



# Prakash Industries Limited

People.. Prosperity.. Progress..



ANNUAL REPORT  

---

2014-15

## **PRAKASH INDUSTRIES LIMITED**

### **BOARD OF DIRECTORS**

Shri V. P. Agarwal	Chairman
Shri K. C. Mehra	Director
Dr. S. L. Keswani	Director
Shri Y.N. Chugh	Director
Shri M.R. Agarwal	Director
Shri Pankaj Chaturvedi	Director
Smt Purnima Gupta	Director
Shri Kanha Agarwal	Director
Shri Vikram Agarwal	Managing Director
Shri M.L. Pareek	Whole - time Director
Shri P.L. Gupta	Whole - time Director

### **COMPANY SECRETARY**

Shri Manoj Aggarwal

### **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)

Chotia (Chhattisgarh)

Raipur (Chhattisgarh)

Kashipur (Uttarakhand)

Koira, Distt. Koenjhar (Odisha)

Muppandal (Tamil Nadu)

### **WEBSITE**

[www.prakash.com](http://www.prakash.com)

## PRAKASH INDUSTRIES LIMITED

### NOTICE

NOTICE is hereby given that the 34<sup>th</sup> Annual General Meeting of the Members of Prakash Industries Limited will be held on Saturday, the 26<sup>th</sup> September, 2015 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 31<sup>st</sup> March, 2015 and Profit and Loss Account 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 M. L. Pareek (DIN : 01795975), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 36<sup>th</sup> Annual General Meeting and to fix their remuneration and to pass the following resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and pursuant to the recommendation of the Audit Committee of the Board of Directors ("the Board"), the consent of the Company be and is hereby accorded for the ratification of appointment of M/s Chaturvedi & Partners, Chartered Accountants (FRN : 307068E) as Statutory Auditors of the Company from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 36<sup>th</sup> AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM) and that the Board of Directors be and are hereby authorised to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."

### 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 24<sup>th</sup> 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 of Directors of the Company 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 1<sup>st</sup> April, 2014 on the following terms and conditions:

1. Salary: ₹ 30,00,000/- 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.

- i) 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 of three years commencing from 1<sup>st</sup> April, 2014.

RESOLVED FURTHER THAT Shri P.L. Gupta, Whole-time Director and Shri Manoj Aggarwal, 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 resolutions."

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 29<sup>th</sup> September, 2012 and 28<sup>th</sup> September, 2013 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 of Directors of the Company 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 1<sup>st</sup> April, 2014 on the following terms and conditions:

1. Salary: ₹ 12,00,000/- p.m.
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 in a year subject to a ceiling of one month's 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.



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- i) Company's contribution towards Provident Fund - As per rules of the Company but not exceeding 12% of the salary as laid down under the Income Tax Rules, 1962.
  - ii) 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.
  - iii) 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, 2014 to 31st March, 2015.

RESOLVED FURTHER THAT Shri P.L. Gupta, Whole-time Director and Shri Manoj Aggarwal, 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, to pass with or without modification(s) the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to 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 Company be and is hereby accorded to the re-appointment of Shri Vikram Agarwal (DIN : 00054125) as Managing Director of the Company for a period of three years with effect from 1st April 2015 to 31st March, 2018 subject to the approval of the Central Government, if required, on the following terms and conditions:-

- 1) Salary : ₹ 13,00,000 p.m.  
(in the grade of ₹ 13,00,000 - 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 place in India once a year subject to a ceiling of one month's salary.

### Category 'B'

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

- i) Company's contribution towards Provident Fund - As per rules of the Company but not exceeding 12% of the salary as laid down under the Income Tax Rules, 1962.

- ii) 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.
- iii) 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.

### Category 'C'

- i) Free use of Company's Car with driver for Company's business.
- ii) Free mobile telephone facility. Personal long distance calls shall be billed by 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 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 the Board of Directors of the Company be and is hereby authorized to accept any modification(s) in the terms and conditions of the said appointment and remuneration in such manner as may be suggested by shareholders / any authority and acceptable to Shri Vikram 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."

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

"RESOLVED THAT pursuant to the provisions of Section 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 Company be and is hereby accorded to the re-appointment of Shri M.L. Pareek (DIN : 01795975) as Whole-time Director designated as Director (Projects) and Chief Executive Officer (CEO) of the Company for a period of three years with effect from 1st April 2015 to 31st March, 2018 on the following 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.

### Category 'B'

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

- i) Company's contribution towards Provident Fund - As per rules of the Company but not exceeding 12% of the salary as laid down under the Income Tax Rules, 1962.

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- ii) 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.
- iii) 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.

### Category 'C'

- i) Free use of Company's Car with driver for Company's business.
- ii) Free mobile telephone facility. Personal long distance calls shall be billed by the Company.

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

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

RESOLVED FURTHER THAT 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 of three years commencing from 1st April, 2015.

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

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."

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 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 Company be and is hereby accorded to the re-appointment of Shri P.L. Gupta (DIN : 00048868) as Whole-time Director designated as Director (Finance) and Chief Financial Officer (CFO) of the Company for a period of three years with effect from 1st April 2015 to 31st March, 2018 on the following 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.

### Category 'B'

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

- i) Company's contribution towards Provident Fund - As per rules of the Company but not exceeding 12% of the salary as laid down under the Income Tax Rules, 1962.

- ii) 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.
- iii) 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.

### Category 'C'

- i) Free use of Company's Car with driver for Company's business.
- ii) Free mobile telephone facility. Personal long distance calls shall be billed by the Company.

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

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

RESOLVED FURTHER THAT 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 of three years commencing from 1st April, 2015.

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

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."

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

"RESOLVED THAT pursuant to the provisions of Section 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) M/s Rakshit & Associates (FRN 101951), Cost Accountants, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2015-16 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 : 25<sup>th</sup> May, 2015  
CIN : L27109HR1980PLC010724

**Manoj Aggarwal**  
Company Secretary

## PRAKASH INDUSTRIES LIMITED

### 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. 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.
5. 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.
6. Members are requested to bring their duly filled Attendance Slip enclosed herewith to attend the meeting along with their copy of Annual Report.
7. Register of Members and Share Transfer Books will remain closed from Tuesday, 22<sup>nd</sup> September, 2015 to Saturday, 26<sup>th</sup> September, 2015 (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 2B 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](http://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 and 2012-13 on the website of Investor Education and Protection Fund (IEPF) viz. [www.iepf.gov.in](http://www.iepf.gov.in). Investors can also check their unpaid / unclaimed dividend details from the abovesaid website.

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 Manoj Aggarwal, 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.

The Securities and Exchange Board of India (SEBI) has mandated that dividend should be directly credited to the Bank accounts of the members. Hence, **members holding shares in electronic form are requested to submit particulars of their bank account alongwith copy of cancelled cheque to their respective depositories (not to the Company) for payment of dividend.**

**Members who are holding shares in physical form are requested to submit particulars of their bank account alongwith copy of cancelled cheque to the Company's office at SRIVAN, Najafgarh - Bijwasan Road, Bijwasan, New Delhi- 110061.**

Form for providing bank details is available on the Company's website [www.prakash.com](http://www.prakash.com) and also **annexed with the Annual Report.**

10. 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. A recent amendment to the Listing Agreements with the Stock Exchanges permits Companies to 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.
11. **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 the revised Clause 35B of the Listing Agreement, the Company is pleased to offer e-voting facility to its Members in respect of the businesses to be transacted at the 34th 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 23rd September, 2015 (09:00 a.m.) and ends on 25th September, 2015 (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 19th September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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- (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](http://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](http://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	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department.</p> <p>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name in capital letters followed by number of Equity Share(s) of the Company held by them as on the cut-off date in the PAN field.</p> <p>In case the number of Equity Share(s) held are less than eight digits, enter the applicable number of 0's after the first two letters of name and before the number of Equity Shares held as on the cut-off date. For example: If your name is RAMESH KUMAR and number of Equity Shares held as on cut-off date are 250, then enter RA00000250 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <p>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).</p>

- (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 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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed 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) 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](http://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](mailto: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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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. 19th September, 2015 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- E. Ms. Reetika Gupta, Practicing Company Secretary (Membership No.27111, CP No.12440) 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.



## PRAKASH INDUSTRIES LIMITED

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 34th Annual General Meeting of the Company scheduled to be held on Saturday, 26th September, 2015. The Results shall be declared within three days 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 three days of passing of the Resolutions at the meeting and communicated to the Stock Exchanges.

**12. Information as required under Clause 49 IV(G) of the Listing Agreement with respect to the Directors who are retiring by rotation and being eligible seeking re-appointment is as under:**

**Information regarding Shri M. L. Pareek proposed for re-appointment as Director:**

Shri M. L. Pareek retires by rotation at the Annual General Meeting and being eligible offers himself for re-appointment. He has been allotted Director Identification No.01795975.

Shri M. L. Pareek joined the Board of the Company in the year 2012.

Shri M. L. Pareek is a Technocrat having work experience of more than 43 years. Because of his vast experience, his re-appointment would be beneficial to the Company.

**Directorship(s) held in other Companies**

Company's Name	Committee Chairmanship	Committee Membership
ECO Vision Infratech Pvt. Ltd.	-	-

As on 31<sup>st</sup> March, 2015, Shri M. L. Pareek is holding 802 equity shares of Prakash Industries Ltd.

**EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102(2) OF THE COMPANIES ACT, 2013**

**Item No.4, 5 & 6**

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 1980 and under his able guidance and services, the Company has achieved various milestones. Shri V.P. Agarwal has been associated with the Company since incorporation i.e. 1980. Shri Vikram Agarwal was reappointed as Managing Director of the Company w.e.f. 1st April, 2012 for three years. He has been associated with the Company since 2005. The remuneration of all executive Directors has been approved by Nomination and Remuneration Committee, Board and shareholders of the Company, from time to time. Accordingly, Company has paid them remuneration during their tenure of services.

Consequent to the Hon'ble Supreme Court order dated 24th September, 2014, the Company has paid the additional levy amounting to Rs.234.22 Crore on the coal extracted from the operative coal block till 24<sup>th</sup> September, 2014 and will also be paying additional levy in respect of coal extracted till 31st March, 2015 by 30th June,

2015. In terms of Section 198 of the Companies Act, 2013, the additional levy paid by the Company will be treated as legal liability and liable to be deducted, while calculating net profits for payment of managerial remuneration. This one time aforesaid payment, which is exceptional in nature and is not related directly or indirectly to performance of the Executive Directors of the Company, resulted into inadequate profit in the financial year ending 31st March, 2015.

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:**

PARTICULARS	(₹ In Crores)			
	2014-15 (Audited)	2013-14 (Audited)	2012-13 (Audited)	2011-12 (Audited)
Total Revenue	2844.13	2600.14	2513.37	2109.39
Profit before tax	9.34	203.59	166.98	276.03
Net Profit after tax	9.34	173.16	164.89	268.16
Earnings Per Share (EPS)(₹)	0.69	12.88	12.26	19.94

(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 new projects successfully.

**Past Remuneration** 2011-12 ₹ 2.02 Crores

2012-13 ₹ 2.42 Crores

2013-14 ₹ 2.82 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 many fold.

**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.

## PRAKASH INDUSTRIES LIMITED

### **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, 2015. 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, Non Executive Director are his sons on the Board of the Company.

### **Item No.5 & 6**

**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 :** 2011-12 ₹ 0.12 Crores

2012-13 ₹ 0.20 Crores

2013-14 ₹ 1.34 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 2,66,859 equity shares (0.20%) of the Company as on 31st March, 2015. 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 and Shri Kanha Agarwal, Non Executive Director is the brother of Shri Vikram Agarwal, Managing Director of the Company.

### **III OTHER INFORMATION**

**Reason of loss or inadequate profits:** The Hon'ble Supreme Court of India has, vide its order dated 24th September, 2014, cancelled the allocation of all coal blocks and directed the Companies to pay additional levy @ ₹ 295 per metric ton on coal extracted from allotted mines. The Company has paid the additional levy amounting to ₹ 234.21 crores on the coal extracted from the coal block till 24th September, 2014 and will pay additional levy of ₹ 14.85 crores in respect of coal extracted till 31st March, 2015. In terms of Section 198 of the Companies Act, 2013, this payment will be deducted as legal liability while calculating net profits for payment of managerial remuneration. This is one time payment, which is exceptional in nature and is not related to performance of the executive Directors of the Company, which has brought the Company into inadequate profits in the current financial year i.e. 2014-15. However, on EBITDA level, without considering the impact of this exceptional item, the Company has been able to maintain stable margins.

**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 Government of India is in the process of auctioning the coal mines. The Company is also bidding for coal mines for its steel and power business. Therefore, the Board of Directors had, in its meeting held on 25th May, 2015, considered these matters and recommends Resolution Nos. 4, 5 & 6 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. All other terms and conditions of their appointment will remain unchanged with no other change(s) in other components of remuneration, except as revised herein in the proposed resolutions.

Shri V.P. Agarwal, Shri Vikram Agarwal and Shri Kanha Agarwal are concerned or interested in the Resolutions at item 4, 5 and 6 of the Notice. 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.

Shri Vikram Agarwal is an experienced Industrialist hailing from a reputed business house. He joined the Board of the Company w.e.f. 28th May, 2005 and became Managing Director w.e.f. 29th May, 2012. He is thus conversant with all the facets of the working of the Company. His terms of appointment is expiring on 31st March 2015.

Considering the increase in the business activities of the Company which resulted in increase in work and responsibility, the Board of Directors in their meeting held on 11<sup>th</sup> February 2015 approved the appointment of Shri Vikram Agarwal as Managing Director of the Company for the period from 1st April, 2015 to 31st March, 2018 on the terms and conditions and remuneration as mentioned in the resolution as set out at item No.6 of the Notice subject to the approval of shareholders.

