



Prabhu Steel Industries Ltd.

ESTD. : 1972

Regd. Office :

OLD MOTOR STAND, ITWARI, NAGPUR - 440 008.

Website : www.prabhusteel.in

PHONES : 2768745, 47, 49
● SMALL FACTORY AREA,
BAGADGANJ, NAGPUR-440008
● MOUZA BHOVARI, NAGPUR
EMAIL
prabhu.steel@yahoo.com

CIN No. : L28100MH1972PLCO15817

Date:01.09.2023

To,
**Department of Corporate Services,
BSE LIMITED**
P. J. Towers, Dalal Street,
Mumbai - 400 001.

BSE Scrip Code: 506042

To,
**The Secretary,
The Calcutta Stock Exchange Association
limited,**
7, Lyons Range, Dalhousie,
Kolkata - 700001

CSE Scrip Code: 026117

Subject : Annual Report for the Financial Year 2022-23
Ref : Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to the Provisions of Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Annual Report together with notice of the AGM for the Financial Year 2022-23 and is also available on the website of the Company at www.prabhusteel.in.

This is for your information and record.

Thanking You.

Yours Faithfully,

FOR PRABHU STEEL INDUSTRIES LIMITED

DINESH
GANGARAM
AGRAWAL

Digitally signed by DINESH
GANGARAM AGRAWAL
Date: 2023.09.01 18:42:22
+05'30'

**MR. DINESH GANGARAM AGARWAL
DIRECTOR**

DIN: 00291086

Place: Nagpur



Encl: Annual Report for the FY 2022-23



51ST ANNUAL REPORT

2022-2023

PRABHU STEEL INDUSTRIES LIMITED



CORPORATE INFORMATION

PRABHU STEEL INDUSTRIES LIMITED

CIN L28100MH1972PLC015817

Registered Address: Near Old Motor Stand Itwari Nagpur 440008.

Website: www.prabhusteel.in

Email: prabhu.steel@yahoo.com

Board of Directors and Key Managerial Personnel:

Dinesh Gangaram Agrawal	: Chairman, Managing Director & Executive Director
Harish Gangaram Agrawal	: Executive Director & Whole Time Director
Krishanu Harish Agrawal	: Executive Director
Sonali Pramod Paithankar	: Independent Director
Pramod Dnyaneshwar Kale	: Independent Director
Rajesh Singh	: Independent Director
Sanjoli Sarraf	: Company Secretary & Compliance Officer (Resigned w.e.f 03.05.2023)
Monika Jain	: Company Secretary & Compliance Officer (Appointed w.e.f 23.05.2023)
Akshita Harish Agarwal	: Chief Financial Officer

Statutory Auditors:

M/s Manish N Jain & Co.
Chartered Accountants

Internal Auditors:

M/s Haziyani & Associates
Chartered Accountants

Secretarial Auditor:

M/s Jaymin Modi & Co.
Company Secretaries

Registrar & Transfer Agents:

Satellite Corporate Services Pvt Ltd
A 106 & 107, Dattani Plaza, East West Compound,
Andheri Kurla Road, Safed Pool Sakinaka,
Mumbai - 400072.



Contents of the Annual Report

Particulars	Page Number
Notice	4
Directors' report	11
Annexure A to Directors' report	19
Annexure B to Directors' report	20
Annexure C to Directors' report	21
Annexure D to Directors' report	22
Annexure E to Directors' report	28
Independent Auditor's Report	31
Standalone Balance Sheet	44
Statement of Profit & Loss	45
Cash Flow Statement	46
Notes to Financial Statement	48
Attendance Slip	103
Proxy Form	104
Assent/Dissent	105
Route Map	107



NOTICE

NOTICE IS HEREBY GIVEN THAT THE 51ST ANNUAL GENERAL MEETING OF THE MEMBERS OF PRABHU STEEL INDUSTRIES LIMITED WILL BE HELD ON SATURDAY 23RD SEPTEMBER 2023 AT 9 AM AT PLOT NO 158 SMALL FACTORY AREA BAGADGANJ NAGPUR 440008 TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS:

Item No. 1.

Adoption of financial statements:

To receive, consider and adopt the audited financial statements for the financial year ended on that date and the Reports of the Directors and the Auditors thereon.

Item No. 2

To appoint a Director in place of Mr. Dinesh Gangaram Agrawal, Managing Director (DIN: 00291086) who retires by rotation and being eligible offered himself for re-appointment

Item No. 3

To appoint a Director in place of Mr. Harish Agrawal, Executive Director (DIN: 00291083) who retires by rotation and being eligible offered himself for re-appointment.

By order of the Board

For Prabhu Steel Industries Limited

Sd/-

Dinesh Gangaram Agrawal

Managing Director

DIN- 00291086

Sd/-

Harish Agrawal

Director

DIN-00291083

NOTES:

1. A shareholder entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on poll on behalf of him and the proxy need not be a member of the Company. The instrument of proxy in order to be effective, must be deposited at the Corporate Office of the Company, duly completed and signed, not less than 48 hours before the commencement of meeting. A person can act as proxy on behalf of shareholders not exceeding fifty (50) in number and holding in aggregate not more than 10% of the total share capital of the company.
2. Corporate shareholders intending to send their authorized representatives to attend the AGM are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the AGM.
3. 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 with the Company, 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.
4. The register of directors and key managerial personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, and the register of contracts or arrangements in which directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.



Prabhu Steel Industries Limited Annual Report 2022-2023

5. In terms of the provisions of section 152 of the Companies Act, 2013, Mr. Dinesh Gangaram Agrawal Director retires by rotation at the AGM. Nomination and Remuneration Committee and the Board of Directors of the Company recommend their re-appointment. Details of the Directors retiring by rotation/ seeking re- appointment at the ensuing meeting are provided in the Notice.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from, **Sunday, 17th September 2023 to Saturday, 23rd September 2023** (both days inclusive). For the purpose of Annual General Meeting for the financial year ended 31st March 2023.
7. Notice of the AGM along with the Annual Report 2022-2023 is also being sent through electronic mode to those Members whose email address is registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2022-2023 will also be available on the Company's website www.prabhusteel.in website of the Stock Exchange, i.e on BSE Limited at www.bseindia.com. For receiving all communication (including Annual Report) from the Company electronically members are requested to register/update their email addresses with the relevant Depository Participant.
8. Pursuant to section 108 of the Companies Act, 2013, read with rules 20 of the Companies (Management and Administration) Rules, 2014 and regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer voting by electronic means to the members to cast their votes electronically on all resolutions set forth in this notice. The detailed instructions for e-voting are given separately.
9. Shareholders/proxies are requested to bring their copies of the Annual Report to the AGM and the attendance slip duly filled in for attending the AGM.
10. Shareholders are requested to intimate, immediately, any change in their address or bank mandates to their depository participants with whom they are maintaining their demat accounts.
11. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts.
12. Pursuant to section 72 of the Companies Act, 2013, members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in Form No. SH-13 to the Registrar and Transfer Agent of the Company. Further, members desirous of cancelling/varying nomination pursuant to the Rule 19 (9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH- 14, to the Registrar and Transfer Agent of the Company.
13. All documents referred to in the accompanying notice will be available for inspection at the corporate office of the company during business hours on all working days up to the date of declaration of the result of the 51st AGM of the Company.
14. In case of joint holders attending the AGM, the shareholder whose name appears as the first holder in the order of name appears as per the Register of Members of the Company will be entitled to vote.
15. The Route map to the venue of the AGM is published in the Annual Report.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

The remote e-voting period begins on **Wednesday, 20th September 2023** at 9.00 a.m. and will end on **Friday, 22nd September 2023** at 5.00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **15th September 2023**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **15th September 2023**.



How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e- Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp.</p> <p>2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>3. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.</p>



	<p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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

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

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

B. Login Method for e-Voting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :



Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com..
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button. 9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period now you are ready for e-Voting.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.



