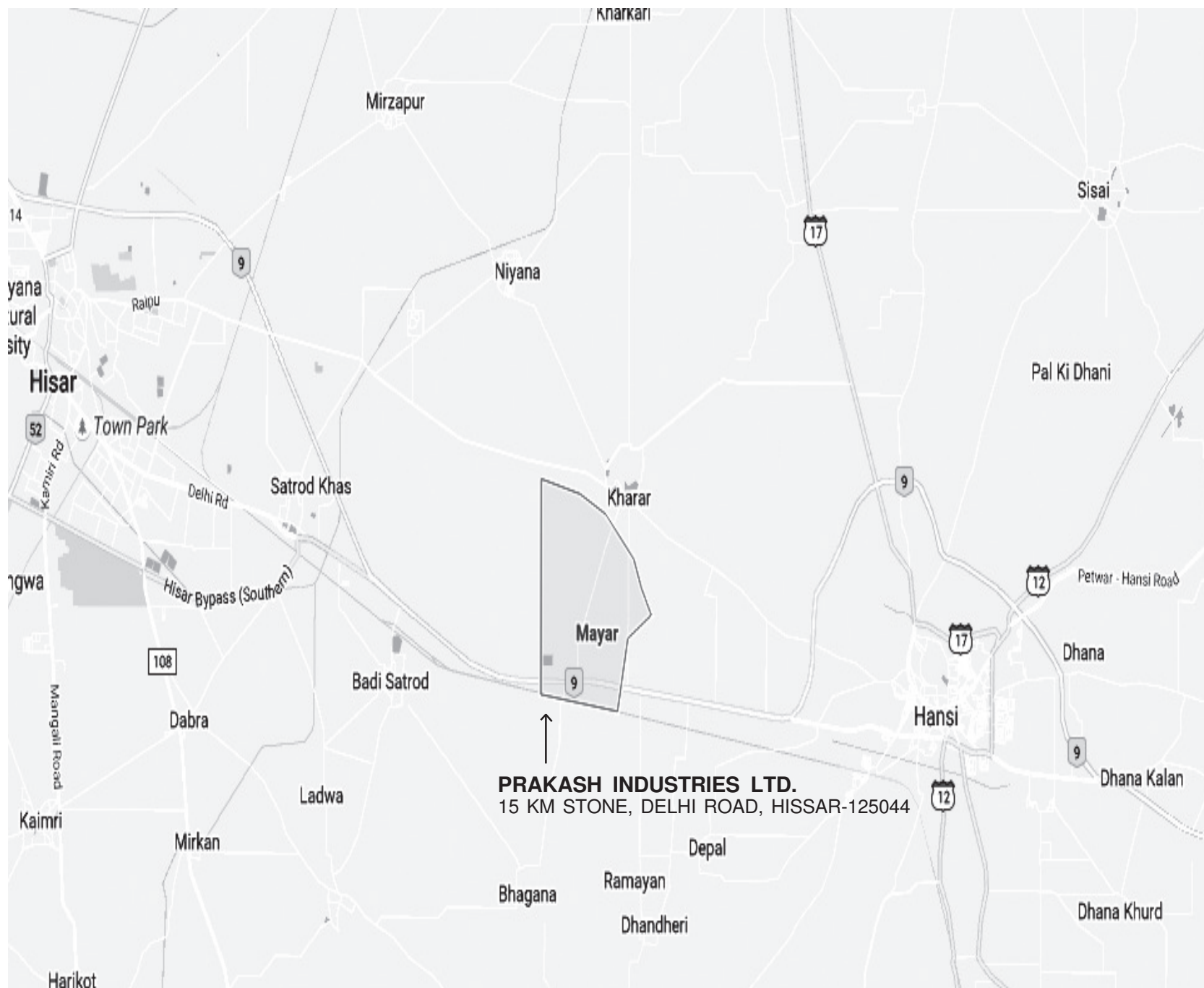
Signature of second proxy holder

Signature of third proxy holder

Notes: (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered/Corporate Office of the Company not less than 48 hours before the commencement of the meeting.

(2) This is only optional. Please tick (✓) in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Route Map for Venue of 35th Annual General Meeting of the Company to be held on Thursday, 29th September, 2016





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