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 Vikram Agarwal and Shri V.P. Agarwal father of Shri Vikram Agarwal and Shri Kanha Agarwal are interested in the resolution.

The Board recommends the resolution set out at Item No. 4, 5 & 6 for your approval.

### **Item No.7**

Shri M.L. Pareek is an experienced technocrat and had been associated earlier also with the Company at the time of installation and commissioning of the integrated steel plant of the Company. He is thus conversant with all the facets of the working of the Company.

Having regard to the wide knowledge and experience of Shri M.L. Pareek, the Board of Directors appointed Shri M.L. Pareek as a Whole-time Director of the Company for the period from 1st April, 2015 to 31st March, 2018 on the terms and conditions and remuneration as mentioned in the Resolution as set out at item No.7 of the Notice subject to the approval of shareholders.

## PRAKASH INDUSTRIES LIMITED

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

Shri M.L. Pareek is holding directorship in ECO Vision Infratech Pvt. Ltd.

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 M.L. Pareek is interested in the resolution.

The Board recommends the resolution set out at Item No.7 for your approval.

### Item No.8

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.

Having regard to the professional experience and knowledge of Shri P. L. Gupta, the Board of Directors appointed Shri P.L. Gupta as a Whole-time Director of the Company for the period from 1st April, 2015 to 31st March, 2018 on the terms and conditions and remuneration as mentioned in the Resolution as set out at item No.8 of the Notice subject to the approval of shareholders.

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.

### Directorship(s) held in other Companies

Company's Name	Committee	
	Chairmanship	Membership
Prakash Thermal Power Ltd.	-	-
Radhikapur (West) Coal Mining Pvt. Ltd.	-	-
Manhar Builders Pvt. Ltd.	-	-

As on 31<sup>st</sup> March, 2015, Shri P.L. Gupta is not holding any equity shares of Prakash Industries Ltd.

None of the Directors except Shri P.L. Gupta is interested in the resolution.

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

### Item No.9

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 2015-16 as mentioned in the resolution set out at Item No.9 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 shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.9 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2015-16.

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.9 for your approval.

By order of the Board  
For Prakash Industries Limited

Registered Office:  
15 Km. Stone,  
Delhi Road,  
Hissar – 125044 (Haryana)  
Dated : 25<sup>th</sup> May, 2015  
CIN : L27109HR1980PLC010724

**Manoj Aggarwal**  
Company Secretary

## PRAKASH INDUSTRIES LIMITED

### DIRECTORS' REPORT

Dear Shareholders,

Your Directors present the 34<sup>th</sup> Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31<sup>st</sup> March, 2015.

### FINANCIAL RESULTS

	(₹ in Crores)	
	For the year ended 31 <sup>st</sup> March, 2015	For the year ended 31 <sup>st</sup> March, 2014
Net Sales & Other Income	2844.13	2,600.14
EBIDTA	417.62	379.18
Depreciation	95.79	115.06
Financial Expenses	60.73	57.83
Expenses Amortised	2.70	2.70
Profit before exceptional item and tax	258.40	203.59
Exceptional Item	249.06	-
Provision for Taxes	-	32.42
Excess Tax Provision for Earlier Years Written Back	-	1.99
Profit after tax	9.34	173.16
Balance brought forward	23.71	16.29
	33.05	189.45
Transfer to General Reserve	-	150.00
Proposed Dividend	-	13.45
Tax on Dividend	-	2.29
Depreciation on transition to schedule II of the Companies Act, 2013	20.69	-
Carried over to next year	12.36	23.71

### PERFORMANCE

During the year under review, the net sales revenue of the Company was ₹ 2844 crores as against ₹ 2600 crores in the previous year. The operating EBITDA for the year increased to ₹ 418 crores from ₹ 379 crores in the previous year indicating a growth of 10%. After providing for financial expenses, depreciation and expenses amortised, the Profit before exceptional item and tax was ₹ 258 crores during the year under review as against ₹ 204 crores in the previous year.

### OPERATIONAL REVIEW

Your Directors are pleased to inform you that the performance of the Company has achieved all round growth during the year. The entire chain of integrated steel operations performed satisfactory and the Sponge Iron, Power, Steel melting shop and Ferro Alloys Division achieved highest ever capacity utilisation. Encouraged with the performance of the Ferro Alloys division, the Company further added new capacities in the division during the year. Also, during the year, the Company modernized its Steel Melting Shop by replacing some of the existing furnaces with more energy efficient furnaces, which has resulted in substantial cost savings and higher efficiency. In the finished steel segment, the Company continued with its concerted efforts to

expand its customer base by taking steps to enhance the awareness and accessibility of the products. Availability of iron ore has improved significantly during the year leading to correction in the iron ore prices, which resulted in substantial cost reduction in the operations. The operations of Captive coal mine were stable with uninterrupted production during the year, however, in terms of the order dated 24<sup>th</sup> September, 2014 passed by the Hon'ble Supreme Court cancelling the allotment of all captive coal mines allotted since 1993 and putting them under the auction route, the Chotia Coal Mine of the Company, which was operational for past more than eight years, was also cancelled. Rigid PVC Pipes division also performed satisfactory during the year.

### FUTURE PROSPECTS

The Company has always focused on its approach to achieve full integration at all intermediary product levels throughout its chain of steel operations by augmenting and balancing its existing capacities. The Company has already taken up the implementation of an additional sponge iron Kiln, which is underway. The Company is modernizing further its steel melting shop by replacing some of the existing furnaces with higher capacity energy efficient furnaces. Modernisation of existing furnaces and addition of new furnaces is also underway in the Ferro Alloys Division. In addition, the company is also setting up Private Railway Siding at its Champa plant, which shall result in significant savings to the company in terms of freight cost, reduction in wastages and maintaining uninterrupted supplies of critical inputs like iron ore and coal. These expansion and cost reduction plans will make significant contribution to the profitability and long term sustainability of the business. Although, the Chotia coal mine was cancelled during the year in terms of the order of the Hon'ble Supreme Court, the Company is of the view that the improved availability of coal and softening of its prices worldwide shall make up for the loss to a reasonable extent in the times to come. With a stable and forward looking government, the infrastructure industry is expected to receive major spending in the coming years, which will lead to substantial boost for demand of steel products. As regards the status of the iron ore mines allotted to the Company in the states of Chhattisgarh and Orissa, the Company is making all its efforts to make these mines operational at the earliest.

### ENVIRONMENT AND SOCIAL RESPONSIBILITY

The Company continues to focus on its approach to be exemplary, not only in terms of financial performance, but also by setting rich corporate social responsibility standards for itself. Your Company understands that all organizations operate in social environment and Corporate Social Responsibility (CSR) is the mode through which corporates can repay the obligations which the society has made by contributing the resources in its various forms as required for the efficient operation of the Business. We believe that organizations should make decisions based not only on financial factors, but also on the social and environmental consequences.

The Company strictly adheres to its policy to minimize the environmental impact that may be associated with any of its activities. The Company continuously aims at improving efficiency, conserving natural resources and reducing waste and emissions by undertaking CDM (Clean Development Mechanism) projects and to evolve itself into an environment friendly organisation. Company has its Corporate Environment Policy to regulate environmental activities and an Environment Management System (EMS) to ensure optimal utilisation of the resources on one hand and minimising pollution on the other.

The Company is a firm believer that the growth and development of the community in and around its locations is prerequisite for its progress. The Company has adopted villages in the surrounding areas and it grants regular assistance to the educational and social institutions in these villages for the economic upliftment of the locals.



## PRAKASH INDUSTRIES LIMITED

The Company also organizes non-formal educational programs in the surrounding areas on a regular basis. Company is continually involved in developing recreational and infrastructure facilities in its close vicinity.

### CORPORATE SOCIAL RESPONSIBILITY AND GOVERNANCE COMMITTEE

During the year, your directors have constituted the Corporate Social Responsibility and Governance Committee (CSR & G Committee) comprising Dr. S. L. Keswani, as Chairman and Shri K C Mehra, Shri Kanha Agarwal, Smt Purnima Gupta and Shri Vikram 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 details of CSR activities during the year are given in the annexure to this report.

### BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the Directors (including non executive and independent Directors) individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees. The Independent Directors are regularly updated on industry and market trends, plant and process and operational performance of the Company through presentations in this regard. They are also periodically kept aware of the latest developments in the Corporate Governance, their duties as Directors and relevant laws.

### DIRECTORS

The Company has received declarations from all the Independent Directors under Section 149 of the Companies Act, 2013 and Clause 49 of the Listing agreement confirming that they meet the criteria of independence as prescribed.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

During the year Shri Pankaj Chaturvedi and Smt. Purnima Gupta joined the Board as Independent Directors and Shri Kanha Agarwal as Director of the Company w.e.f. 25<sup>th</sup> May, 2014. The members approved appointments of said Directors of the Company at the 33rd Annual General Meeting held on 24<sup>th</sup> September, 2014.

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 Manoj Aggarwal, 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, 2015 are annexed to this report.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Shri M.L. Pareek 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 Clause 49 of the amended Listing Agreement with the Stock Exchanges.

### FIXED DEPOSITS

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

### DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- c) the 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;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively

### AUDITORS & AUDITORS REPORTS

#### i) Statutory Auditors

The observations made by the Statutory Auditors in their report for the financial year ended 31st March 2015 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. The Auditors' Report does not contain any qualification, reservation or adverse remark.

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 have confirmed their eligibility and qualification under Section 141 of Companies Act 2013 and therefore, their ratification for appointment as Statutory Auditors for the year 2015-16 is being sought from the Members of the Company at the ensuing Annual General Meeting.

#### ii) Secretarial Auditor

The Board had appointed Ms. Reetika Gupta, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith as annexure to 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 33rd Annual General Meeting, M/s. Rashit & Associates Cost and Management Accountants, to conduct the audit of the cost accounting records for financial year 2014-15. The Cost Audit Report for financial year 2013-2014 for audit of Cost accounting records has been duly filed with the Ministry of Corporate Affairs.

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### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 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 arms' 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 Company at large. All related party transactions are placed before the Audit Committee and given in the notes annexed to and forming part of this Financial Statement. The approved policy on related party transactions is also available on the website of the Company [www.prakash.com](http://www.prakash.com).

### VIGIL MECHANISM AND WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism and Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Vigil Mechanism and Whistle Blower Policy are available on the website of the Company.

### REMUNERATION POLICY

On the recommendation of Nomination & Remuneration Committee, the Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The details of the Remuneration Policy are available on the website of the Company.

### RISK MANAGEMENT

As a policy the Company has identified key risk concern/areas. The assessment of each risk area has been done on quarterly basis. Following are the concern areas of the Company:

Market Related Risk: related to mainly demand, realisation and redundancy of the product.

Production related Risk: related to mainly availability of inputs, accident or break down in the plant and rejection of material by the customers.

Human Resources Risk includes the risk of labour unrest, high employee turnover ratio and lower productivity due to dissatisfaction of employees.

Revenue Risk: adverse exchange rate movement.

The Board and the Audit Committee takes note of the Risk management of the Company in every quarter.

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, 2015 made under the provisions of Section 92(3) of the Act is attached as annexure 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.

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 to this Report.

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.

### 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 to this report.

### CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company has also implemented several best corporate governance practices as prevalent globally.

The Report on corporate governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Clause 49, is attached to the Report on corporate governance.

### APPRECIATION

Your Directors wish to place on record their gratitude for the valuable guidance and support rendered by the Government of India, various State Government departments, Financial Institutions, Banks and various stakeholders, such as, shareholders, customers and suppliers, among others. The Directors also commend the continuing commitment and dedication of the employees at all levels, which has been critical for the Company's success. The Directors look forward to their continued support in future.

By Order of the Board

Place : New Delhi  
Dated : 25<sup>th</sup> May, 2015

P. L. Gupta                      Vikram Agarwal  
Whole-time Director    Managing Director

# PRAKASH INDUSTRIES LIMITED

## MANAGEMENT DISCUSSION AND ANALYSIS

### Industry Structure & Developments

The future of the Indian Steel industry appears to be bright and promising in the years to come. The Indian Steel Industry is expected to become the world's second largest producer of crude steel in 2015-16, moving up from the current fourth position. The government is working proactively to provide incentives for economic growth by injecting funds in construction, infrastructure, automotive and power, which will drive the steel industry in the future. Opportunities exist for future growth of the sector due to reasons that include potentially huge domestic demand for steel-intensive social and economic infrastructure resulting from all round economic development and particularly because of anticipated growth in urbanization; demographic conditions that favour Increasing demand for consumer durables; untapped rural market and increasing interest of domestic and overseas producers in capacity creation to serve the domestic and overseas markets. The production is expected to hit 140 MT by the end of 2016, while consumption is expected to grow 6.8% to reach 104MT by 2017. On the raw material side also, the Indian steel sector continues to enjoy advantages of domestic availability of basic inputs like coal and iron ore and cheap labour. On the whole, the outlook for the domestic operating environment appears to be positive.

### Opportunities and Threats

The domestic steel demand will continue to witness robust growth in the coming years. The sector has colossal room for steel consumption in almost all the sectors in the country. India is expected to witness approx. 6 per cent growth in its steel demand during 2015-16, following the election of a new government which is promising pro-business reforms. Looking forward, there is huge growth potential for the sector not only on account of likely increase in demand from the conventional sectors like infrastructure, automobile and consumer durables but also due to rapid urbanisation, which is one of the biggest growth driver for steel in the growing economies like ours. In view of the said factors, the per capita consumption of steel in India is also bound to witness significant growth from the current level of approx. 60 kg, which is much lower in comparison to the world average of more than 200 kgs.