6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer by e-mail to info@csjmco.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to NSDL at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories/ company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to prabhu.steel@yahoo.com

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to prabhu.steel@yahoo.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Additional Information on Directors recommended for appointment/re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name of the Director	Dinesh Agrawal	Harish Agrawal
Date of Birth	23-03-1966	10-07-1963
Date of appointment	16/12/2013	25.03.2008
Expertise in specific functional area	Expertise in Steel and Steel Products	Expertise in Steel and Steel Products
Qualifications	Graduate	Graduate
Other Companies in which Directorship is held as on March 31, 2023	5	3
Chairman of Committees formed by Board of Other Companies on which he is a director as on March 31, 2023	Nil	Nil



Prabhu Steel Industries Limited Annual Report 2022-2023

Members of Committees formed by Board of Other Companies on which he is a director as on March 31, 2023	Nil	Nil
Shareholding in the Company as on March 31, 2023	44,050	45,350

By order of the Board

For Prabhu Steel Industries Limited

Sd/-

Dinesh Gangaram Agrawal

Managing Director

DIN- 00291086

Sd/-

Harish Agrawal

Director

DIN-00291083



DIRECTORS' REPORT

The Board of Directors are pleased to present the Company Annual Report and the Company's audited financial statements for the financial year ended 31st March, 2023.

1. OPERATING RESULTS

The operating results of the Company for the year ended 31st March, 2023 are as follow:

Particulars	Amount in Lakhs.	
	Year ended 31st March 2023	Year ended 31st March 2022
Revenue from Operations	1706.50	1647.25
Profit Before Exceptional Item and Tax	15.70	81.73
Exceptional Items	NIL	NIL
Profit Before Tax (PBT)	15.70	81.73
Tax Expenses (Including Deferred Tax)	(42.58)	21.87
Profit after Tax	58.29	59.86
Total Income for the year	58.29	59.86

2. TRANSFER TO RESERVES

There are no transfers to any specific reserves during the year.

3. THE STATE OF THE COMPANY'S AFFAIR

During the year under review, your Company achieved total revenue from operations of Rs. 1706.50/-in Lakhs (previous year Rs. 1647.25/-in Lakhs)

The profit after tax (including other comprehensive income) is at Rs. 58.29/- in Lakhs (previous year in Lakhs. Rs.59.86/-)

4. DIVIDEND

Your Directors do not recommend any dividend for the financial year ended 31st March 2023.

5. CASH FLOW AND CONSOLIDATED FINANCIAL STATEMENTS

As required under Regulation 34 of the Listing Regulations, a Cash Flow Statement and consolidated Financial Statement is part of the Annual Report.

6. THE CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of the Company.

7. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND.

There was no transfer during the year to the Investor Education and Protection Fund in terms of Section 125 of the Companies Act, 2013.

8. CONSERVATION OF ENERGY-TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE ETC.

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished as **Annexure A** to Director's Report.

9. INTERNAL CONTROL SYSTEM

The Company's internal controls system has been established on values of integrity and operational excellence and it supports the vision of the Company "To be the most sustainable and competitive Company in our industry". The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors and their significant audit observations and follow up actions thereon are reported to the Audit Committee.

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



During the year under review, your Company has not made any investment, given any loan or guarantee falling within the meaning of section 186 of the Companies Act, 2013 and the rules made thereunder.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders.

The transactions are being reported in Form AOC-2 i.e. **Annexure B** in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

However, the details of the transactions with Related Party are provided in the Company's financial statements (note 40) in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature.

12. POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The Company has zero tolerance towards sexual harassment at the workplace and towards this end, has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. All employees (permanent, contractual, temporary, trainees) are covered under the said policy.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which redresses complaints received on sexual harassment. During the financial year under review, the Company has not received any complaints of sexual harassment from any of the women employees of the Company.

13. ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of Companies Act, 2013 following is the link for Annual Return Financial Year 2022-23. www.prabhusteel.in/investors

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

During the financial year, the Board met 6 times on 22/04/2022, 26/05/2022, 10/08/2022, 07/09/2022, 12/11/2022 and 02/02/2023.

15. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013 The Board of Directors of the Company hereby confirm:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure.
- That the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2023, and that of the profit of the Company for the year ended on that date.
- That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- That the annual accounts have been prepared on a going concern basis.
- The Board has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

17. PARTICULARS OF EMPLOYEES AND REMUNERATION



The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as **Annexure C** to this report. In terms of provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said Rules, if any, forms part of the Report.

The policy is available on the Company's website. www.Prabhusteel.in.com.

18. DIRECTORS

Mr. Dinesh Agrawal and Mr. Harish Agrawal is liable to retire by rotation in this ensuing Annual General Meeting and being eligible he has offered himself for reappointment.

During the financial year in the Annual General meeting held on 30th September 2022

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations.

There has been no change in the circumstances affecting their status as Independent Directors of the Company.

19. COMMITTEES OF THE BOARD

In accordance with the Companies Act, 2013, There are currently 3 Committees of the Board, as follows:

Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee as on the date of the report comprises of 2 Non-Executive Independent Directors & 1 Executive Director.

Following are the members of the Committee

Sonali Pramod Paithankar	: Non- Executive And Independent Director
Pramod Dnyaneshwar Kale	: Non- Executive And Independent Director
Dinesh Gangaram Agrawal	: Executive Director, Member

During the year there were in total 4 Audit committee meetings held on 26/05/2022, 10/08/2022, 12/11/2022 and 02/02/2023.

The Chairperson of Audit Committee was present in previous AGM held on 30/09/2022 to answer shareholder's queries.

Broad terms of reference of the Audit Committee are as per following:

The role of the audit committee shall include the following:

1 Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2 Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;

3 Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4 Reviewing with the management, the quarterly financial statements before submission to the board for approval;

5 Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.

7 Approval or any subsequent modification of transactions of the listed entity with related parties.



- 8 Evaluation of internal financial controls and risk management systems.
- 9 Reviewing, with the management, performance of statutory and Internal Auditors, adequacy of the internal control systems.
- 10 Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 11 Discussion with internal auditors of any significant findings and follow up there on.
- 12 Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- 13 Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 14 To review the functioning of the whistle blower mechanism.
- 15 Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
- 16 Carrying out any other function as is mentioned in the terms of reference of the audit committee

Nomination And Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Section 178 of the Companies Act, 2013 read with regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee comprises of 3 Non-Executive Directors.

The Nomination and Remuneration Committee met once in the Financial Year 2023-2023 on 11/01/2023. The necessary quorum was present in the said meetings.

The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on 30/09/2022.

The composition of the Committee and the details of meetings held and attended by the Directors are as under:

Pramod Dnyaneshwar Kale	: Independent Director
Sonali Pramod Paithankar	: Independent Director
Rajesh Parshuram Singh	: Independent Director

Role of nomination and remuneration committee, inter-alia, include the following:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) Devising a policy on diversity of board of directors;
- (4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- (5) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- (6) To recommend to the Board all remuneration, in whatever form, payable to senior management.



The policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters is available on company's website.

Remuneration of Directors

The remuneration of the Whole- Time Director is recommended by the Remuneration Committee and then approved by the Board of Directors and subsequently by the shareholders in general meeting within the limits prescribed in Companies Act, 2013.

Criteria for making payments

Non-Executive Directors of the Company are paid sitting fees for attending Board and Committee Meetings and no Commission is drawn by either of them during the year.

Performance evaluation criteria for Independent Directors:

- 1) Attendance and participations in the meetings.
- 2) Preparing adequately for the board meetings.
- 3) Contribution towards strategy formation and other areas impacting company performance
- 4) Rendering independent, unbiased opinion and resolution of issues at meetings.
- 5) Safeguard of confidential information.
- 6) Initiative in terms of new ideas and planning for the Company.
- 7) Timely inputs on the minutes of the meetings of the Board and Committee's.
- 8) Raising of concerns to the Board

Remuneration Policy

The Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 is available at the website of the Company: www.prabhusteel.in

Further, criteria of making payments to non-executive directors, the details of remuneration paid to all the Directors and the other disclosures required to be made under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been published below:

Stakeholder Relationship Committee

The Stakeholder Relationship Committee of the Company is constituted in line with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee comprises of 2 Non-Executive Independent Directors, 1 Executive Director.

The committee looks into the shareholders and investors grievances that are not settled at the level of Compliance Officer and helps to expedite the share transfers and related matters. The Committee periodically reviews the status of stakeholders' grievances and redressal of the same.

The Committee met on 11/04/2022, 18/07/2022, 13/10/2022 and 10/01/2023.

The necessary quorum was present for all the meetings. The Chairman of the Committee was present at the last Annual General Meeting of the Company held on 30th September 2022.

The composition of the Committee during FY 2022-23 and the details of meetings held and attended by the Directors are as under:

Following are the members of the Committee

Pramod Dnyaneshwar Kale	: Independent Director
Sonali Pramod Paithankar	: Independent Director
Harish Agrawal	: Executive Director

The role of the committee shall inter-alia include the following:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.