Despite the growth potential envisaged for the sector, its progress is marred by the uncertainties witnessed in the mining sector on account of the regulatory interventions from the central and state governments. As regards coal, although the Company was operating its captive coal mine allotted to it for past more than eight years, however, in view of the judgement of the Hon'ble Supreme Court cancelling the allotment of all the coal mines allotted after 1993 and putting them under the auction route, the Company also lost its Chotia coal mine. Although this decision has come as a severe blow to the steel industry and has affected the margins, however with the softening of the coal prices internationally and improved supplies scenario, the Company has been able to manage the operations with minimal impact. As regards iron ore, the iron ore mines allotted to the Company are under clearance stages with the respective government departments. Till such times the mines become operational, the Company shall continue to be dependent on the external sources for meeting its iron ore requirement. The mines are expected to become operational towards the end of the current financial year.

### Segment Wise / Product Wise Performance / Outlook

The performance of the Integrated steel, power and mining operations has been satisfactory during the year under review. Ferro Alloys division clocked the highest ever production during the year on account of new capacity addition. The Company also undertook modification and modernization of its Steel Melting Shop capacity, which also resulted in higher efficiency

during the year. During the year, the capacity utilization in the finished steel segment comprising Wire Rod and TMT Bars was satisfactory during the year. Captive coal mining operations and Rigid PVC pipes division also performed well during the year under review.

### Risks and Concerns

Your Directors firmly believe that risk management is a structured approach to managing uncertainty by identifying, assessing, monitoring and reducing the impact of such risks on the business. Risks in any business need to be identified well in time as these are the situations or circumstances which lead to negative consequences for our business. A good risk management plan identifies the potential risks, analysis the impact of such risks and develops strategies to mitigate the impact of such risks.

In the current scenario, the main concern for the players in the steel industry continues to be the availability of the major key inputs like coal, iron ore and power. Since the Company has its own captive power plant, which is sufficient to cater its power requirement in steel making, the Company is self reliant in that respect, however, the availability of iron ore and coal continues to be an area of deep concern for it. This has also been taken care of, to a certain extent, with the allotment of captive iron ore mines in the states of Orissa and Chhattisgarh to the Company, which are under various stages of clearances with government departments.

### Internal Control System and their Adequacy

The Company has adequate internal control systems which ensure the reliability of the financial information, compliance of applicable laws, rules and regulations and laying down of policies and procedures for all the vital functions of the business. The Company has Independent Internal Auditors who carry out comprehensive audit of all the functions on a quarterly basis. The findings of the Internal Auditors are placed before the Audit Committee of the Board of Directors for review and the suggestions, if any, made by the Audit Committee for the strengthening of the controls, are implemented. Annual production and financial Budgets are prepared and actual performance is evaluated against the same on quarterly basis and shortfalls, if any, are identified. All the certifications under ISO: 9001:2008, ISO: 14001:2004 and OHSAS 18001:2007 for Quality Management, Environment Management and Occupational Health & Safety Management respectively, are being timely maintained by the Company. The internal control system has been reported to be commensurate with the size and nature of the business by the Statutory Auditors in their report.

### Human Resources / Industrial Relations

Your Company follows the ideology that the success of an organisation depends largely on its workforce. It has always focussed on the development of its workforce in the organisation by imparting continuous learning and training sessions to tap and nurture their potential. Regular training sessions, workshops and monitoring sessions are conducted by HRD to develop the professional skills, efficiency, productivity and enriching the quality of life of its work force. 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 HR policies, initiatives and various 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.

## **PRAKASH INDUSTRIES LIMITED**

### **SECRETARIAL AUDIT REPORT**

For the Financial Year Ended on 31st March, 2015

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

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Prakash Industries Limited (CIN : L27109HR1980PLC010724) ('the Company'). The secretarial audit was conducted in a manner that provided us 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 the 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 on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Prakash Industries Limited for the financial year ended on 31st March, 2015 according to the provisions of :

- i) The Companies Act, 2013 (the Act) and the Rules made under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made under that Act;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
- iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB);
- 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) Regulations, 1992;
- vi) And other applicable laws like Factories Act, 1948, the payment of Gratuity Act, 1972 .

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreement entered into by the Company with the BSE Limited and National Stock Exchange of India Ltd.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc. mentioned above.

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

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that based on the information received and records maintained, 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. As we have not visited any of the factory site of the Company and we have relied on the information provided by Company in case of environmental laws & labour laws and rules applicable thereon.

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

**For Reetika Gupta & Associates  
Company Secretaries**

**( Reetika Gupta )**

Proprietor

ACS : 27111, CP : 12440

Place : New Delhi  
Dated : 25<sup>th</sup> May, 2015



# PRAKASH INDUSTRIES LIMITED

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

as on the financial year ended on 31st March, 2015

[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 asre given below :

Sr. No.	Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1	MS Billet	24103	21
2	Ferro Alloys	24104	12
3	MS TMT / MS Coil and Allied	24105	41
4	HB Wire Rod	24108	19

### 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 01.04.2014				No. of Shares held at the end of the year as on 31.03.2015				% 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	7165528	0	7165528	5.33	0.00
(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	49202262	6154600	55356862	41.16	0.00
(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 01.04.2014				No. of Shares held at the end of the year as on 31.03.2015				% 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	4308887	42500	4351387	3.24	3887525	40900	3928425	2.92	-0.31
(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	739466	200	739666	0.55	100	200	300	0.00	-0.55
(f)	Foreign Institutional Investors	2233199	1850	2235049	1.66	5169847	1850	5171697	3.85	2.18
(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)	7282682	47205	7329887	5.45	9058602	45605	9104207	6.77	1.32
(2)	Non-institutions									
(a)	Bodies Corporate	34297922	946602	35244524	26.21	35374143	941802	36315945	27.00	0.80
(b)	Individuals									
	i. Individual shareholders holding nominal share capital upto Rs.1 lakh	15398787	2859327	18258114	13.58	16713422	2685527	19398949	14.42	0.85
	ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh	10289173	59700	10348873	7.69	6162637	41520	6204157	4.61	-3.08
(c)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (specify) NRIs / OCBs	782263	2463	784726	0.58	940403	2463	942866	0.70	0.12
	Sub-Total (B)(2)	60768145	3868092	64636237	48.06	59190605	3671312	62861917	46.74	-1.32
	Total Public Shareholding (B)=(B)(1)+(B)(2)	68050827	3915297	71966124	53.51	68249207	3716917	71966124	53.51	0.00
	TOTAL (A) + (B)	124418617	10069897	134488514	100.00	124616997	9871517	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)	124418617	10069897	134488514	100.00	124616997	9871517	134488514	100.00	0.00

## ii) Shareholding of Promoters

	Category-wise Shareholders	No. of Shares held at beginning of the year as on 01.04.2014			No. of Shares held at the end of the year as on 31.03.2015			% 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	
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	266859	0.20	0.00	0.00
5	Shri Kanha Agarwal	18540	0.01	0.00	18540	0.01	0.00	0.00

# PRAKASH INDUSTRIES LIMITED

	Category-wise Shareholders	No. of Shares held at beginning of the year as on 01.04.2014			No. of Shares held at the ended of the year as on 31.03.2015			% 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.	1936500	1.44	0.00	300000	0.22	0.00	-1.22
8	Chaibasa Steel Pvt. Ltd.	250000	0.19	0.00	250000	0.19	0.00	0.00
9	Dhruv Commerce Pvt. Ltd.	1781500	1.32	0.00	3712050	2.76	96.31	1.44
10	Essential Electronics Pvt. Ltd.	899400	0.67	0.00	200400	0.15	0.00	-0.52
11	Evershine Mercantile Pvt. Ltd.	1921700	1.43	0.00	1921700	1.43	84.30	0.00
12	Excel Fincap Pvt. Ltd.	102135	0.08	0.00	102135	0.08	97.91	0.00
13	Focus Securities & Credits Pvt. Ltd.	1460000	1.09	0.00	1460000	1.09	71.92	0.00
14	Four Wings Marketing Pvt. Ltd.	401700	0.30	0.00	700	0.00	0.00	-0.30
15	Gmk Builders Pvt. Ltd.	8164800	6.07	0.00	12401300	9.22	92.73	3.15
16	Goel Containers Pvt. Ltd.	1378682	1.03	0.00	1378682	1.03	99.01	0.00
17	Hissar Tubes Pvt. Ltd.	1350012	1.00	0.00	1350012	1.00	100.00	0.00
18	Hi-tech Mercantile (India) Pvt. Ltd.	3000695	2.23	0.00	3000695	2.23	99.98	0.00
19	New Era Commerce & Securities Pvt. Ltd.	215985	0.16	0.00	215985	0.16	99.54	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	0.00	1200110	0.89	72.70	0.00
22	Prakash Capital Services Ltd.	1508467	1.12	0.00	1508467	1.12	99.44	0.00
23	Prakash Industrial Finance Ltd.	904950	0.67	0.00	904950	0.67	76.25	0.00
24	Premier Fincap Pvt. Ltd.	1243480	0.92	0.00	793480	0.59	49.15	-0.33
25	Primenet Global Ltd.	3278987	2.44	0.00	2953987	2.20	99.95	-0.24
26	Prime Mercantile Pvt. Ltd.	3701470	2.75	0.00	3701470	2.75	74.98	0.00
27	Prospero Securities Pvt. Ltd.	611800	0.45	0.00	611800	0.45	99.87	0.00
28	Rourkela Steel Pvt. Ltd.	1566774	1.16	0.00	1566774	1.16	80.80	0.00
29	Samyak Securities Pvt. Ltd.	1500000	1.12	0.00	0	0.00	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	0.00	2311471	1.72	80.47	0.00
32	Spring Mercantile Pvt. Ltd.	1390900	1.03	0.00	1390900	1.03	79.80	0.00
33	Style Leasing & Finance Pvt. Ltd.	1114400	0.83	0.00	1114400	0.83	77.17	0.00
34	Sunvin Trading & Investment Pvt. Ltd.	1250000	0.93	0.00	1250000	0.93	97.20	0.00
35	Suvara Marketing Pvt. Ltd.	95000	0.07	0.00	95000	0.07	0.00	0.00
36	Suvara Mercantile Pvt. Ltd.	90910	0.07	0.00	90910	0.07	99.00	0.00
37	Techdrive Software Ltd.	1155550	0.86	0.00	0	0.00	0.00	-0.86
38	Tools India Pvt. Ltd.	900900	0.67	0.00	900900	0.67	99.90	0.00
39	Unity Mercantile Pvt. Ltd.	251575	0.19	0.00	251575	0.19	99.97	0.00
40	Vanshi Farms Pvt. Ltd.	777043	0.58	0.00	777043	0.58	57.91	0.00
41	Vision Mercantile Pvt. Ltd.	2166700	1.61	0.00	2166700	1.61	85.38	0.00
42	Welter Securities Ltd.	5006666	3.72	0.00	5006666	3.72	99.77	0.00
	<b>Total</b>	<b>62522390</b>	<b>46.49</b>	<b>0.00</b>	<b>62522390</b>	<b>46.49</b>	<b>77.43</b>	<b>0.00</b>

# PRAKASH INDUSTRIES LIMITED

## iii) Change in Promoters' Shareholding

		No. of Shares held at beginning of the year as on 01.04.2014		No. of Shares held at the end of the year as on 31.03.2015	
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 Data wise increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	62522390 *	46.49	62522390 *	46.49
	<b>TOTAL</b>	<b>62522390</b>	<b>46.49</b>	<b>62522390</b>	<b>46.49</b>

Note : There is no change in the total shareholding of promoters between 01.04.2014 and 31.03.2015

\* Inter-se Transfer among Promoters

S. No.	Name	Shareholding		Date	Increase/ Decrease in Share holding	Reason	Cumulative Share holding during the year (01.04.14 to 31.03.15)	
		No. of Shares at the beginning (01.04.2014/ end of the year 31.03.15)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Ambrosia Commerce Pvt Ltd	1936500 300000	1.44 0.22	1-Apr-2014 21-Feb-2015 31-Mar-2015	-1636500	Transfer (Inter-se Transfers)	300000 300000	0.22 0.22
2	Techdrive Software Ltd	1155550 0	0.86 0.00	1-Apr-2014 24-Feb-2015 31-Mar-2015	-1155550	Transfer (Inter-se Transfers)	0 0	0.00 0.00
3	Essential Electronics Pvt Ltd	899400 200400	0.67 0.15	1-Apr-2014 10-Mar-2015 31-Mar-2015	-699000	Transfer (Inter-se Transfers)	200400 200400	0.15 0.15
4	Four Wings Markting Pvt Ltd	401700 700	0.30 0.00	1-Apr-2014 10-Mar-2015 31-Mar-2015	-401000	Transfer (Inter-se Transfers)	700 700	0.00 0.00
5	Primenet Global Ltd	3278987 2953987	2.44 2.20	1-Apr-2014 10-Mar-2015 31-Mar-2015	-325000	Transfer (Inter-se Transfers)	2953987 2953987	2.20 2.20
6	Samyak Securities Pvt Ltd	1500000 0	1.12 0.00	1-Apr-2014 25-Mar-2015 31-Mar-2015	-1500000	Transfer (Inter-se Transfers)	0 0	0.00 0.00
7	Premier Fincap Pvt Ltd	1243480 793480	0.92 0.59	1-Apr-2014 25-Mar-2015 31-Mar-2015	-450000	Transfer (Inter-se Transfers)	793480 793480	0.59 0.59



## PRAKASH INDUSTRIES LIMITED

8	Gmk Builders Pvt Ltd	8164800	6.07	1-Apr-2014			
				21-Feb-2015	1636500	Transfer (Inter-se Transfers)	9801300
				10-Mar-2015	699000		10500300
				10-Mar-2015	401000		10901300
				25-Mar-2015	1500000		12401300
		12401300	9.22	31-Mar-2015			12401300
9	Dhruv Commerce Pvt Ltd	1781500	1.32	1-Apr-2014			
				24-Feb-2015	1155550	Transfer (Inter-se Transfers)	2937050
				10-Mar-2015	325000		3262050
				25-Mar-2015	450000		3712050
		3712050	2.76	31-Mar-2015			3712050

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 (01.04.14 to 31.03.15)	
		No. of Shares at the beginning (01.04.2014/ end of the year 31.03.15)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Amarjoti Vanija Pvt. Ltd.	10375750	7.71	1-Apr-2014				
		0	0.00	31-Mar-2015	-10375750	Transfer	0	0.00
2	Nilkanth Fincon Pvt. Ltd.	4314897	3.21	1-Apr-2014				
		0	0.00	31-Mar-2015	-4314897	Transfer	0	0.00
3	Reliance Capital Trustee Co. Ltd. A/c Reliance	4295883	3.19	1-Apr-2014				
		3874521	2.88	31-Mar-2015	-421362	Transfer	3874521	2.88
4	Rajnil Sales Pvt. Ltd.	2332584	1.73	1-Apr-2014				
		32584	0.02	31-Mar-2015	-2300000	Transfer	32584	0.02
5	Suresh Kanmal Jajoo	2065323	1.54	1-Apr-2014				
		0	0.00	31-Mar-2015	-2065323	Transfer	0	0.00
6	Ankit Nivesh and Management Pvt. Ltd.	1753736	1.30	1-Apr-2014				
		16236	0.01	31-Mar-2015	-1737500	Transfer	16236	0.01
7	Ashlar Securities Pvt. Ltd.	1563583	1.16	1-Apr-2014				
		1900	0.00	31-Mar-2015	-1561683	Transfer	1900	0.00
8	Acacia Partners, LP	1206300	0.90	1-Apr-2014				
		1206300	0.90	31-Mar-2015	0	Nil movement during the year	1206300	0.90

## PRAKASH INDUSTRIES LIMITED

9	Kotak Mahindra Investments Ltd.	783000	0.58	1-Apr-2014	-561945	Transfer		
		221055	0.16	31-Mar-2015			221055	0.16
10	CD Commo Search Pvt. Ltd.	761358	0.57	1-Apr-2014	-761358	Transfer		
		0	0.00	31-Mar-2015			0	0.00
11	SMC Comtrade Ltd.	0		1-Apr-2014	9000000	Transfer		
		9000000	6.69	31-Mar-2015			9000000	6.69
12	Jhunjunhwal Rakesh Radheshyam	0		1-Apr-2014	4000000	Transfer		
		4000000	2.97	31-Mar-2015			4000000	2.97
13	Elara Capital Mauritius Ltd.	0		1-Apr-2014	1096777	Transfer		
		1096777	0.82	31-Mar-2015			1096777	0.82
14	Globe Capital Market Ltd.	648		1-Apr-2014	708442	Transfer		
		709090	0.53	31-Mar-2015			709090	0.53
15	Aadi Financial Advisors LLP	693673		1-Apr-2014	0	Nil movement during the year		
		693673	0.52	31-Mar-2015			693673	0.52
16	Jai-Vijay Resources Pvt. Ltd.	48453		1-Apr-2014	550000	Transfer		
		598453	0.44	31-Mar-2015			598453	0.44
17	CD Equifinance Pvt. Ltd.	340110		1-Apr-2014	188087	Transfer		
		528197	0.39	31-Mar-2015			528197	0.39
18	Chamanlal Desai (HUF)	0		1-Apr-2014	434163	Transfer		
		434163	0.32	31-Mar-2015			434163	0.32

### v) Shareholding of Directors and Key Managerial Personnel

S. No.	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Share holding during the year (01.04.14 to 31.03.15)	
		No. of Shares at the beginning (01.04.2014/end of the year 31.03.15)	% 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-2014	0	Nil movement during the year		
		526884	0.39	31-Mar-2015			526884	0.39
2	Shri Vikram Agarwal Managing Director	266859	0.20	1-Apr-2014	0	Nil movement during the year		
		266859	0.20	31-Mar-2015			266859	0.20
3	Shri Kanha Agarwal Non-Executive Director (Appointed as Director w.e.f. 28.05.2014)	18540	0.01	1-Apr-2014	0	Nil movement during the year		
		18540	0.01	31-Mar-2015			18540	0.01
4	Shri M.L. Pareek Whole-time Director	802	0.00	1-Apr-2014	0	Nil movement during the year		
		802	0.00	31-Mar-2015			802	0.00

## PRAKASH INDUSTRIES LIMITED

5.	Dr. S.L. Keswani Non-Executive Director	15000	0.01	1-Apr-2014	7000	Transfer		
		22000	0.02	31-Mar-2015			22000	0.02
6	Shri Pankaj Chaturvedi Non-Executive Director (Appointed as Director w.e.f. 28.05.2014)	5000	0.00	1-Apr-2014	0	Nil movement during the year		
		5000	0.00	31-Mar-2015			5000	0.00
7	Shri P.L. Gupta Whole-time Director	0	0.00	1-Apr-2014	0	Nil holding / movement during the year		
		0	0.00	31-Mar-2015			0	0.00
8	Shri K. C. Mehra Non-Executive Director	0	0.00	1-Apr-2014	0	Nil holding / movement during the year		
		0	0.00	31-Mar-2015			0	0.00
9	Shri Y.N. Chugh Non-Executive Director	0	0.00	1-Apr-2014	0	Nil holding / movement during the year		
		0	0.00	31-Mar-2015			0	0.00
10	Shri M.R. Agarwal Non-Executive Director	0	0.00	1-Apr-2014	0	Nil holding / movement during the year		
		0	0.00	31-Mar-2015			0	0.00
11	Smt. Purnima Gupta Non-Executive Director (Appointed as Director w.e.f. 28.05.2014)	0	0.00	1-Apr-2014	0	Nil holding / movement during the year		
		0	0.00	31-Mar-2015			0	0.00
<b>B</b>	<b>Key Managerial Personnel (KMPs)</b>							
1	Shri Manoj Aggarwal Company Secretary	0	0.00	1-Apr-2014	0	Nil holding / movement during the year		
		0	0.00	31-Mar-2015			0	0.00

### 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
<b>Indebtedness at the beginning of the financial year (01.04.2014)</b>				
i) Principal Amount	48986	46337	-	95323
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	46	-	-	46
<b>TOTAL (i+ii+iii)</b>	<b>49032</b>	<b>46337</b>	<b>-</b>	<b>95369</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	3070	10592	-	13662
Reduction	(8842)	(10538)	-	(19380)
Exchange Difference	-	1742	-	1742
<b>Net Change</b>	<b>(5772)</b>	<b>1796</b>	<b>-</b>	<b>(3976)</b>
<b>Indebtedness at the end of the financial year (31.03.2015)</b>				
i) Principal Amount	43214	48133	-	91347
ii) Interest due but not paid	1561	986	-	2547
iii) Interest accrued but not due	30	-	-	30
<b>TOTAL (i+ii+iii)</b>	<b>44805</b>	<b>49119</b>	<b>-</b>	<b>93924</b>

## PRAKASH INDUSTRIES LIMITED

### VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lacs)

Sr. No.	Particulars of Remuneration	Name of Chairman / MD / WTD / Manager				Total Amount
		Sh. V.P. Agarwal	Sh. Vikram 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	360.00	161.28	47.00	30.65	598.93
b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.40	0.40	0.40	0.31	1.51
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	-	-	-	-	-
	<b>TOTAL (A)</b>	360.40	161.68	47.40	30.96	600.44

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	<b>Independent Directors</b>								
	Fees for attending Board / Committee Meetings	4.00	3.20	2.00	1.80	1.00	2.00	-	14.00
	Commission	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-
	Stock Option	-	-	-	-	-	-	-	-
	Sweat Equity	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-
	<b>TOTAL (1)</b>	4.00	3.20	2.00	1.80	1.00	2.00	0.00	14.00
2	<b>Other Non-Executive Directors</b>								
	Fees for attending Board / Committee Meetings	-	-	-	-	-	-	1.20	1.20
	Commission	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-
	Stock Option	-	-	-	-	-	-	-	-
	Sweat Equity	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-
	<b>TOTAL (2)</b>	0	0	0	0	0	0	1.20	1.2
	<b>TOTAL MANAGERIAL REMUNERATION *</b>	4.00	3.20	2.00	1.80	1.00	2.00	1.20	15.20

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



## PRAKASH INDUSTRIES LIMITED

### C) Remuneration 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	
1	Gross Salary				
a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	47.00	30.65	13.59	91.24
b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.40	0.31	0.22	0.93
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	-	-	-	-
	<b>TOTAL (A)</b>	47.40	30.96	13.81	92.17

### 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		
<b>OTHER OFFICERS IN DEFAULT</b> Penalty Punishment Compounding					

## PRAKASH INDUSTRIES LIMITED

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

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013

1. The Composition of the CSR Committee

- i). Dr. S.L. Keswani
- ii). Shri K.C. Mehra
- iii). Smt. Purnima Gupta
- iv). Shri Vikram Agarwal
- v). Shri Kanha Agarwal

2. Average net profit (after tax) of the Company for last three financial years	₹ 115.80 crores
3. Prescribed CSR Expenditure (two percent of the amount as in item 2 above)	₹ 2.32 crores
4. Details of CSR spent during the financial year.	
(a) Total amount to be spent for the financial year.	₹ 2.32 crores
(b) Amount unspent , if any;	₹ 2.32 crores
(c) Manner in which the amount spent during the financial year is detailed below:	N.A.

5. The Committee decided that during the current year due to inadequate profits, Company is unable to spend the said amount of ₹ 2.32 crores.

**Reason of loss or inadequate profits:** The Hon'ble Supreme Court of India has, vide its order dated 24th September, 2014, cancelled the allocation of all coal blocks and directed the Companies to pay additional levy @ Rs.295 per metric ton on coal extracted from allotted mines. The Company has paid the additional levy amounting to Rs.234.21 crores on the coal extracted from the coal block till 24th September, 2014 and will pay additional levy of Rs.14.85 crores in respect of coal extracted till 31st March, 2015. This is one time payment, which is exceptional in nature and is not related to performance of the Company, which has brought the Company into inadequate profits in the current financial year i.e. 2014-15. However, Company is planning to spend the same in coming years in accordance with the policy approved by the Committee.

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

**Dr. S.L. Keswani**  
Chairman-CSR Committee

## PRAKASH INDUSTRIES LIMITED

### 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>221 : 1</td></tr><tr><td>Shri Vikram Agawal, Managing Director</td><td>88 : 1</td></tr><tr><td>Shri M.L. Pareek, Whole-time Director &amp; CEO</td><td>21 : 1</td></tr><tr><td>Shri P.L. Gupta, Whole-time Director &amp; CFO</td><td>15 : 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><tr><td>Shri Kanha Agarwal, Director *</td><td></td></tr></tbody></table>	Director	Ratio	Shri V.P. Agarwal, Chairman	221 : 1	Shri Vikram Agawal, Managing Director	88 : 1	Shri M.L. Pareek, Whole-time Director & CEO	21 : 1	Shri P.L. Gupta, Whole-time Director & CFO	15 : 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 *		Shri Kanha Agarwal, Director *									
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Shri Kanha Agarwal, 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>43 %</td></tr><tr><td>Shri Vikram Agawal, Managing Director</td><td>20 %</td></tr><tr><td>Shri M.L. Pareek, Whole-time Director &amp; CEO</td><td>17 %</td></tr><tr><td>Shri P.L. Gupta, Whole-time Director &amp; CFO</td><td>14 %</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>Shri Kanha Agarwal, Director *</td><td></td></tr><tr><td colspan="2"><b>Key Managerial Personnel</b></td></tr><tr><td>Shri M.L. Pareek, Whole-time Director &amp; CEO</td><td>17 %</td></tr><tr><td>Shri P.L. Gupta, Whole-time Director &amp; CFO</td><td>14 %</td></tr><tr><td>Shri Manoj Aggarwal, Company Secretary</td><td>12 %</td></tr></tbody></table>	Director	Ratio	Shri V.P. Agarwal, Chairman	43 %	Shri Vikram Agawal, Managing Director	20 %	Shri M.L. Pareek, Whole-time Director & CEO	17 %	Shri P.L. Gupta, Whole-time Director & CFO	14 %	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 *		Shri Kanha Agarwal, Director *		<b>Key Managerial Personnel</b>		Shri M.L. Pareek, Whole-time Director & CEO	17 %	Shri P.L. Gupta, Whole-time Director & CFO	14 %	Shri Manoj Aggarwal, Company Secretary	12 %
Director	Ratio																																	
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Shri Manoj Aggarwal, Company Secretary	12 %																																	
(iii)	The percentage increase in the median remuneration of employees in the financial year	16 %																																
(iv)	The number of permanent employees on the rolls of Company	2555 as on 31st March, 2015																																
(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' 15 was 16 %. This has been arrived at considering only those employees who were eligible for increment. The Company performance in terms of EBIDTA increased by 10.14 % over previous year.																																
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	Total Rs.0.94 Crores towards KMP remuneration is 0.23 % of EBIDTA for FY '15																																

## 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	<p>a) The market capitalisation as on March 31, 2015 was Rs.474.74 crore (Rs.610.58 crore as on March 31, 2014)</p> <p>b) Price Earnings ratio of the Company was Rs.0.69 as at March 31, 2015 (Rs.12.88 as at March 31, 2014)</p> <p>c) The Company had come out with initial public offer (IPO) in Year 1992.</p>
(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 16% in FY '15 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	<p>Key Managerial Personnel</p> <p>Remuneration of CEO as a 0.11 % of EBIDTA for FY '15</p> <p>Remuneration of CFO as a 0.08 % of EBIDTA for FY '15</p> <p>Remuneration of Company Secretary as a 0.03 % of EBIDTA for FY '15</p>
(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

# PRAKASH INDUSTRIES LIMITED

## REPORT ON CORPORATE GOVERNANCE

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

Corporate Governance is an integral part of Company's value system, management ethos and business practices. The Company's corporate governance initiatives are based on:-

- Commitment to excellence and customer satisfaction;
- Commitment to maximizing long-term shareholder value;
- Commitment to responsible and ethical corporate conduct; and
- Concern for the environment and sustainable development.