(4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company.

20. ATTRIBUTES, QUALIFICATIONS & INDEPENDENCE OF DIRECTORS, THEIR APPOINTMENT AND REMUNERATION

The Nomination & Remuneration Committee of Directors have approved a Policy for Selection, Appointment and Remuneration of Directors which inter-alia requires that composition and remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and senior management employees and the Directors appointed shall be of high integrity with relevant expertise and experience so as to have diverse Board and the Policy also lays down the positive attributes/criteria while recommending the candidature for the appointment as Director.

21. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(7) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

22. STATUTORY AUDITORS

M/s. Manish N Jain & Co. Chartered Accountant were appointed by the members in the Extra Ordinary General Meeting held on 17 day of May, 2022 for a term of five years.

23. INTERNAL AUDITORS

M/s Haziyani & Associates were appointed as internal auditors by the Board for the financial year 2022-23 and who have issued their reports on quarterly basis.

24. SECRETARIAL AUDITORS

The Company has appointed M/s Jaymin Modi & Co. Company Secretaries, as Secretarial Auditors of the Company to carry out the Secretarial Audit for the Financial Year 2022-2023 and to issue Secretarial Audit Report as per the prescribed format under rules in terms of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report for the FY 2022-23 is annexed herewith and forms part of this report as **Annexure D**. Secretarial Audit is not applicable to the Subsidiary, not being a material subsidiary.

25. COST RECORDS AND COST AUDIT

The provision of the Companies (Cost Records and Audit) Rules, 2014 is not applicable to the Company. Maintenance of cost records as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 was not applicable for the business activities carried out by the Company for the FY 2022-23. Accordingly, such accounts and records are not made and maintained by the Company for the said period.

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

The report of the Statutory Auditor, Secretarial Auditor and Internal Auditor does not have any qualifications, reservations or adverse remarks or disclaimers made by the auditors and the practicing company secretary in their reports.

27. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis Report for the year under review, as stipulated under regulation 34 (3) and Part B of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Annual Report as **Annexure E**.

28. HOLDING, SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

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

29. VIGIL MECHANISM



The Company has established a vigil mechanism policy to oversee the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimisation of employees and Directors who express their concerns.

The Vigil Mechanism Policy is available at the website of the Company: www.prabhusteel.in.

30. REPORTING OF FRAUD BY AUDITORS

During the year under review, the Internal Auditors, Statutory Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Act, details of which needs to be mentioned in this Report.

31. ANNUAL EVALUATION BY THE BOARD

In compliance with the Companies Act, 2013, and Regulation 17 of the Listing Regulations, the performance evaluation of the Board and its Committees were carried out during the year under review.

32. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the Company occurred during the financial year.

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

During the year there has been no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

34. CORPORATE GOVERNANCE

Your Company always places a major thrust on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an organization's corporate governance philosophy is directly linked to high performance. The Company understands and respects its fiduciary role and responsibility towards its stakeholders and society at large and strives to serve their interests, resulting in creation of value for all its stakeholders. In terms of Regulation 34 of SEBI (LODR) Regulations, furnishing of Corporate Governance Report is not applicable to the company.

35. OTHER DISCLOSURES

The Company does not have any Employees Stock Option Scheme in force and hence particulars are not furnished, as the same are not applicable. No proceedings against the Company are initiated or pending under the Insolvency and Bankruptcy Code, 2016. The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

36. POLICIES

The Company seeks to promote highest levels of ethical standards in the normal business transactions guided by the value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates formulation of certain policies for listed companies. The Policies are reviewed periodically by the Board and are updated based on the need and compliance as per the applicable laws and rules and as amended from time to time. The policies are available on the website of the Company.

37. COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

Your Directors hereby confirm that the Company has complied with the necessary provisions of the revised Secretarial Standard 1 and Secretarial Standard 2 to the extent applicable to the Company.

38. ENHANCING SHAREHOLDER VALUE

Your Company firmly believes that its success, the marketplace and a good reputation are among the primary determinants of value to the shareholder. The organisational vision is founded on the principles of good governance and delivering leading-edge products backed with dependable after sales services. Following the vision your Company is committed to creating and maximising long-term value for shareholders.



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

The provision of Corporate Social Responsibility is not applicable to our company.

40. ACKNOWLEDGEMENTS

Your Directors take this opportunity to express their sincere appreciation and gratitude for the continued co-operation extended by shareholders, employees, customers, banks, suppliers and other business associates.

By order of the Board

For Prabhu Steel Industries Limited

Sd/-

Dinesh Gangaram Agrawal

Managing Director

DIN- 00291086

Sd/-

Harish Agrawal

Director

DIN-00291083



ANNEXURE A TO THE DIRECTORS' REPORT

Information pursuant to the Companies (Accounts) Rules, 2014

(A) Conservation Of Energy: NIL

- i) The steps taken or impact on conservation of energy: NIL
- ii) The steps taken by the company for utilizing alternate sources of energy: NIL
- iii) The capital investment on energy conservation equipment's: NIL

(B) Technology Absorption

- i) The efforts made towards technology absorption: NIL
- ii) The benefits derived like product improvement, cost reduction, product development or import substitution:
 - Better economy, reduction in emission & clean operation;
 - Optimum efficiency
- iii) In case of imported technology (imported during the last year reckoned from the beginning of the financial year): NIL
 - The details of technology imported: NIL
 - The year of import: NIL
 - Whether the technology fully absorbed: NIL
 - If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and: NIL
- iv) The expenditure incurred on Research and Development: NIL

(C) Foreign Earning and Outgo : Nil



ANNEXURE B TO THE DIRECTORS' REPORT

FORM NO. AOC - 2

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

Form for disclosure of particulars of contracts / arrangements entered into by PRABHU STEEL INDUSTRIES LIMITED with the related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto.

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

(Amount in ` Lakhs)

S. No.	Particulars	Related Party where Significant Influences Exists	Key Managerial Person
1.	Remuneration	--	
	Shri Dinesh Agrawal	--	12
	Shri Harish Agrawal	--	12
	Shri Krishanu Harish Agrawal	--	4.80
2.	Salary and Perquisites	--	
	Smt. Sanjoli Saraf	--	02.40
	Smt. Akshita Harish Agrawal	--	00.40
3.	Director Sitting Fees	--	
	Shri. Pramod Kale	--	00.40
	Smt. Sonali Paithankar	--	00.40
4.	Interest Received		
	Hariyana Ventures Limited	01.37	--
5.	Receipt of Unsecured Loans		
	Shri Dinesh Agrawal	--	43.09
	Shri Harish Agrawal	--	34.03
6.	Repayments of Unsecured Loans		
	Shri Dinesh Agrawal	--	43.09
	Shri Harish Agrawal	--	34.03
7.	Grant of Loans and Advances		
	Celestial Steel Structures Private Limited	01.20	--
	Hariyana Ventures Limited	190.00	--
8.	Reimbursement of Expenses Received		
	Shree Ashtvinayak Steel Private Limited	0.03	--
	Maa Bhagwati Land and Developments (P) Limited	02.65	--
	Shree Gopal Finance Private Limited	0.17	--
	Celestial Steel Structures Private Limited	0.03	--



ANNEXURE C TO THE DIRECTORS' REPORT

MEDIAN REMUNERATION

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below.