The Company regularly evaluates and defines its management practices which are aimed at enhancing its commitment to ensure that these basic tenets of corporate governance are met. At Prakash, the basic Corporate Governance norms have been institutionalized as an enabling and facilitating business process at the Board, Management and Operational levels. Business practices are regularly reviewed and reaffirmed against these tenets and all steps are taken to ensure that Company operates beyond the mandatory regulatory framework of good corporate governance.

This chapter, along with the chapters on Management Discussion and Analysis and Additional Shareholders Information, reports Company's compliance with Clause 49 of the Listing Agreement with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

### 2. BOARD OF DIRECTORS

#### i) 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 25th May 2015 the Board of PIL had 11 Directors, comprising of four Executive (including the Chairman), one Non Executive and six Non Executive and Independent Directors as defined under the Listing Agreements with the Stock Exchanges. 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 Clause 49 of the Listing Agreement is considered and taken on record / approved by the Board.

#### ii) Attendance of each Director at the Board meetings & last Annual General Meeting during the year 2014-15 and number of other Directorships and committee memberships/ chairmanships held in other Companies:

S.No.	Name of Directors and their DIN No.	Category	No. of Board Meetings Attended	Last AGM Attended	No. of Directorships held in other Companies		No. of Committee positions held in others Companies	
					Chairman	Director	Chairman	Member
1.	Sh.V.P.Agarwal Chairman DIN No.00048907	Executive & Promoter	3	No	-	1	-	-
2.	Sh. Vikram Agarwal Managing Director DIN No.00054125	Executive & Promoter	4	Yes	-	1	-	-
3.	Dr. S.L. Keswani DIN No.00190790	Non-executive & Independent	4	Yes	-	8	-	-
4.	Sh.K.C. Mehra DIN No.00128733	Non-executive & Independent	4	No	-	2	2	-
5.	Sh. Y.N. Chugh DIN No.02225961	Non-executive & Independent	4	No	-	-	-	-
6.	Sh. M.R. Agarwal DIN No.00180671	Non-executive & Independent	4	No	-	-	-	-
7.	Sh.Pankaj Chaturvedi * DIN No.00003278	Non-executive & Independent	4	No	-	6	-	-
8.	Smt. Purnima Gupta * DIN No.06885738	Non-executive & Independent	4	No	-	-	-	-
9.	Sh. Kanha Agarwal * DIN No.06885529	Non-executive & Promoter	4	No	-	-	-	-
10.	Sh. M.L. Pareek DIN No.01795975	Executive	4	No	-	1	-	-
11.	Sh. P.L. Gupta DIN No.00048868	Executive	4	Yes	-	3	-	-

\* Appointed as Director w.e.f. 28<sup>th</sup> May, 2014



## PRAKASH INDUSTRIES LIMITED

### iii) 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.

### iv) No. of Board Meetings

During the year 2014-2015 four Board Meetings were held on 28<sup>th</sup> May, 2014, 8<sup>th</sup> August, 2014, 14<sup>th</sup> November, 2014 and 11<sup>th</sup> February, 2015. 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	28.05.2014	11	11
2	08.08.2014	11	10
3	14.11.2014	11	11
4	11.02.2015	11	11

### v) Meetings of Independent Directors

The Company's Independent Directors would meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings will be conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views. The Chairman of meeting will take appropriate steps to present Independent Directors' views to the Chairman and Managing Director.

## 3. COMMITTEES OF THE BOARD OF DIRECTORS:

### a) 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 clause 49 of the Listing Agreement as well as those mentioned in 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 2014-15 on 28<sup>th</sup> May, 2014, 8<sup>th</sup> August, 2014, 14<sup>th</sup> November, 2014 and 11<sup>th</sup> February, 2015 and attendance was as under:-

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

\* Appointed w.e.f. 28<sup>th</sup> May, 2014

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

### b) 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 clause 49 of the Listing Agreement.

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 11<sup>th</sup> February, 2015 in which the remuneration of Shri Vikram Agarwal, Managing Director, Shri M.L. Pareek and Shri P.L. Gupta, Whole-time Directors was considered, approved and recommended to the Board.

#### ii) Details of remuneration / sitting fee paid to Directors for the period from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015:

(₹ in Lacs)

S.No.	Name of Director	Salary	Perquisites	Sitting Fee
1.	Sh.V.P. Agarwal	360.00	Nil	N.A.
2.	Sh.Vikram Agarwal	144.00	17.28	N.A.
3.	Dr.S.L.Keswani	Nil	Nil	4.00
4.	Sh.K.C.Mehra	Nil	Nil	3.20
5.	Sh.Y.N. Chugh	Nil	Nil	2.00
6.	Sh.M.R. Agarwal	Nil	Nil	1.80
7.	Sh.Pankaj Chaturvedi *	Nil	Nil	1.00
8.	Smt.Purnima Gupta *	Nil	Nil	2.00
9.	Sh.Kanha Agarwal *	Nil	Nil	1.20
10.	Sh.M.L. Pareek	33.60	13.55	N.A.
11.	Sh.P.L. Gupta	24.00	9.68	N.A.

\*Appointed w.e.f. 28<sup>th</sup> May, 2014

### iii) 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 M.L. Pareek	3 years	01.04.2015	One month
4.	Shri P.L. Gupta	3 years	01.04.2015	One month

## PRAKASH INDUSTRIES LIMITED

### iv) Details of shareholding of non-executive Directors in the Company as on 31<sup>st</sup> March, 2015 :

S.No.	Name of Director	No. of shares held
1.	Dr. S.L. Keswani	22000
2.	Shri K.C. Mehra	Nil
3.	Shri Y.N. Chugh	Nil
4.	Shri M.R. Agarwal	Nil
5.	Shri Pankaj Chaturvedi	5000
6.	Smt. Purnima Gupta	Nil
7.	Shri Kanha Agarwal	18540

### c) SHAREHOLDERS COMMITTEE :

#### i) 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 twice a month to approve the transfer and transmission of shares/debentures, issue of duplicate share certificates, consolidation and sub-division of shares, etc. The Company complies with the requirements of the listing agreements with stock exchanges 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 Manoj Aggarwal, Company Secretary of the Company as Compliance Officer to monitor the transfer process and liaison with the regulatory authorities.

#### ii) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee (formerly known as Shareholders'/ Investors' Grievance Committee) has been reconstituted on 28<sup>th</sup> May, 2014 in terms of Clause 49 of Listing Agreement and 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 consists of Dr. S.L. Keswani (non-executive and independent Director) Shri V.P. Agarwal (Chairman) and Shri Vikram Agarwal (Managing Director) as members of the Committee.

The Committee met four times during the year 2014-15 on 19<sup>th</sup> April, 2014, 19<sup>th</sup> July, 2014, 18<sup>th</sup> October, 2014 and 17<sup>th</sup> January, 2015 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 Manoj Aggarwal  
Company Secretary

No. of shareholders/ investors complaints received upto 31<sup>st</sup> March, 2015 : 18

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

No. of pending complaints : Nil

In Compliance to Clause 47(f) of the Listing Agreement of Stock Exchanges, the Company has created for the help of investors an exclusive e-mail ID viz. [investorshelpline@prakash.com](mailto:investorshelpline@prakash.com).

### d) FINANCE COMMITTEE

The Board has also constituted a Finance Committee on 14<sup>th</sup> 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 issues 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 Sh M.L. Pareek (Whole-time Director) as members of the Finance Committee of the Board of Directors.

The Committee met four times during the year 2014-15 on 24<sup>th</sup> May, 2014, 30<sup>th</sup> July, 2014, 11<sup>th</sup> October, 2014 and 14<sup>th</sup> November, 2014 and attendance of members at the meeting was as follows:

S. No.	Name of Director	Status	Meetings Attended
1.	Shri K.C. Mehra (Non-executive and independent)	Chairman	4
2.	Dr. S.L. Keswani (Non-executive and independent)	Member	4
3.	Shri M.L. Pareek (Executive)	Member	4
4.	Shri P.L. Gupta (Executive)	Member	4

### e) 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 2014-15.

### f) 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, Shri Kanha Agarwal, Smt Purnima Gupta and Shri Vikram 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.

## PRAKASH INDUSTRIES LIMITED

The Committee met two times during the year 2014-15 on 8<sup>th</sup> August, 2014 and 11<sup>th</sup> February, 2015 and attendance of members at the meeting was as follows:

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

### g) RISK MANAGEMENT COMMITTEE

In terms of the provisions of revised Clause 49 of the Listing Agreement, Company has constituted a Risk Management Committee comprises 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 one time during the year 2014-15 on 14<sup>th</sup> November, 2014 and attendance of members at the meeting was as follows:

S. No.	Name of Director	Status	Meetings Attended
1.	Sh. Vikram Agarwal	Chairman	1
2.	Sh. M.L. Pareek	Member	1
3.	Sh. 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 14<sup>th</sup> November, 2014 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.

### 4. 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 Managing Director is given below:

*"In terms of Clause 49-I(D) of the Listing Agreement 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 2014-15"*

Place : New Delhi                      M. L. Pareek                      P. L. Gupta  
Date : 25<sup>th</sup> May, 2015      Chief Executive Officer      Chief Financial Officer

### 5. 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
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
2011-2012	29.09.2012 at 12.30 p.m.	Re-appointment / appointment of Managing Director and two Whole-time Directors

#### Special Resolution passed through Postal Ballot

No special resolution was passed through postal ballot during the Financial Year 2014-15. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through postal ballot.

**Disclosure on materially significant related party transactions, i.e. the Company's transactions that are of material nature, with its Promoters, Directors and the management, their relatives or subsidiaries, among others that may have potential conflict with the Company's interests at large**

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.40 of Standalone Financial Statements, forming part of the Annual Report. The Company's major related party transactions are generally with its Joint Ventures, Key Managerial Personnel and Associates. All related party transactions are negotiated on arms length basis and are intended to further in the Company's interests.

**Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets during last three years.**

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.

### 6. DISCLOSURES

- i) 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.
- ii) During the last three years Company has duly complied with all the matters relating to capital market.
- iii) 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.

## PRAKASH INDUSTRIES LIMITED

- iv) The Company has generally complied with all mandatory requirements of Clause 49 of the Listing Agreement to the extent these apply to the Company. The Company has also adopted non-mandatory requirements relating to Remuneration Committee and Whistle Blower Policy.

### 7. 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 26<sup>th</sup> September, 2015 at 12.30 p.m.  
Venue 15 Km. Stone, Delhi Road, Hissar-125044

#### c) Financial Calendar for 2015-16:

- i) First quarter results upto 14<sup>th</sup> August, 2015  
ii) Second quarter results upto 14<sup>th</sup> November, 2015  
iii) Third quarter results upto 14<sup>th</sup> February, 2016  
iv) Fourth quarter / Annual results upto 15<sup>th</sup> / 30<sup>th</sup> May, 2016

#### d) Book Closure : 22<sup>nd</sup> September, 2015 to 26<sup>th</sup> September, 2015 (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 have been listed on the Singapore Exchange Securities Trading Limited ("SGX-ST")

ISIN No. for FCCB : XS0458122602 and XS0505342864

#### f) Market Price Data :

Market price of Company's Equity Share of ₹10 each during the year from April, 2014 to March, 2015 at BSE Ltd. and National Stock Exchanges (NSE) are given below:

Month	BSE		NSE	
	Highest	Lowest	Highest	Lowest
April, 2014	76.00	45.45	76.00	45.40
May, 2014	120.00	69.00	119.60	69.15
June, 2014	118.30	95.50	118.40	95.55
July, 2014	123.00	92.70	123.20	92.20
August, 2014	113.80	65.10	113.70	65.00
September, 2014	78.60	48.30	78.50	48.40
October, 2014	60.95	51.95	60.85	51.80
November, 2014	64.90	56.05	64.80	56.50
December, 2014	64.85	52.55	64.80	52.55
January, 2015	59.35	49.55	59.40	49.50
February, 2015	54.80	45.60	55.00	45.50
March, 2015	49.25	34.50	49.30	34.70

### g) Distribution of Shareholding (as on 31<sup>st</sup> March, 2015)

No. of Equity Shares held	No. of Share Holders	% of Share Holders	No. of Shares	% of Share Holding
Upto 5000	43299	84.03	7413443	5.51
5001 - 10000	3944	7.65	3177011	2.36
10001 - 20000	1971	3.83	3028166	2.25
20001 - 30000	660	1.28	1685949	1.25
30001 - 40000	336	0.65	1212427	0.90
40001 - 50000	292	0.57	1388750	1.03
50001 - 100000	469	0.91	3585971	2.67
100001 - above	556	1.08	112996797	84.03
<b>Total</b>	<b>51527</b>	<b>100.00</b>	<b>134488514</b>	<b>100.00</b>

### h) Shareholding Pattern (as on 31<sup>st</sup> March, 2015)

Category	No. of Shares	% of Shares
Promoters & Promoter Group	62522390	46.49
Mutual Fund / UTI	3928425	2.92
Financial Institutions / Banks	3785	0.00
Insurance Companies	300	0.00
Foreign Institutional Investors	5171697	3.85
Bodies Corporate	36315945	27.00
NRIs/OBCs	942866	0.70
Public (Individuals)	25603106	19.04
<b>Total</b>	<b>134488514</b>	<b>100.00</b>

#### 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 31<sup>st</sup> March, 2015; 92.66% of Equity Shares of the Company were held in dematerialized form.

#### l) Listing Fee :

The Company has paid the listing fees upto the year 2015-16 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)**

Company had issued 600 Foreign Currency Convertible Bonds (FCCB) of US\$ 1,00,000 each 29<sup>th</sup> April, 2010.

The total outstanding FCCB as on 31<sup>st</sup> March 2015 is 60 Million US\$.

**n) Plant Locations :**

- i) Champa, Distt. Janjgir – Champa (Chhattisgarh)
- ii) Chotia (Chhattisgarh)
- iii) Raipur (Chhattisgarh)
- iv) Kashipur (Uttarakhand)
- v) Koira, Distt. Koenjhar (Odisha)
- vi) 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](http://www.prakash.com)**

**E-mail : [investorshelp@prakash.com](mailto:investorshelp@prakash.com)**

**8. 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](http://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.

### Compliance Certificate from the Auditors 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 31<sup>st</sup> March, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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 clause of the Listing Agreement.

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

(L.N. Jain)

New Delhi  
25th May, 2015

Partner  
M.No. 72579



## PRAKASH INDUSTRIES LIMITED

### ANNEXURES TO THE DIRECTORS' REPORT

**DISCLOSURE AS REQUIRED UNDER SUB RULE 2 OF RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015.**

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	59	B.Com.	36	Chairman	360	01.01.1981	Surya Roshini Limited
2.	Sh.Vikram.Agarwal	37	B.Com.	13	Managing Director	161	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, Director of the Company

**INFORMATION IN ACCORDANCE WITH THE PROVISIONS 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**

#### CONSERVATION OF ENERGY

Our Company has understood the emerging need of Energy Conservation and proactively initiated the Energy Management System Initiative in consultation with M/s BSI and aligned our manufacturing processes with internationally recognized Energy Management System ISO-50001:2011. As a part of the ISO-50001:2011, the company has developed a dedicated Energy Management Cell, which conducts 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 Programs. As per the Energy Policy, the company is also focused on Energy Efficiency by using equipments like Screw compressors for compressed air, electronic chokes for all tube lights, CFLs and Aerofoil Design Energy Efficient Cooling tower Fans, etc. The company also gets Energy Audits conducted by External Agency like CII-Hyderabad, M/s MC Jain Engineers Raipur, and Accredited by Bureau of Energy Efficiency (BEE), Government of India and implements their recommendation.

The company celebrated Energy Conservation Day on 14th December, 2014 for creating employee awareness at all levels across the company by conducting competitions on energy slogans and energy posters for all employees and families. The Company has a policy to send the Employees and Energy team for participating in the training programs conducted by CII and other reputed authorities for sharpening their skill. Company's Training department also organizes various in-house training programmes on appropriate and applicable Energy conservation topics to create the Energy Awareness at all Levels. Our WCM Team Achieved Gold Certificate from Quality Circle Forum of India, Bhilai Chapter for presenting Energy conservation Activities/Case studies in the 5th Chapter Convention on Quality Concept in 2014.

#### INFORMATION AS PER PRESCRIBED FORM 'A' :

##### (A) Power and Fuel Consumption

	Billets Division		TMT Mill Division		Wire Rod Mill Division	
	2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014
<b>1. Electricity Purchased*</b>						
Units in Lacs	302	70	154	168	518	575
Total Amount (₹ Lacs)	1,887	564	822	846	2,630	2,784
Rate/Unit (₹)	6.24	8.01	5.34	5.04	5.08	4.84
* excluding transfer of power from captive plant						
<b>2. Furnace Oil</b>						
Quantity (K.Ltrs.)	301	291	-	-	-	-
Total Amount (₹ Lacs)	112	125	-	-	-	-
Average Rate (₹)	37,098	42,986	-	-	-	-

##### (B) Consumption per unit of production

Product		Steel Billets Division		TMT Mill Division		Wire Rod Mill Division	
		2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014
Electricity (KWH)	Units	914	886	113	111	109	108
Furnace Oil	Ltrs.	0.43	0.44	-	-	-	-
Coal	Kgs.	-	-	107	111	105	110

## 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:-

1. Reduction of LOI in flue gases from kiln/WHRB by optimizing coal combustion in the Kiln and optimization of process parameters.
2. Improved operational practices to reduce specific power / coal consumption.
3. Use of Back flow in kilns (Recycling of waste) for optimum utilisation of raw materials.
4. Optimization of RMP running hours from in the range of 12 - 14 hrs to 8 - 9hrs by increasing the availability of raw material.
5. Automation and logical Interlocking of Belt Conveyors with Dust Extraction Systems and Air Compressors for Energy Saving and reduction of Running Hours of RMP Circuit.
6. Use of Imported Coal in SID kilns at injection side to reduce the specific coal consumption and improve the productivity in SID kilns.
7. Installation of VVFD for Kiln 4 Cooler main drive to reduce the energy consumption.
8. Up-gradation of old and lower capacity induction furnaces with energy efficient and higher capacity furnaces for improvement of production and energy conservation.
9. Interconnection of Furnace Exhaust Duct for Stopping I D fans and use of one ID fan for exhaust gases/air in the SAF Division
10. Use of Imported Manganese Ore in production of Ferro Alloys for process improvement & reduction of energy consumption.
11. Change coal blend in SAF division and increase the specific consumption of Pearl Coke to achieve improvement in process and higher production resulting in reduction in specific power consumption.
12. Use of Dolochar (byproduct from kilns) at power plant, Boilers are designed for use of Dolochar and optimum utilization of byproducts.
13. Improved performance of HP heaters with cleaning and replacing gaskets and increase in Feed water temperature resulted into coal saving
14. Retrofitting of WHRB-2 to increase steam flow and pressure for increasing the power generation .

During the year, the company had also engaged World class consultants M/s Accenture for Business Transformation Initiatives and yielded the Benefits in Process Improvements.

- 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 :**

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.

- 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.

- 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	4,552	3,171
ii) Foreign exchange earned	-	-

# PRAKASH INDUSTRIES LIMITED

## INDEPENDENT AUDITORS' REPORT

To,  
The Members of  
PRAKASH INDUSTRIES LIMITED

### 1. Report on the Financial Statements

We have audited the accompanying standalone financial statements of Prakash Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, 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. Auditors' 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 misstatements.

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, but not for the purpose of expressing

an opinion on whether the Company has in place an adequate internal financial controls systems over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by 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 standalone financial statements.

### 4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2015 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), 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 to the Company in future within the prescribed time limit as per the Income Tax Act, 1961.
- (b) Refer Note No. 4(d), The Company has shown Foreign Currency Convertible Bonds of Rs. 37554 lacs going to be matured on April 30, 2015 under the head 'Long Term Borrowings'. Had this been shown as 'Other Current Liabilities', Current liabilities of the Company would have been higher to that extent.
- (c) 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 liabilities 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 lower by Rs. 361 lacs.
- (d) Refer Note No. 31, no adjustment has been made by the Company in the book values of the Investments made in mining assets as the amount of compensation receivable for the coal mines cancelled vide the Hon'ble Supreme Court order, is not ascertained at present.
- (e) Refer Note No. 49, remuneration paid to the Chairman and the Managing Director aggregating to Rs. 708.39 lacs is subject to approval by the members of the Company and the Central Government.

Our opinion is not qualified in respect of these matters.

## PRAKASH INDUSTRIES LIMITED

### 6. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 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 in above para, 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, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.; and

- (f) 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(b) & 33;
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

New Delhi  
25<sup>th</sup> May, 2015

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

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

## PRAKASH INDUSTRIES LIMITED

### ANNEXURE REFERRED TO IN OUR INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF PRAKASH INDUSTRIES LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

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 in a phased periodical manner, 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 on such verification.
2. (a) The inventory has been physically verified at reasonable intervals by the management. In our opinion, the frequency of verification is reasonable.  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) In our opinion, the Company is maintaining proper records of inventory. 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.
3. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not come across any continuing failure to correct major weaknesses in the internal control system.
5. In our opinion and according to information and explanations given to us, the Company has not accepted any deposit where the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the

Companies Act, 2013 and the rules framed thereunder are applicable. No order against the Company has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.

6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 for the maintenance of cost records under section 148(1) of the Act in respect of the Company's products 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.
7. (a) As per records of the Company and according to the information and explanations given to us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable with the appropriate authorities. There are no arrears of statutory dues as at March 31, 2015 which were 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, value added tax or cess as at March 31, 2015 except for the following:

Nature of the dues	Amount (₹ in lacs)	Forum where the dispute is pending
Excise Duty	123.88	CESTAT, New Delhi
	36.15	Appellate Authority- Addl. Commissioner
	6.29	Appellate Authority- Dy. Commissioner
	0.11	Appellate Authority- Asst. Commissioner
	5.09	Appellate Authority- Jt. Commissioner
Income Tax	362.26	Commissioner of Income Tax (Appeals)

- (c) According to the information and explanations given to us, no amount is required to be transferred by the Company to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956 ) and rules made there under.



## **PRAKASH INDUSTRIES LIMITED**

8. The Company has no accumulated losses as at March 31, 2015. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
9. The Company has been regular in repayments to financial institution and banks during the year under review except amount of Rs. 1444 lacs due on December 31, 2014 and Rs. 2575 lacs due on March 31, 2015 outstanding in arrears as at March 31, 2015. As informed to us, Company's request to the concerned financial institution and bank for restructuring of the loans are under their consideration. The Company does not have any outstanding debentures at the end of the year.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
11. According to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose, where applicable, for which the loans were taken.
12. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under review.

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

New Delhi  
25<sup>th</sup> May, 2015

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

# PRAKASH INDUSTRIES LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2015

	Note No.	As at 31st March, 2015 ₹ in lacs	As at 31st March, 2014 ₹ in lacs
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	13,449	13,449
Reserves & Surplus	3	2,07,059	2,09,829
		<u>2,20,508</u>	<u>2,23,278</u>
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	67,121	70,230
Deferred Tax Liabilities (Net)		8,095	8,706
Long-Term Provisions	5	1,756	1,393
		<u>76,972</u>	<u>80,329</u>
<b>Current Liabilities</b>			
Short-Term Borrowings	6	8,918	2,304
Trade Payables		7,722	5,006
Other Current Liabilities	7	29,456	29,961
Short-Term Provisions	8	897	4,354
		<u>46,993</u>	<u>41,625</u>
<b>Total</b>		<u>3,44,473</u>	<u>3,45,232</u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets	9		
Tangible Assets		1,73,033	1,74,164
Intangible Assets		290	560
Capital Work-in-Progress		88,782	83,492
Intangible Assets Under Development		5,631	5,819
		<u>2,67,736</u>	<u>2,64,035</u>
Non-Current Investments	10	218	218
Long-Term Loans and Advances	11	37,153	37,926
		<u>3,05,107</u>	<u>3,02,179</u>
<b>Current Assets</b>			
Current Investments	12	-	3,317
Inventories	13	19,407	23,282
Trade Receivables	14	9,697	8,686
Cash and Cash Equivalents	15	3,553	2,051
Short-Term Loans and Advances	16	6,594	5,633
Other Current Assets	17	115	84
		<u>39,366</u>	<u>43,053</u>
<b>Total</b>		<u>3,44,473</u>	<u>3,45,232</u>

Notes on Financial Statements

1 to 51

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

For and on behalf of the Board

(L.N. Jain)  
Partner

NEW DELHI  
25<sup>th</sup> May, 2015

Manoj Aggarwal  
Company Secretary

P.L. Gupta  
Whole - time Director

Vikram Agarwal  
Managing Director

# PRAKASH INDUSTRIES LIMITED

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

	Note No.	This Year ₹ in lacs	Previous Year ₹ in lacs
<b>INCOME</b>			
Sale of products		3,16,067	2,89,336
Less: Excise duty		32,426	29,674
Revenue from operations		2,83,641	2,59,662
Other Income	18	772	352
<b>Total Revenue</b>		<b>2,84,413</b>	<b>2,60,014</b>
<b>EXPENSES</b>			
Cost of Material Consumed		1,96,781	1,78,583
Changes in Inventories of Finished Goods			
Work-in-Progress and Stock in Trade	19	(1,440)	(1,718)
Employee Benefits Expenses	20	14,910	12,229
Finance Costs	21	6,073	5,783
Depreciation and Amortization Expenses	22	9,849	11,776
Other Expenses	23	32,400	33,002
<b>Total Expenses</b>		<b>2,58,573</b>	<b>2,39,655</b>
Profit from operations before Exceptional items and Tax		25,840	20,359
Exceptional Item (Refer Note no.29 (b))		24,906	-
<b>Profit before Tax</b>		<b>934</b>	<b>20,359</b>
Tax Expenses			
Current Tax		187	4,267
Less : MAT Credit Entitlement		187	1,025
Net Current Tax		-	3,242
Excess Tax Provision for earlier years written back		-	199
<b>Profit after Tax</b>		<b>934</b>	<b>17,316</b>
<b>Earning Per Share</b>			
Basic / Diluted (₹)		1	13

Notes on Financial Statements 1 to 51

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

(L.N. Jain)  
Partner

NEW DELHI  
25<sup>th</sup> May, 2015

Manoj Aggarwal  
Company Secretary

P.L. Gupta  
Whole - time Director

Vikram Agarwal  
Managing Director

For and on behalf of the Board

# PRAKASH INDUSTRIES LIMITED

## CASH FLOW STATEMENT

(₹ in lacs)