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of the directors	Ratio to median remuneration
Non-executive directors	
Sonali Pramod Paithankar	4 : 21.22
Pramod Dnyaneshwar Kale	4 : 21.22
Rajesh Singh	-
Executive directors	
Harish Gangaram Agrawal	150 : 21.22
Dinesh Agrawal	150 : 21.22
Krishanu Harish Agrawal	48 : 21.22

b. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% Increase in remuneration in the financial year
Harish Gangaram Agrawal	67%
Krishanu Harish Agrawal	100%
Sanjoli Sarraf	1.27%
Akshita Harish Agarwal	-

c. The percentage increase in the median remuneration of employees in the financial year:

d. The number of permanent employees on the rolls of Company:

e. Average percentile increases 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:

The average annual increase was around

Increase in the managerial remuneration for the year was

f. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Nomination and Remuneration Committee of the Company has affirmed at its meeting held on 11/02/2023 that the remuneration paid is as per the remuneration policy of the Company. The Policy is available on the Company's Website.

g. There are no employees drawing salary in excess of 120 Lakhs as stipulated under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014



ANNEXURE D TO THE DIRECTORS' REPORT

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023**

[Pursuant to regulation 24A of SEBI (LODR) 2015 and section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Prabhu Steel Industries Limited
OLD MOTOR STANDITWARI,
NAGPUR – 440008.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Prabhu Steel Industries Limited (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the 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 ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein after:

We have examined the books, papers, minute books, Forms and returns filed and other records maintained by The Company for the year ended on 31st March, 2023 to the extent applicable to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under to the extent applicable;
- II. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company: -
 - (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, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; Not Applicable to the Company during the period under review;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; Not Applicable to the Company during the period under review;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; Not Applicable to the Company during the period under review;



(f) The Securities and Exchange Board of India (Registrar to and Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not Applicable to the Company during the period under review;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not Applicable to the Company during the period under review;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not applicable to the Company during the Audit Period; and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- a) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India; and
- b) Listing Agreements entered into by the Company with BSE Limited.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards as mentioned above, except:

- *Some of the Intimations under the provisions of the Companies Act, 2013 have been filed after the lapse of statutory time period. However, necessary additional fees have been remitted for such delay.*

I further report that:

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of 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.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

- M/s. Manish N Jain & Co. (FRN 138430W) Chartered Accountant, was appointed as a statutory auditor of the company in Extra ordinary General Meeting held on 17th May 2022 to fill the casual vacancy.

For, Jaymin Modi & Co.

Company Secretaries

Sd/-

Mr. Jaymin Modi

COP: 16948

Mem No. 44248

PRC: 2146/2023

UDIN: A044248E000895307

Place: Mumbai

Date: 30.08.2023



ANNEXURE - A TO SECRETARIAL AUDIT REPORT

To,
The Members,
PRABHU STEEL INDUSTRIES LIMITED
OLD MOTOR STAND ITWARI,
NAGPUR - 440008.

Our Secretarial Audit Report dated 30th August, 2023 is to be read with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to make an audit report based on the secretarial records produced for our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. This Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, Jaymin Modi & Co.
Company Secretaries
Sd/-
Mr. Jaymin Modi
COP: 16948
Mem No. 44248
PRC: 2146/2023
UDIN: A044248E000895307

Place: Mumbai
Date: 30.08.2023



COMPLIANCE WITH THE CODE OF CONDUCT AND ETHICS

In accordance with Regulation 17(5)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and Senior Management Personnel of the Company have confirmed compliance with the Code of Business Conduct and Ethics for the financial year ended 31st March, 2023.

For Prabhu Steel Industries Limited
Sd/-
Dinesh Gangaram Agrawal
Managing Director
DIN 00291086

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

To,
The Board of Directors,
Prabhu Steel Industries Limited
Near Old Motor
Standitwari Nagpur 440008

We, Dinesh Gangaram Agrawal Managing Director, Krishanu Harish Agrawal Executive Director and Akshita Harish Agarwal Chief Financial Officer of the Company, hereby certify that for the financial year, ending 31st March, 2023;

(a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;

(ii) These statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee:

(i) Significant changes, if any, in the internal control over financial reporting during the year. (ii) significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

By order of the Board
For Prabhu Steel Industries Limited
Sd/-
Dinesh Agrawal
Managing Director

Sd/-
Krishanu Agrawal
Executive Director

Sd/-
Akshita Agarwal
Chief Financial Officer



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with regulation 34(3) of the said Listing Regulations).

To,
The Members
Prabhu Steel Industries Limited
Old Motor Stand, Itwari, Nagpur,
Maharashtra, 440008.

I have examined the relevant registers records forms returns and disclosures received from the Directors of **Prabhu Steel Industries Limited** having **CIN L28100MH1972PLC015817** and having registered office at Old Motor Stand, Itwari, Nagpur, Maharashtra, 440008, India. (hereinafter referred to as 'the Company') produced before me by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31st March 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Dinesh Gangaram Agrawal	00291086	16/12/2013
2	Harish Gangaram Agrawal	00291083	25/03/2008
3	Sonali Pramod Paithankar	08336128	06/02/2019
4	Pramod Dnyaneshwar Kale	08336145	06/02/2019
5	Krishanu Harish Agrawal	08777036	11/08/2020
6	Rajesh Singh	08828658	11/08/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Disclaimer: We have not been made available with details or clarification or Non-Applicability certificate, with respect to debarment or disqualification pursuant to any order from civil or criminal court and thus



Prabhu Steel Industries Limited Annual Report 2022-2023

we are unable to conclude any opinion on attraction of disqualification by any such order which have not been presented before us for reporting.

For, JAYMIN MODI & CO.

COMPANY SECRETARIES

Sd/-

CS JAYMIN MODI

COMPANY SECRETARY

ACS: 44248

COP: 16948

PRC: 2146/2022

UDIN: A044248E000895263

Date: 30.08.2023

Place: Mumbai



ANNEXURE E TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

Your directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31st March 2023.

INDUSTRY STRUCTURE AND DEVELOPMENT:

Steel is crucial to the development of any modern economy and is considered to be the backbone of human civilization. The level of per capita consumption of steel is treated as an important index of the level of socio-economic development and living standards of the people in any country. It is a product of a large and technologically complex industry having strong forward and backward linkages in terms of material flows and income generation. All major industrial economies are characterized by the existence of a strong steel industry and the growth of many of these economies has been largely shaped by the strength of their steel industries in their initial stages of development.

SEGMENTWISE PERFORMANCE:

The Company trades in a single business segment i.e. Trading of Steel and Steel Products. In view of sluggish global demand, the Company repositioned some of its supplies to favourable markets. The company has passed through a very unusual phase, any worthwhile comparison of performance between two periods would be inconclusive. There is, yet, considerable scope for improvement.

OPPORTUNITIES AND THREATS:

India is the only major steel consuming market globally. As of 2017, India is the world's third largest producer of crude steel (up from eighth spot in 2003). India's steel production in 2017 stood at 101.4 MT. Easy availability of low-cost manpower and presence of abundant iron ore reserves make India competitive in the global set up. India is home to the fifth-highest reserves of iron ore in the world.

Steel demand in India is expected to grow above 7.5% in the current as well as next year, according to the World Steel Association.

Trading players in steel industry have faced cascading effects in the steel manufacturing industry. The major threats to steel industry are:

- Slow Industry Growth
- Technological Change
- Price Sensitivity and demand volatility
- Recession in other countries resulting in dumping of materials.

FINANCIAL HIGHLIGHTS:

Paid up Share Capital of the Company as on 31 March 2023, stands at 71,70,000 divided into 7,17,000 number of equity Shares of Rs. 10/- each fully –paid up.

Income from operation stood at Rs. 16,66,32,226/- for fiscal 2023.

Profit/Loss before Taxes of fiscal 2023 was Rs. 15,70,201/-.

Basic Earnings per Share for fiscal 2023 was Rs (8.13).

Net Worth of the company stood at Rs. 9,99,20,354/- as on March 2023.

STRENGTH:

The strengths of India's steel industry include: abundant availability of iron ore and coal; low labour costs, abundant manpower, mature production base and supporting government policy, particularly towards MSME sector. However, the major weakness include unscientific mining and production, low productivity, energy inefficiency, dependence on coal imports despite huge reserves, inadequate infrastructure, regulatory hurdles etc.

India has emerged as the 2nd Largest Producer of Crude Steel in the world: Union Minister of Steel & Civil Aviation Shri Jyotiraditya M. Scindia



Prabhu Steel Industries Limited Annual Report 2022-2023

Union Minister of Steel and Civil Aviation, Sh. Jyotiraditya M. Scindia held a press conference on the theme 9-years of Government's "Seva, Sushasan and Gareeb kalyan" focusing on the Steel sector, at Rajiv Gandhi Bhawan, New Delhi

The Minister started his address by highlighting the importance of Steel sector in ensuring the pragati (growth) and vikas (development) of the country. "India currently ranks as the World's 2nd Largest Producer of Crude Steel, surpassing Japan in 2018", the minister said, while mentioning the remarkable growth recorded by India's steel industry.

Highlighting achievements of the government in the last 9 years, he mentioned that India stands as a net exporter of steel witnessing an export of 6.72 MT of finished steel against the import of 6.02 MT in 2022-23. The country was a net importer of steel in 2014-15 with 9.32 MT imports Vis-à-vis the export of 5.59 MT. He also mentioned the progress made by the steel sector from pre-2014-15 to 2022-23 which can be seen in the table mentioned below

Key parameters	FY 2014-15	FY 2022-23	% increase
Crude steel Capacity (MT)	109.85	160.3	46%
Crude steel Production (MT)	88.98	126.26	42%
Total Finished Steel Production (MT)	81.86	122.28	49%
Consumption (MT)	76.99	119.86	57%
Per capita steel consumption (in Kg)	60.8	86.7	43%

In the past 9 years (2014-15 to 2022-23), Steel CPSEs viz. SAIL, NMDC, MOIL, KIOCL, MSTC, and MECON, used ₹90,273.88 crores of their own resources for CAPEX and paid a dividend to the Government of India to the tune of ₹21,204.18 crores

'Brand India' labeling is an important exercise to differentiate Indian quality steel from the others. The minister in this regard said that the Ministry of Steel has undertaken the initiative of Made in India branding of Steel produced in the country and major Steel Producers have already come together in this direction. The Ministry of Steel has also on-boarded itself on the PM Gati Shakti National Master Plan Portal and identified 22 critical infrastructure gaps and is pursuing it with the Ministry of Road Transport and Highways, Ministry of Railways, Ministry of Ports, Shipping and Waterways.

RISK AND CONCERNS:

Your company is working essentially in domestic market place. However since the Company is into trading activity It is attributed to all the risk and concerns attached with the trading industries as a whole. Also any downward movement in prices in manufacturing industry has a direct effect on the revenues of the Company, as margin drops.

It is essential to correctly assess the risk in each segment so that the risk is mitigated before it becomes a possible threat. General risk segments are statutory compliances, economy, financials, Government policies, market related, operational, products and technology etc., The management has a rapid review of likely risk areas with the objective to define a framework for identification, evaluation and mitigating the risk in the decision making process and to encourage proactive management and not reactive management.

GOVERNMENT INITIATIVES:

Some of the other recent Government initiatives in this sector are as follows:

National Steel Policy (NSP) 2017: The new Steel Policy enshrines the long-term vision of the Government to give impetus to the steel sector.



- It seeks to enhance domestic steel consumption and ensure high-quality steel production and create a technologically advanced and globally competitive steel industry.
- The policy also envisages domestically meeting the entire demand for high-grade automotive steel, electrical steel, special steels, and alloys for strategic applications and increasing domestic availability of washed coking coal to reduce import dependence on coking coal from about 85% to around 65% by 2030-31

The Government has also announced a policy for providing preference to domestically manufactured Iron & Steel products in Government procurement.

The government has also approved a Production-linked Incentive (PLI) Scheme for Specialty Steel. It is expected that specialty steel production will become 42 million tonnes by the end of 2026-27.

The Ministry of Steel is facilitating the setting up of an industry-driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry.

The Government of India raised import duty on most steel items twice, each time by 2.5%, and imposed measures including anti-dumping and safeguard duties on iron and steel items.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The internal control system is looked after by Directors themselves, who also looked after the day to day affairs to ensure compliances of guide lines and policies adhere to the management instructions and policies to ensure improvements in the system. The Internal Audit reports are regularly reviewed by the management. The Company has proper and adequate internal control system commensurate with the size of the business operations geared towards achieving efficiency in its various business operations, safeguarding assets, optimum utilization of resources and compliance with statutory regulations. Efforts for continued improvement of internal control system are being consistently made in this regard.

HUMAN RESOURCES VIS-À-VIS INDUSTRIAL RELATIONS:

The Company's Human Resources philosophy is to establish and build a strong performance and competency driven culture with greater sense of accountability and responsibility. The Company has taken pragmatic steps for strengthening organizational competency through involvement and development of employees as well as installing effective systems for improving the productivity, equality and accountability at functional levels. With the changing and turbulent business scenario, the Company's basic focus is to upgrade the skill and knowledge level of the existing human assets to the required level by providing appropriate leadership at all levels motivating them to face the hard facts of business, inculcating the attitude for speed of action and taking responsibilities. In order to keep the employees skill, knowledge and business facilities updated, ongoing in house and external training is provided to the employees at all levels. The effort to rationalize and streamline the workforce is a continuous process. The industrial relations scenario remained harmonious throughout the year.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws, and other statutes and other incidental factors.



INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF,
PRABHU STEEL INDUSTRIES LIMITED**

Report on the Financial Statements

Opinion

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

Basis of Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment were most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risk of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements..

The Key Audit Matters	How was the matter addressed in our Audit
Revenue Recognition	
Revenue is one of the key profit drivers and is therefore susceptible to misstatements. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut -off can results in material misstatement of results for the years.	Our audit procedures with regards to revenue recognition included testing controls, automated and manual, around dispatches / deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-off and analytical review procedures.
Existence and Valuation of Inventories	



The Company's inventory at the end of the period was 349.36 Lakhs representing the 23.03% of the Company's total assets. (Refer "Note No. 9" of the financial statements)

The existence of inventories is a key audit matters due to involvement of high risk, basis the nature and size of the products wherein value per unit is relatively insignificant but high volumes are involved which are distributed across different units of the Company.

In response to this key matters, our audit included, among others, the following principle audit procedures:

- * Understood the management's control over physical inventory counts and valuation.
- * Evaluation of the design and testing the operating effectiveness of the internal controls relating to physical inventory counts at the plants. In testing this controls, we observed the inventory cycle count process on a sample basis, inspected the results of the inventory cycle count and confirmed that the variances were approved and appropriately accounted for.
- * Evaluation of the design and testing the operating effectiveness of the internal controls relating to purchases, sales and inventories including the automated controls.
- * We have performed the physically verification of inventories on sample basis for establishing the existence of inventory as at the end of the period.
- * For a representative sample, verification that the finished goods inventories were correctly measured, using a recalculation of the measurement of those inventories based on the cost of acquiring them from suppliers and considering the costs of directly attributable to such goods.
- * Assessed the key estimates used by the management to determine the net realizable value and the consistency thereof with the Company's policy on provision for non-moving inventory and performed a sensitivity analysis on the estimated selling price and compared with the cost per item.

Carrying Value of Trade Receivables

As at March 31, 2023, trade receivables constitute approximately 23.85% of total assets of the Company (Refer "Note No. 10" of the financial statements). The Company is required to regularly assess the recoverability of its trade receivables.

The Company applied expected credit loss (ECL) model for measurement and recognition of impairment loss on trade receivables. The Company uses a provision matrix to determine impairment loss allowances. The provision matrix is based on its historically observed default rates over the expected life of trade receivables and is adjusted for forward looking estimates.

This is a key audit matters as significant judgement is involved to establish the provision matrix.

Our audit procedures included, among other the followings:

- * Evaluated the Company's accounting policies pertaining to impairment of financial assets and assessed compliance with those policies in term of Ind AS - 109, "Financial Instruments".
- * Assessed and tested the design and operating effectiveness of the Company's internal financial controls over provision for expected credit loss.
- * Evaluated management's assumption and judgement relating to various parameters which included the historical default rates and business environment in which the entity operates for estimating the amount of such provision.
- * Evaluated management's assessment of recoverability of the outstanding receivables and recoverability of the overdue / aged receivables through inquiry with the management, and analysis of the collection trends in respect of receivables.



	* Assessed and read the disclosures made by the Company in financial statements.
--	----------------------------------------------------------------------------------

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

The Company's Management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis, Board's Report including Annexure to the Board's Report, Report on Corporate Governance, Business Responsibility Report and Shareholder's information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Management and the Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, the financial performance including the other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principle generally accepted in India, including the Indian Accounting Standards (Ind AS) as specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentations of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility for the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material



misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's Management and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Other Matters

The Company's Management had received a letter from National Financial Reporting Authority (NFRA) dated April 15, 2021, requiring the Company to submit certain information / certified copies of the documents pertaining to the financial statements of the Company for the financial year 2019 - 2020. The Company provided such information vide its email communication dated June 06, 2021. After the preliminary examination of the financial statements of the Company for the financial year 2019 - 2020, NFRA had send a detailed questionnaire dated on October 07, 2021. The Company responded the queries raised in the questionnaires vide email dated on November 22, 2021.

Management of the Company had also obtained a revised audit report on the revised / restated financial statements for the period ended March 31, 2020. Management of the Company had submitted the revised



/ restated financial statements along with the revised audit report to NFRA on April 25, 2022 and as inform to us till the signing of this report, the Company had not received any further communication from the NFRA Further, to above in the said matter, during the reporting period, the management of the Company had received a notice from Securities and Exchange Board of India (“the SEBI”) letter no. SEBI/HO/EAD-8/AS/PA/57329/1 dated on November 11, 2022 seeking clarification from the Company’s management in the matters stated in the notice issued by the NFRA and invoking the provision of Rule 4 of the SEBI (Procedure of holding inquiry and imposing Penalties) Rule, 1995 read together with section 151 of SEBI Act, 1992 and further read together with section 23I of Securities Contracts (Regulation) Act, 1956.