This Year

Previous Year

### A. Cash Flow From Operating Activities :

Net Profit as per Profit & Loss Account	934		17,316
Adjustments for			
Provision for tax (Net of Credit)	-	3,242	
Exceptional Item	24,906	-	
Excess Tax Provision for earlier years written back	-	(199)	
Provision for gratuity and leave encashment	595	140	
Provision for doubtful debts and advances	1	6	
Depreciation and expenses amortised	9,849	11,776	
Interest & Other Income	(707)	(321)	
Profit on sale of fixed assets	(65)	(31)	
Financial expenses	6,073	5,783	20,396
Operating Profit before working Capital changes	41,586		37,712
Adjustments for			
Trade & Other receivables	(2,038)	(1,143)	
Inventories	3,875	(2,723)	
Trade payables & provisions	5,650	(52)	(3,918)
Cash generated from operations	49,073		33,794
Taxes Paid	2,455		2,435
Additional Levy on Coal	23,421		-
<b>Net Cash from operating activities</b>	<b>23,197</b>		<b>31,359</b>

### B. Cash Flow From Investing Activities:

Sale of fixed assets	363		69
Purchase of fixed assets	(18,061)		(21,466)
Mine development expenditure	-		(806)
Interest & other Income received	676		324
Advances to Group companies & Joint venture	2,818		869
Purchase/sale of investment	3,317		(1,977)
<b>Net cash used in investing activities</b>	<b>(10,887)</b>		<b>(22,987)</b>

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

Payment of Dividend and Dividend Tax	(1,548)	(1,548)
Proceeds/(Repayment) from Loans (Net)	(5,718)	(1,476)
Financial expenses paid	3,542	5,822
<b>Net Cash from financing activities</b>	<b>(10,808)</b>	<b>(8,846)</b>
<b>Net Changes in Cash &amp; Cash equivalents (A+B+C)</b>	<b>1,502</b>	<b>(474))</b>
<b>Opening balance of Cash &amp; Cash equivalents</b>	<b>2,051</b>	<b>2,525</b>
<b>Closing balance of Cash &amp; Cash equivalents</b>	<b>3,553</b>	<b>2,051</b>

## Notes :

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

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

(L.N. Jain)  
Partner

NEW DELHI  
25<sup>th</sup> May, 2015

Manoj Aggarwal  
Company Secretary

P.L. Gupta  
Whole - time Director

Vikram Agarwal  
Managing Director

For and on behalf of the Board



# PRAKASH INDUSTRIES LIMITED

## NOTES ON FINANCIAL STATEMENTS

### 1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared to comply with the Accounting Standard referred to in section 133 and the relevant provision of the Companies Act, 2013. The financial statements have been prepared in accordance with the historical cost convention and generally accepted accounting principles. A summary of the important accounting policies, which have been followed consistently is set out below :

**(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.
- 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

## PRAKASH INDUSTRIES LIMITED

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 ₹ 1,742 lacs ( ₹ 4,403 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 ₹ 3,503 lacs ( ₹ 4,290 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.

(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, 2015 ₹ in lacs	As at 31st March, 2014 ₹ in lacs
<b>Authorised :</b>		
170000000 (170000000) Equity Shares of ₹ 10 each	17,000	17,000
	<u>17,000</u>	<u>17,000</u>
<b>Issued , Subscribed &amp; Paid-up :</b>		
<b>Equity</b>		
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,2015		As at 31st March,2014	
	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,2015		As at 31st March,2014	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Amarjoti Vaniya Private Limited	-	-	10375750	7.71
GMK Builders Private Limited	12401300	9.22	8164800	6.07
SMC Comtrade Limited	9000000	6.69	-	-

(d) Foreign Currency Convertible Bonds (FCCB) holders have an option to get their bonds converted into equity shares of the Company (refer note 4 (d)).

## PRAKASH INDUSTRIES LIMITED

3. RESERVES AND SURPLUS	As at 31st March, 2015	As at 31st March, 2014
	₹ in lacs	₹ in lacs
Capital Reserve	279	279
Capital Redemption Reserve	800	800
Securities Premium Account		
At Opening	24,061	24,615
Deferred Tax (Refer Note no.28)	(361)	(554)
	23,700	24,061
Revaluation Reserve		
At Opening	11,318	12,591
Transfer to Depreciation Account	1,274	1,273
	10,044	11,318
General Reserve		
At Opening	1,71,000	1,56,000
Transfer from Profit & Loss Account	-	15,000
	1,71,000	1,71,000
Surplus in Profit & Loss Account		
At Opening	2,371	1,629
Add: Profit for the year	934	17,316
	3,305	18,945
Less: Appropriations		
Proposed dividend on Equity Shares	-	1,345
(Dividend per share ₹ Nil(previous year ₹ 1))		
Tax on Proposed Equity Dividend	-	229
Depreciation on transition to schedule II of the Companies Act ,2013 (Net of Deferred Tax)	2,069	-
(Refer Note no. 35)		
Transfer to General Reserve	-	15,000
	1,236	2,371
	<u>2,07,059</u>	<u>2,09,829</u>

4. LONG TERM BORROWINGS	As at 31st March, 2015	As at 31st March, 2014
	₹ in lacs	₹ in lacs
Secured		
Term Loans		
From Banks	877	4,393
From Others	23,753	29,777
	24,630	34,170
Unsecured		
Foreign Currency Convertible Bonds(FCCB)	37,554	36,060
From Related Parties	659	-
From Others	4,278	-
	<u>67,121</u>	<u>70,230</u>
		(₹ In lacs)

(a) Term of repayment of Secured Term Loans are as follows :	1-3 Years	4 - 5 years	6 - 10 years
Term Loan from banks	876	1	-
Term Loan from others	14,606	5,635	3,512

- (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 ₹ 87 lacs (₹ 182 lacs) and ₹ 1,370 lacs (₹ 72 lacs) respectively secured against the vehicles financed by the concerned lenders.
- (d) The Company had issued FCCB of USD 110 Million in earlier years, out of which FCCB of USD 32.9 Million got converted into Equity Shares of the Company. Out of Balance USD 77.1 Million, FCCB of USD 17.1 Million were redeemed on 13th October, 2014 and FCCB of USD 60 Million are due for redemption on 30th April, 2015 and carry interest @5.25% p.a. The Company is in discussions with the bond holders and the bond holders have in-principle agreed for restructuring of the FCCB for a further period of 5 years, hence this amount has been shown under the above head. Outstanding FCCB are repayable in Foreign Currency and their repayments have not been hedged by any derivative instrument or otherwise by the Company.

## PRAKASH INDUSTRIES LIMITED

5. LONG TERM PROVISIONS	As at 31st March, 2015 ₹ in lacs	As at 31st March, 2014 ₹ in lacs
<b>Provisions for Employees benefits</b>		
Provisions for Gratuity & Leave Encashment	1,756	1,393
	<u>1,756</u>	<u>1,393</u>

6. SHORT TERM BORROWINGS	As at 31st March, 2015 ₹ in lacs	As at 31st March, 2014 ₹ in lacs
<b>Secured</b>		
Working capital loan from bank	3,418	2,304
<b>Unsecured</b>		
From Others	5,500	-
	<u>8,918</u>	<u>2,304</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, 2015 ₹ in lacs	As at 31st March, 2014 ₹ in lacs
Current maturities of long term debts	15,308	22,789
Interest accrued but not due on borrowings	30	46
Interest accrued & due on borrowings	2,547	-
Unclaimed Dividend	105	79
Trade/Security deposits	1,480	1,199
Other Payables	9,986	5,848
(Including statutory dues, expenses payable etc.)		
	<u>29,456</u>	<u>29,961</u>

Current maturities on long term debts include term loans from bank, financial institution and others amounting to Rs. 3,783 lacs which is overdue as on 31st March, 2015. The Company has already submitted its proposals to the respective lenders for rescheduling of these dues, which is under their active consideration.

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	897	665
Other Provisions		
For Proposed Dividend on Equity Shares	-	1,345
For Tax on Proposed Dividend	-	229
For Taxation (Net of Advance Tax)	-	2,115
	<u>897</u>	<u>4,354</u>

**NOTE 9 - FIXED ASSETS**

(₹ in Lacs)									
	GROSS BLOCK			DEPRECIATION			NET BLOCK		
Particulars	As at 31.03.2014	Additions	Sales/ Adjustments	As at 31.03.2015	Total upto 31.03.2014	For the year	Deductions/ Adjustments	Transitional Adjustments	Total upto 31.03.2015
<b>TANGIBLE ASSETS</b>									
Land (Lease hold)	603	-	-	603	-	-	-	-	603
Land (Free hold)	5609	-	-	5609	-	-	-	-	5609
Buildings	36343	4027	109	40261	7715	1893	29	1733	11312
Plant & Machinery	238928	8068	993	246003	100930	8650	883	1213	109910
Furnitures & Fixtures	581	15	-	596	305	49	-	19	373
Vehicles	1452	905	233	2124	555	221	125	3	654
Office Equipments	452	38	-	490	307	35	-	72	414
Mould & Dies	56	8	-	64	48	5	-	1	54
<b>Total</b>	<b>284024</b>	<b>13061</b>	<b>1335</b>	<b>295750</b>	<b>109860</b>	<b>10853</b>	<b>1037</b>	<b>3041</b>	<b>122717</b>
Capital Work-in-Progress	83492	16284	10994	88782	-	-	-	-	-
<b>Total</b>	<b>367516</b>	<b>29345</b>	<b>12329</b>	<b>384532</b>	<b>109860</b>	<b>10853</b>	<b>1037</b>	<b>3041</b>	<b>122717</b>
Previous Year	343474	40897	16855	367516	98479	12779	1398	-	109860
<b>INTANGIBLE ASSETS</b>									
Mine Development Cost	2696	-	-	2696	2136	270	-	-	2406
Previous Year	2696	-	-	2696	1866	270	-	-	2136
<b>INTANGIBLE ASSETS UNDER DEVELOPMENT</b>									
Mine Development Cost	5819	590	778	5631	-	-	-	-	-
Previous Year	5013	806	-	5819	-	-	-	-	-

- Refer Note No. 35



## PRAKASH INDUSTRIES LIMITED

10. NON-CURRENT INVESTMENTS	As at 31st March, 2015 ₹ in lacs	As at 31st March, 2014 ₹ in lacs
<b>Long Term, Trade, At cost, Unquoted</b>		
<b>Equity Instruments</b>		
<b>Investment in Joint Ventures</b>		
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 & 31)	218	218
11. LONG TERM LOANS AND ADVANCES	As at 31st March, 2015 ₹ in lacs	As at 31st March, 2014 ₹ in lacs
(Unsecured, considered good unless otherwise stated)		
Capital Advances	9,953	8,314
Security Deposits	2,081	1,863
Advances to related parties(refer note no.32 & 40)	182	3,000
MAT Credit Entitlement (refer note no.1(n) (ii))	24,937	24,749
	<u>37,153</u>	<u>37,926</u>
12. CURRENT INVESTMENTS	As at 31st March, 2015 ₹ in lacs	As at 31st March, 2014 ₹ in lacs
<b>Short Term, Non Trade, At cost</b>		
<b>Quoted</b>		
<b>Investments in Units of Mutual Funds</b>		
Birla Sun Life cash plus Growth Nil (2,92,695) Units of face value of ₹ 100 each	-	600
Kotak Floater Long Term Growth Nil (19,64,463) Units of face value of ₹ 1,000 each	-	400
Reliance Liquid Fund Cash Plan Direct Growth Nil (45,449) Units of face value of ₹ 1,000 each	-	1,418
Reliance Liquid Fund Treasury Plan Growth Nil (29,661) Units of face value of ₹ 1,000 each	-	899
	<u>-</u>	<u>3,317</u>
Aggregate Book Value of Quoted Investments	-	3,317
Aggregate Market Value of Quoted Investments	-	3,351

## PRAKASH INDUSTRIES LIMITED

13. INVENTORIES	As at 31st March, 2015 ₹ in lacs	As at 31st March, 2014 ₹ in lacs
(As taken, valued and certified by the Management)		
Stores, Spares & Fuels	3,347	3,590
Raw Materials	6,743	11,961
Raw Materials in Transit	976	732
Finished Products	4,994	6,029
Work in Progress	363	421
Scrap & Waste	2,984	549
	<u>19,407</u>	<u>23,282</u>
14. TRADE RECEIVABLES	As at 31st March, 2015 ₹ in lacs	As at 31st March, 2014 ₹ in lacs
(Unsecured, considered good unless otherwise stated)		
Outstanding exceeding six months	710	1,553
Less : Provisions for doubtful debts	(34)	(38)
Others	9,021	7,171
	<u>9,697</u>	<u>8,686</u>
15. CASH AND CASH EQUIVALENTS	As at 31st March, 2015 ₹ in lacs	As at 31st March, 2014 ₹ in lacs
Balances with Banks in		
Current Accounts	1,837	1,002
Deposit Accounts	<u>1,480</u>	<u>970</u>
Cash in hand	90	79
Cheque/DD in hand	<u>146</u>	-
	<u>3,553</u>	<u>2,051</u>
Balances with Banks include		
Balance in unpaid dividend account	105	79
Deposit accounts with maturity of more than 12 months from the Balance Sheet date	784	44
Deposits pledged/held as margin money	1,480	970
16. SHORT TERM LOANS AND ADVANCES	As at 31st March, 2015 ₹ in lacs	As at 31st March, 2014 ₹ in lacs
(Unsecured, considered good unless otherwise stated)		
Trade Advances	4,809	3,683
Advance Income Tax (Net of Provision)	153	-
Balance with statutory/government authorities	632	1,256
Claims recoverable	645	344
Other Advances	373	363
	<u>6,612</u>	<u>5,646</u>
Provision for doubtful advances	<u>(18)</u>	<u>(13)</u>
	<u>6,594</u>	<u>5,633</u>
17. OTHER CURRENT ASSETS	As at 31st March, 2015 ₹ in lacs	As at 31st March, 2014 ₹ in lacs
(Unsecured considered good unless otherwise stated)		
Interest accrued on deposits	115	84
	<u>115</u>	<u>84</u>