Based on the information and explanations given to us by the Company’s management and on the basis of the examination of the record of the Company, the Company had complied the said notice and as informed to us till the date of signing of this report, the Company had not received any further communication from the SEBI.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure “A”, a statement on the matters specified in paragraph 3 and paragraph 4 of the said Order.

2. As required by Section 143(3) of the Act, based on our audit, 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 purposes of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss including the Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of the written representation received from the directors as on March 31, 2023 taken on the record by the Board of Directors, none of directors is disqualified as on March 31, 2023 from being appointed as a director in term of Section 164(2) of the Act.

f. With respect to adequacy of the internal financial controls with reference to these financial statements of the Company and the operating effectiveness of such control, refer to our separate report in Annexure “B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to financial statements.

g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197(16) of the Act, as amended;

In our opinion and to the best of our information and explanations given to us, the remunerations paid / provided by the Company to its directors during the reporting period is in accordance with the provision of Section 197 of the Act. The remuneration paid to any directors is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs (“MCA”) has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us

h. With respect to the other matters to be included in the Independent 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. 42" of the financial statements.

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

(iii) There has been no delay in transferring amounts, required to be transferred, to Investor Education and Protection Fund by the Company.

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

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

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

(v) The dividend declared and paid, if any, during the reporting period by the Company is in compliance with the section 123 of the Companies Act, 2013.

(vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 01, 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Accounts) Rules, 2014 is not applicable for the financial period ended on March 31, 2023.

For **MANISH N JAIN & CO.**

Chartered Accountants

FRN No. 138430W

Sd/-

MANISH JAIN

Partner

Membership No. 118548

Place: Nagpur

Dated: **May 23, 2023**

UDIN No.: **23175398BGWEIH7243**



ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in Paragraph 1 under “Report on the Other Legal and Regulatory Requirements” Section of our report of Even Date)

Report on Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013 (‘the Act’) of PRABHU STEEL INDUSTRIES LIMITED (“the Company”);

1. In respect of the Company’s Property, Plants and Equipment’s and Intangible Assets;

a) i) The Company has maintained proper records in the electronic mode showing full particulars, including the quantitative details and situation of property, plants and equipment.

ii) The Company has maintained the proper records showing the full particulars of intangible assets.

b) The Company has a regular program at reasonable interval for physical verification of property, plants and equipments so as to cover all the assets, the periodicity of physical verification, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such physical verification.

c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company), disclosed in the financial statements and included under property, plants and equipments are held in the name of the Company as at the Balance Sheet date. In respect of the immovable properties taken on lease by the Company, the lease agreements are in the name of the Company as at the Balance Sheet date.

d) The Company has not revalued any of its property, plants and equipments and intangible assets during the reporting period.

e) According to information and explanations given to us and on the basis of our examination of the records of the Company, no proceeding have been initiated during the reporting period or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and Rules made thereunder.

2. In respect of Company’s inventories;

a) As explained to us, inventories except goods-in-transits and the stock lying with third parties were physically verified during the year by the management at reasonable intervals. In our opinion, in respect of stock lying with the third parties at the end of the year, written confirmations have been obtained. In our opinion, the frequency of such verification is reasonable. In our opinion, the coverage and the procedure adopted by the management for the physical verification is appropriate looking to the size and the nature of the products dealt in by the Company. As explained to us, there were no discrepancies of 10% or more in the aggregate of each class of inventory were noticed on such physical verification of inventories. However, the other discrepancies if any, noticed on such physical verification have been properly dealt with in the books of accounts.

b) During the reporting period, the Company has been sanctioned working capital limit in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns and the statements filed by the Company with such banks or financial institutions are in agreement with the books of accounts of the Company.

3. The Company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or other parties, during the year, in respect of which;



a) (A) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to subsidiaries, associates and joint ventures during the reporting period, hence the reporting under clause 3(iii)(a)(A) of the said Order is not applicable.

a) (B) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has granted loans and advances in the nature of loans to four of the companies other than subsidiaries, associates and joint ventures, the details of which are as follows:

S. No.	Particulars	Amount (in Lakhs)
1.	Aggregate amount during the reporting period - Others	24.00
2.	Balance Outstanding as at the Balance Sheet Date - Other	44.61

c) In respect of the grant of the loans and advances in the nature of loans by the Company, the schedule of repayments of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per the stipulation except in cases of loans and advances in the nature of loans granted to one entity namely Renaissance Fiscal Services Private Limited, on which the principal and interest amounting to ` 03.91 Lakhs has not been regular as per the attached terms and condition with the party. The Company has considered the said loans and advances as doubtful and accordingly the provision for the same has already been made.

d) There are no amount of loans and advances in the nature of loans granted to the companies which are not overdue for more than ninety days except in one case as stated in clause 3(iii)(c) of the Order and reasonable steps has been taken by the Company for recovery of the principal and interest.

e) There were no loans and advances in the nature of loans granted to the companies, firms, limited liability partnerships or any other parties, which has fallen due during the reporting period, that have been renewed or extended or fresh loans granted to settle the overdue of the existing loans given to the same parties.

f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment during the reporting period to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report under clause 3(iii)(f) of the said Order is not applicable to the Company.

4. In our opinion and according to information and explanations given to us and on the basis of our examination of the records, the Company has complied with the provisions of section 185 and section 186 of the Act, in respect to grant of loans, making investments and providing guarantees and securities, as applicable.

5. The Company has neither accepted any deposits from public nor accepted any amounts which are deemed to be the deposits of the Company, within the meaning of section 73 to section 76 of the Act or any other relevant provisions and Rules made thereunder, during the reporting period, therefore, the reporting under clause 3(v) of the said Order is not applicable to the Company.

6. According to the information and explanations given to us and on the basis of our examination of the records of the Company, requirement to report under clause 3(vi) of the said Order is not applicable as the Company's business activities are not covered by the Companies (Cost Records and Audit) Rule, 2014, as amended.

7. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of statutory dues, we report that;



a) The Company has generally been regular in depositing undisputed statutory dues, including goods and service tax, provident fund, employees' state insurance, income tax, duties of custom, cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of goods and service tax, provident fund, employees' state insurance, income tax, duties of custom, cess and other material statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no material statutory dues referred to in sub-clause (a) above which have not been deposited with the appropriate authority on account of any dispute.

8. According to the information and explanation given to us and on the basis of our examination of the record of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the reporting period in the tax assessments under the Income Tax Act, 1961.

9. a) In our opinion and according to the information and explanation given to us by the Company, the Company has not defaulted in repayment of any loans or other borrowings or in the payment of interest thereon to any lender.

b) The Company has not been declared as wilful defaulter by banks or financial institutions or government or any government authority.

c) The Company has not taken any term loan during the reporting period and there are no unutilized balance of term loan at the beginning of the reporting period, hence the requirement to report under clause 3(ix)(c) of the said Order is not applicable to the Company.

d) On an overall examination of the financial statements of the Company, the funds raised on short-term basis have, prima facie, not been used during the reporting period for long-term purposes by the Company.

e) According to the information and explanation given to us and on the basis of our examination of the record of the Company, we report that the Company has not taken any funds from any entity or persons on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Companies Act, 2013. Hence, the reporting under clause 3(ix)(e) of the said Order is not applicable to the Company. f) According to the information and explanation given to us and on the basis of our examination on the record of the Company, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associates companies as defined under the Companies Act, 2013. Hence, the reporting under the clause 3(ix)(f) of the said Order is not applicable to the Company.

f) According to the information and explanation given to us and on the basis of our examination on the record of the Company, we report that, the Company has not raised any loans during the reporting period on the basis of pledge of securities held in its subsidiaries, joint ventures or associates companies as defined under the companies Act, 2013. Hence, the reporting under the clause 3(ix)(f) of the said Order is not applicable to the Company.

10. a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the reporting period and hence reporting under clause 3(x)(a) of the said Order is not applicable to the Company.

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, the reporting under clause 3(x)(b) of the said Order is not applicable to the Company.



11. a) According to the information and explanation given to us and on the basis of examinations of records of the Company, considering the principles of materiality outlined in Standards of Auditing, we report that, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the reporting period.

b) According to the information and explanation given to us and on the basis of examinations of records of the Company, we report that, no report under sub-section (12) of Section 143 of the Companies Act has been filled in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the reporting period and up to the date of this report.

c) In our opinion and according to the information and explanation given to us, the Company has not received any complaints from whistle-blower, hence the reporting under clause 3(xi)(c) of the said Order is not applicable to the Company.

12. The Company is not a Nidhi Company as prescribed under Section 406 of the Companies Act and hence reporting under clause 3(xii) of the said Order is not applicable to the Company.

13. According to information and explanations given to us and based on our examination of the records of the Company, all the transactions with related parties are in compliance with Section 177 and Section 188 of the Companies Act, wherever applicable and details of such related party transactions have been disclosed in the financial statements, under "Note No. 40 - the transactions with Related Parties" as required under Indian Accounting Standards (Ind AS) - 24, "Related Party Disclosure" specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.

14. a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered the internal audit report for the year under audit, issued to the Company during the year and till the date of this report, in determining the nature, timing and extent of our audit procedures.

15. In our opinion and according to the information and explanation given to us, during the reporting period, the Company has not entered into any non-cash transactions with its directors or the persons connected with him and hence provisions of Section 192 of the Act are not applicable. Thus, reporting under clause 3(xv) of the said Order is not applicable to the Company.

16. a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, therefore, the reporting under clause 3(xvi)(a) and (b) of the said Order is not applicable to the Company.

b) In our opinion, the Company is not a core investment company (CIC) also there is no CIC within the Group, as defined in the regulation made by the Reserve Bank of India in Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly the reporting under clause 3(xvi)(c) and (d) of the said Order are not applicable.

17. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year, hence the reporting under clause 3(xvii) of the said Order is not applicable to the Company.

18. There has been no resignation of the Statutory Auditor of the Company during the reporting period, hence reporting under clause 3(xviii) of the said Order is not applicable to the Company.

19. On the basis of financial ratios disclosed in the notes to financial statements, Refer "Note No. 39", ageing and expected due dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and the Management plans and based on our examination of evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance



Prabhu Steel Industries Limited Annual Report 2022-2023

sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not as assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of this audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the date of balance sheet, will get discharged by the Company as and when they fall due.

20. According to the information and explanation given to us and based on our examination of the record of the Company, the Company does not meet the eligibility criteria as specified under section 135 of the Companies Act, 2013, hence the requirement to report under clause 3(xx)(a) and 3(xx)(b) towards spending on Corporate Social Responsibility (CSR) of the said Order is not applicable to the Company.

Place: Nagpur
Dated: **May 26, 2023**
UDIN No.: **23175398BGWEIH7243**

For **MANISH N JAIN & CO.**
Chartered Accountants
FRN No. 138430W
Sd/-
MANISH JAIN
Partner
Membership No. 118548



ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under "Report on the Other Regulatory Requirements" section of our report of even date)

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

Opinion

We have audited the internal financial controls with reference to these financial statements of "PRABHU STEEL INDUSTRIES LIMITED" ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over the Financial Reporting

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

Place: Nagpur
Dated: **May 26, 2023**
UDIN No.: **23175398BGWEIH7243**

For **MANISH N JAIN & CO.**
Chartered Accountants
FRN No. 138430W
Sd/-
MANISH JAIN
Partner
Membership No. 118548



Prabhu Steel Industries Limited Annual Report 2022-2023

PRABHU STEEL INDUSTRIES LIMITED

Balance Sheet as at March 31, 2023

(Amount ` in Lakhs)

S. No.	Particulars	Note	As At	As At
			31.03.2023	31.03.2022
A	ASSETS			
1	Non - Current Assets			
	Property, Plants and Equipments	2	77.22	86.85
	Investment Properties	3	-	-
	Financial Assets			
	Investments	4	116.44	119.99
	Loans	5	40.70	44.05
	Other Financial Assets	6	175.72	306.51
	Current Tax Assets (Net)	7	7.36	2.86
	Deferred Tax Assets (Net)	8	115.64	70.48
	Total Non - Current Assets		533.08	630.75
2	Current Assets			
	Inventories	9	349.36	304.12
	Financial Assets			
	Trade Receivables	10	361.90	316.15
	Cash and Cash Equivalents	11A	218.49	122.09
	Other Balances with Banks	11B	-	-
	Other Financial Assets	12	4.69	7.79
	Other Current Assets	13	49.78	43.03
	Total Current Assets		984.23	793.19
	Total Assets		1,517.31	1,423.94
B	EQUITY AND LIABILITIES			
a)	EQUITY			
	Equity Share Capital	14	71.70	71.70
	Other Equity	15	927.50	869.21
			999.20	940.91
b)	LIABILITIES			
1	Non - Current Liabilities			
	Financial Liabilities			
	Borrowings	16	13.58	197.03
	Long - Term Financial Liabilities	17	0.07	0.04
	Other Non - Current Liabilities	18	2.00	2.75
	Total Non - Current Liabilities		15.65	199.82
2	Current Liabilities			
	Financial Liabilities			
	Borrowings	19	382.80	172.97
	Trade Payables			
	Total Outstanding dues to Micro Enterprises and Small Enterprises	20	-	-
	Total Outstanding dues of Creditors other than to Micro Enterprises and Small	20	115.63	55.78
	Other Financial Liabilities	21	3.75	29.67
	Other Current Liabilities	22	0.28	24.78
	Total Current Liabilities		502.46	283.20
	Total Equity and Liabilities		1,517.31	1,423.94

SIGNIFICANT ACCOUNTING POLICIES

1

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

For **MANISH N JAIN & CO.**
Chartered Accountants
FRN No.: 0138430W

DINESH AGRAWAL Director DIN No.: 00291086	HARISH AGRAWAL Director DIN No.: 00291083
--------------------------------------------------------	--------------------------------------------------------

ARPIT AGRAWAL
Partner
Membership No. 175398

AKSHITA AGRAWAL Chief Financial Officer	SANJOLI SARAF Company Secretary
---------------------------------------------------	-------------------------------------------

Place: Nagpur
Dated: **May 23, 2023**
UDIN No.: 23175398BGWEIH7243

Place: Nagpur Dated: May 23, 2023	Place: Nagpur Dated: May 23, 2023
---------------------------------------------	---------------------------------------------



PRABHU STEEL INDUSTRIES LIMITED
Statement of Profit and Loss for the year ended on March 31, 2023
(Amount ` in Lakhs, except earnings per share data)

S. No.	Particulars	Note	2022 - 2023	2021 - 2022
			(`)	(`)
I	INCOME			
1	Revenue from Operations	23	1,666.32	1,565.39
2	Other Income	24	40.18	81.87
II	Total Income (Total of 1 to 2)		1,706.50	1,647.26
III	EXPENSES			
1	Cost of Materials Consumed		-	-
2	Purchase of Trading Stock	25	1,613.58	1,481.21
3	Changes in Inventories of Finished Goods and Trading Stock	26	(45.24)	(84.34)
4	Employee Benefits Expense	27	31.75	37.20
5	Finance Costs	28	36.76	51.24
6	Depreciation and Amortization Expenses	29	11.69	15.40
7	Other Expenses	30	42.26	64.82
IV	Total Expenses (Total of 1 to 7)		1,690.80	1,565.52
V	Profit Before Exceptional Item and Tax (II - IV)		15.70	81.73
	Exceptional Items		-	-
VI	Profit Before Tax (PBT)		15.70	81.73
VII	Tax Expenses			
1	Current Tax	8	2.58	26.09
2	Deferred Tax	8	(45.16)	(4.22)
VIII	Total Tax Expenses (Total of 1 to 2)		(42.58)	21.87
IX	Profit After Tax (PAT) (VI - VIII)		58.29	59.86
X	Other Comprehensive Income			
	A) Items that will not be reclassified to Statement of Profit and Loss			
	a. i) Remeasurement of the Defined Benefits Plan		-	-
	ii) Income Tax Expenses on the above		-	-
	b. i) Net Fair Value Gain / (Loss) on Investment in Equity Instruments through OCI		0.00	(4.48)
	ii) Income Tax Expenses on the above		(0.00)	1.16
	B) Items that will be reclassified to Statement of Profit and Loss		-	-
XI	Total Other Comprehensive Income		0.00	(3.32)
XII	Total Comprehensive Income for the year (IX + XI)		58.29	56.54
XIII	Earnings per Equity Share			
	Basic (In `)	45	8.13	8.35
	Diluted (In `)		8.13	8.35