## PRAKASH INDUSTRIES LIMITED

18. OTHER INCOME	This Year ₹ in lacs	Previous Year ₹ in lacs
Interest Income	273	267
Miscellaneous income	434	54
Profit on sale of fixed assets (Net)	65	31
	<u>772</u>	<u>352</u>

19. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE	This Year ₹ in lacs	Previous Year ₹ in lacs
<b>Stock in Trade (At Close)</b>		
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
<b>Stock in Trade (At Opening)</b>		
Finished Products	6,029	4,575
Work in Progress	421	426
Scrap and Waste	<u>549</u>	<u>86</u>
	6,999	5,087
	<u>(1,342)</u>	<u>(1,912)</u>
Excise Duty on stock movement	(98)	194
	<u>(1,440)</u>	<u>(1,718)</u>

20. EMPLOYEE BENEFITS EXPENSE	This Year ₹ in lacs	Previous Year ₹ in lacs
Salaries, Wages and Benefits	13,799	11,137
Contribution to Provident & Other Funds	707	699
Staff Welfare Expenses	404	393
	<u>14,910</u>	<u>12,229</u>

21. FINANCE COSTS	This Year ₹ in lacs	Previous Year ₹ in lacs
Interest Expenses	5,990	5,694
Bank Charges	83	89
	<u>6,073</u>	<u>5,783</u>

## PRAKASH INDUSTRIES LIMITED

22. DEPRECIATION AND AMORTIZATION EXPENSES		This Year ₹ in lacs	Previous Year ₹ in lacs
Depreciation on Tangible Assets	10,853		12,779
Amortization of Intangible Assets	270		270
	11,123		13,049
Less : Transfer from Revaluation Reserve	1,274	9,849	1,273
		9,849	11,776
			11,776

23. OTHER EXPENSES		This Year ₹ in lacs	Previous Year ₹ in lacs
Power & Fuel		9,383	8,468
Mining Expenses		5,605	7,873
Processing Charges		53	47
Stores & Spares		4,834	4,442
Repairs to :			
Machinery	4,833		4,198
Buildings	311		333
Other	15	5,159	14
Insurance		130	107
Rate & Taxes		942	2,001
Travelling & Conveyance		731	494
Vehicle Maintenance		153	186
Auditors' Remuneration			
Audit Fees	41		39
Tax Audit Fees	10	51	9
Legal & Professional Charges		1,591	896
Miscellaneous Expenses		901	1,261
Provision for Doubtful Debts & Advances		1	6
Rent		51	52
Directors' Sitting Fees		15	8
Advertisement		40	35
Packing & Forwarding Charges		1,422	1,722
Power transmission expenses		11	51
Sales Promotion		44	23
Discount & Rebate		632	147
Commission		651	590
		32,400	33,002

## 24. Contingent Liabilities not provided for in respect of:

	This year (₹ in lacs)	Previous year (₹ in lacs)
(a) Guarantees/Letter of credits issued by banks on behalf of the company	1,766	2,400
(b) Disputed demands of Excise Duty / Income Tax / Electricity dues/Lease rentals etc.	6,544	4,628
(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)	36,026	40,654
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## PRAKASH INDUSTRIES LIMITED

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 ₹ 361 lacs (net of amount related to transitional depreciation Rs 972 lacs)(₹ 554 lacs) has been adjusted against Securities Premium Account. Consequently, the profit after tax is higher by the said amount.
29. a) The Hon'ble Supreme Court of India by its Order dated 24th September, 2014 had cancelled certain Coal blocks allocated to various Companies including one operational and two under development blocks allotted to the Company.
- b) The Hon'ble Supreme Court of India had also imposed an additional levy of Rs.295 per MT on extraction of Coal by the Company from its coal mine since operations commenced. Pursuant to the Order, the Company has paid Rs.234.21 crore due on the quantities extracted till 24th September, 2014. In addition, there is a liability of Rs.14.85 crore relating to the period from 25th September, 2014 to 31st March, 2015, due for payment on 30th June, 2015. Since this is an expense of exceptional nature and majorly related to the previous accounting periods, the same has been shown as an exceptional item in the profit and loss account of the Company for the year ended 31st March, 2015.
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, 2015 (₹ in lacs)					2014-2015 (₹ 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)	*(1075)	*(1075)	*(3312)	*(Nil)	*(Nil)	*(Nil)
b)Fatehpur Coal Mining Company Private Limited	*(38.46)	*(438)	*(438)	*(3195)	*(Nil)	*(Nil)	*(2)

Above figures are as certified by the management. Figures in bracket are for previous year.

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

The Hon'ble Supreme Court of India by its Order dated 24th September, 2014 had cancelled the Coal blocks allocated to above Joint Venture Companies.

31. No adjustment has been made by the Company in the book values of the Investments made in mining assets as the amount of compensation receivable for the coal mines cancelled vide the Hon'ble Supreme court order, is not ascertained at present.
32. Advance with related parties include
- i) A sum of ₹ 9 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).
- ii) A sum of ₹ 172 lacs (₹164 lacs) paid to Fatehpur Coal Mining Co. Pvt. Ltd., a joint venture Company. Maximum amount outstanding during the year ₹ 172 lacs (₹164 lacs).
- iii) A sum of ₹ 1 lac (₹ 2,827 lacs) due from other companies. Maximum amount outstanding during the year ₹ 1,314 lacs (₹ 3,773 lacs).
33. The company has taken certain plant and machinery under operating lease during the period prior to 1<sup>st</sup> 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.

## PRAKASH INDUSTRIES LIMITED

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 ₹ 1,274 lacs adjusted against the Revaluation reserve.
35. Depreciation for the year has been aligned to comply with requirement of Part C of Schedule II of the Companies Act, 2013. Consequently, depreciation for the year is lower by Rs.2,346 lacs. Further, Rs.2,069 lacs (net of deferred tax Rs 972 lacs) in respect of the Fixed Assets where the useful life as specified in schedule II is already expired, has been adjusted to the opening balance of the Retained Earnings.
36. Land of Rs.98 lacs is yet to be transferred in the name of the Company.
37. 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	Previous Year
		₹ in lacs
Contribution to Provident Fund	611	579
Contribution to Employees' State Insurance	96	120

**b) Defined Benefit Plan:**

**Reconciliation of opening and closing balances of Defined Benefit obligation**

	Current Year	Previous Year
		₹ in lacs
	Gratuity (Unfunded)	Gratuity (Unfunded)
	Leave Encashment (Unfunded)	Leave Encashment (Unfunded)
Defined Benefits obligation at the beginning of the year	1,540	1,354
Current Service Cost	165	144
Interest Cost	123	122
Actuarial (gain)/loss	302	49
Benefit paid	(152)	(129)
Defined Benefit obligation at the year end	1,978	1,540

**Reconciliation of fair value of assets and obligations**

Present value of obligation at year end	1,978	675	1,540	518
Amount recognized in Balance Sheet	1,978	675	1,540	518

**Expenses recognized during the year**

Current Service Cost	165	63	144	54
Interest Cost	123	42	122	50
Actuarial gain/(loss)	302	182	49	79
Total Cost recognized in the Profit & Loss A/c	590	287	315	183

**Actuarial assumption**

Mortality Table	IALM 2006-08 (Ultimate)	IALM 2006-08 (Ultimate)	IALM 2006-08 (Ultimate)	IALM 2006-08 (Ultimate)
Discount rate(per annum)	8.00%	8.00%	9%	9%
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.



## PRAKASH INDUSTRIES LIMITED

38. 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.

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

	As at 31.03.2015	As at 31.03.2014
		(₹ in lacs)
<b>Particulars</b>		
Depreciation on Fixed Assets	(9,015)	(9,677)
Disallowances under Section 43B of Income Tax Act, 1961	-	254
Provisions	920	717
	<u>(8,095)</u>	<u>(8,706)</u>

40. 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 Roshni Limited
3. Prakash Natural Resources Limited
4. Vanshi Farms 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 Manoj Aggarwal, 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)
<u>Key Management Personnel</u>		
Remuneration	814	680
<u>Enterprises</u>		
Amount paid for Services	1	9
Amount for Services Rendered	253	-
Purchase of goods	-	4
Purchase of Vehicles	-	6
Advances paid	47	315
Loan Received	659	-
<u>Balances outstanding at year end</u>		
Long term advances	1	2,827
Loan Received	659	-
Trade Receivable	231	-
<u>Joint Venture Entities</u>		
Share Capital Contribution	-	4
Advances paid	8	18
<u>Balances outstanding at year end</u>		
Long term advances	181	173

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.

## PRAKASH INDUSTRIES LIMITED

<b>41. Earning per share (EPS)</b>	<b>This Year</b>	<b>Previous Year</b>
Net Profit (₹ in lacs)	934	17,316
Weighted average no. of Equity Shares (In lacs)	1,345	1,345
Basic/Diluted Earning per Share (₹)	1	13
Nominal 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.

<b>42. Particulars of raw materials consumed</b>	<b>This Year</b>	<b>Previous Year</b>
		(₹ in lacs)
Chargeable Metal	57,166	58,133
Coal	20,926	16,066
PVC Resin	14,869	12,259
Ores & Minerals	89,247	79,863
Others	14,573	12,262
	<u>1,96,781</u>	<u>1,78,583</u>

43. 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	13,134	6.67%	2,153	1.22%
Indigenous	1,83,647	93.33%	1,76,430	98.79%
	1,96,781	100.00%	1,78,583	100.00%
Stores & Spares				
Imported	58	1.20%	45	0.01%
Indigenous	4,776	98.80%	4,397	98.99%
	4,834	100.00%	4,442	100.00%

<b>44. CIF value of imports (₹ in lacs)</b>		
Stores & Spares	40	64
Raw Material	3,186	585

<b>45. Earnings in foreign exchange (₹ in lacs)</b>		
FOB Value of Exports	-	-

<b>46. Expenditure in foreign currency (₹ in lacs)</b>		
Interest on Bonds	1,293	2,514
Professional Charges	27	6
Travelling	6	2

47. 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.

48. 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, 2015.

## PRAKASH INDUSTRIES LIMITED

49. Remuneration paid to the Chairman and the Managing Director aggregating to Rs. 708.39 lacs is subject to approval of members and Central Government.
50. 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.

### 51. Segment wise Revenue, Results and Capital Employed

	(₹ in lacs)	
Particulars	This Year	Previous Year
Segment Revenue		
a) Power	44,958	39,258
b) Steel	2,61,646	2,39,474
c) PVC Pipe & Others	21,515	18,263
Total	3,28,119	2,96,995
Less : Inter Segment Revenue (Power)	44,478	37,333
Net Sales/Income from Operations	2,83,641	2,59,662
Segment Results		
Profit before tax and interest		
a) Power	20,856	11,773
b) Steel	9,000	12,669
c) PVC Pipe & Others	2,057	1,700
Total	31,913	26,142
Less : Financial Expenses	6,073	5,783
Exceptional Item	24,906	-
Total Profit before tax	934	20,359
Capital Employed (Segment Assets-Segment Liabilities - Revaluation Reserve)		
a) Power	1,36,689	1,38,697
b) Steel	1,70,275	1,72,767
c) PVC Pipe & Others	2,943	3,525
Total	3,09,907	3,15,989

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  
25<sup>th</sup> May, 2015

Manoj Aggarwal  
Company Secretary

P.L. Gupta  
Whole - time Director

Vikram Agarwal  
Managing Director

## PRAKASH INDUSTRIES LIMITED

### 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.

<b>For Office Only</b>
Ref. No. <span style="border: 1px solid black; display: inline-block; width: 150px; height: 1.2em; vertical-align: middle;"></span>

### 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: 150px; 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 <small>(Please Tick (✓) wherever applicable)</small>	→	Savings <span style="border: 1px solid black; display: inline-block; width: 40px; height: 1.2em; vertical-align: middle;"></span>	→	Current <span style="border: 1px solid black; display: inline-block; width: 40px; height: 1.2em; vertical-align: middle;"></span>	→	Cash Credit <span style="border: 1px solid black; display: inline-block; width: 40px; height: 1.2em; vertical-align: middle;"></span>
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Account No. <small>(as appearing in the cheque book)</small>	→	<span style="border: 1px solid black; display: inline-block; width: 350px; height: 1.2em; vertical-align: middle;"></span>
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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 DEMATERIALISED 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 and Address of Shareholder(s)

I hereby record my presence at the **34<sup>th</sup> Annual General Meeting** of the Company held on Saturday, 26<sup>th</sup> September, 2015 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.11 to the Notice of **34<sup>th</sup> Annual General Meeting**. The e-voting period starts on Wednesday, 23<sup>rd</sup> September, 2015 (9.00 am) and ends on Friday, 25<sup>th</sup> September, 2015 (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(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(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 **34<sup>th</sup> Annual General Meeting** of the Company held on Saturday, 26<sup>th</sup> September, 2015 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 wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions No.	Description of Resolution	For	Against
1.	Consider and adopt Audited Financial Statements, Reports of the Board of Directors and Auditors		
2.	Re-appointment of Shri M.L. Pareek (DIN : 01795975) who retires by rotation		
3.	Ratification of 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 to Shri Vikram Agarwal		
6.	Re-appointment of Shri Vikram Agarwal as Managing Director		
7.	Re-appointment of Shri M.L. Pareek as Whole-time Director		
8.	Re-appointment of Shri P.L. Gupta as Whole-time Director		
9.	Ratification of remuneration of Cost Auditors		

Signed this ..... day of ..... 2015

Affix  
Revenue  
Stamp  
₹1

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Signature of shareholder

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.

\*Applicable for the investors holding shares in electronic form.





## **Prakash Industries Limited**

Corporate Office

Srivan, Bijwasan, New Delhi-110061, Tel : +91-011-25305800, 28062115

Fax : +91-011-28062119 Email : [pilho@prakash.com](mailto:pilho@prakash.com)

[www.prakash.com](http://www.prakash.com)