SIGNIFICANT ACCOUNTING POLICIES

1

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS PER OUR REPORT OF EVEN DATE ATTACHED

For **MANISH N JAIN & CO.**

Chartered Accountants

FRN No.: 0138430W

ARPIT AGRAWAL

Partner

Membership No. 175398

Place: Nagpur

Dated: **May 23, 2023**

UDIN No.: **23175398BGWEIH7243**

FOR AND ON BEHALF OF THE BOARD

DINESH AGRAWAL

Director

DIN No.: 00291086

AKSHITA AGRAWAL

Chief Financial Officer

Place: Nagpur

Dated: **May 23, 2023**

Dated: **May 23, 2023**

HARISH AGRAWAL

Director

DIN No.: 00291083

SANJOLI SARAF

Company Secretary

Place: Nagpur

Dated: **May 23, 2023**

Dated: **May 23, 2023**



PRABHU STEEL INDUSTRIES LIMITED			
Statement of Cash Flows for the year then ended March 31, 2023			
(Amount ` in Lakhs)			
S. No.	Particulars	31.03.2023 (`)	31.03.2022 (`)
A)	Cash Flow from Operating Activities		
	Net Profit / (Loss) Before Tax for the year as per the Statement of Profit and Loss	15.70	81.73
	<u>Adjustments For:</u>		
	Depreciation and Amortization Expenses	11.69	15.40
	Interest Income	(11.75)	(23.95)
	Dividend Income	(0.40)	(0.97)
	Rental Income	(3.97)	(3.86)
	Finance Costs	36.76	51.24
	(Surplus) / Loss on disposal of Investment Properties	-	(0.25)
	(Surplus) / Loss on disposal of Current Investments	-	(8.06)
	Provision for Unsecured Doubtful Debts and Advances	(0.75)	7.70
	Operating Profit before Working Capital Changes	47.29	118.99
	<u>Adjustments For:</u>		
	(Increase) / Decrease in Inventories	(45.24)	(84.34)
	(Increase) / Decrease in Trade Receivables	(41.90)	(110.56)
	(Increase) / Decrease in Other Financial Assets	38.70	24.64
	(Increase) / Decrease in Other Current Assets	(6.75)	(25.42)
	Increase / (Decrease) in Short - Term Borrowings	209.83	54.03
	Increase / (Decrease) in Trade Payables	59.85	(181.96)
	Increase / (Decrease) in Other Financial Liabilities	(25.88)	18.77
	Increase / (Decrease) in Other Current Liabilities	(24.51)	2.53
	Cash Generated from Operating Activities	211.39	(183.33)
	Income Tax Paid (Net of Refund)	(7.08)	(16.12)
	Net Cash Generated / (Used) from Operating Activities	204.32	(199.46)
B)	Cash Flow from Investing Activities		
	Investment in Property, Plants and Equipments (Net of Disposal)	(2.05)	(1.73)
	Proceeds from Disposal of Investment Properties	-	130.00
	(Increase) / Decrease in Investments (Net)	3.55	19.07
	(Increase) / Decrease in Loans and Advances	2.50	(1.21)
	Capital Advances	-	363.83
	Purchase of Term Deposits (Net)	92.93	88.10
	Liabilities towards Capital Expenditures	(0.75)	0.75
	Interest Income	11.75	23.95
	Dividend Income	0.40	0.97
	Rental Income	3.97	3.86
	Net Cash Generated / (Used) from Investing Activities	112.30	627.59



Prabhu Steel Industries Limited Annual Report 2022-2023

C)	Cash Flow from Financing Activities		
	Proceeds from Fresh Issue of Equity Shares	-	-
	Proceeds / (Repayments) from Non - Current Borrowings	(183.46)	(273.26)
	Finance Costs	(36.76)	(51.24)
	Net Cash Received / (Used) from Financing Activities	(220.22)	(324.50)
(D)	Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	96.41	103.63
(E)	Cash and Cash Equivalents at the beginning of the period	122.09	18.45
(F)	Cash and Cash Equivalents at the end of the period	218.49	122.09
(G)	Increase / (Decrease) in Cash and Cash Equivalents (G = F - E)	96.41	103.63

Note:

a) **Cash and Cash Equivalents Comprises of:**

(Amount ` in Lakhs)

S. No.	Particulars	31.03.2023	31.03.2022
1	<u>Balances with Banks</u>		
	i) Current Accounts	212.13	108.66
2	<u>Cash-in-Hand</u>	6.36	13.43
3	Cash and Cash Equivalents (Total of 1 to 2)	218.49	122.09

SIGNIFICANT ACCOUNTING POLICIES

1

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

For **MANISH N JAIN & CO.**

Chartered Accountants

FRN No.: 0138430W

DINESH AGRAWAL

Director

DIN No.: 00291086

HARISH AGRAWAL

Director

DIN No.: 00291083

ARPIT AGRAWAL

Partner

Membership No. 175398

AKSHITA AGRAWAL

Chief Financial Officer

SANJOLI SARAF

Company Secretary

Place: Nagpur

Dated: **May 23, 2023**

UDIN No.: **23175398BGWEIH7243**

Place: Nagpur

Dated: **May 23, 2023**

Place: Nagpur

Dated: **May 23, 2023**



Notes to the Financial Statements for the year then ended on March 31, 2023

Corporate Information

PRABHU STEEL INDUSTRIES LIMITED (“the Company”) (CIN No. L28100MH1972PLC015817) is a Public Limited Company, domiciled and incorporated in India, under the provisions of Companies Act, 1956. The Registered office of the Company is situated at Near Old Stand, Itwari, Nagpur (M.H.) - 440008. The Company’s share are listed on “Bombay Stock Exchange”(BSE).

The Company is primarily engaged in the business of selling and distribution and trading of Iron and Steels.

The Board of Directors approved the financial statements for the year ended March 31, 2023 and authorized for issue on May 23, 2023.

1. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

SIGNIFICANT ACCOUNTING POLICIS

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are the separate financial statements of the Company (also called as “financial statements”) prepared in accordance with Indian Accounting Standard (“Ind AS”) as notified under section 133 of the Companies Act, 2013 (“the Act”) read together with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Rule, 2016, as amended, time to time. The preparation and presentation of the financial statements is based on the Indian Accounting Standards (Ind AS) Division - II of the Schedule - III of the Companies Act, 2013.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below.

The statement of cash flows have been prepared under indirect method, whereby the profit and loss is adjusted for the effect of transactions of a non-cash nature, any deferrals and accruals or future operating cash receipts or payments and items of income and expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid instruments that are readily convertible to know amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

These accounting policies have been applied consistently over all the period presented in these financial statements.

The Company’s financial statements are prepared and presented in Indian Rupee (₹) in Lakhs, which is also the functional currency for the Company. All amounts have been rounded off to the nearest (₹) in Lakhs up to two decimals, except when otherwise specified.

1.2 CURRENT AND NON - CURRENT CLASSIFICATION

The Company presents the assets and liabilities in the balance sheet based on current / non-current classification. An assets or a liabilities are classified as current when it satisfies any of the following criteria:

- i) The assets / liabilities are expected to be realized / settled in the Company’s normal operating cycle;
- ii) The assets are intended for sales or consumption;
- iii) The assets / liabilities are held primarily for the purpose trading;
- iv) The assets / liabilities are expected to be realized / settled within twelve months after the end of reporting date;



- v) The asset is cash or cash equivalents unless it is restricted from being exchanged or used to settle a liabilities for at least twelve months after the reporting period.
- vi) In the case of the liabilities, the Company does not have an unconditional right to defer the settlement of the liabilities for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current / non-current classification of assets and liabilities, the Company has ascertained its operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of the assets or inventories for processing and their realization in cash and cash equivalents.

1.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Property, Plants and Equipments

Measurement at Recognition

An item of property, plants and equipments that qualifies as an assets is measured on the initial recognition at cost. Following the initial recognition, item of property, plants and equipments are carried at its cost less accumulated depreciation and accumulated impairment losses, if any.

The Company identifies and determines cost of each part of an item of property, plants and equipments separately, if the part has a cost which is significant to the total cost of that item of property, plants and equipments and has useful life that is materially different from that of the remaining items.

The cost of an item of property, plants and equipments comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the assets to its present location and working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discount and rebates are deducted in arriving at the purchase price of such property, plants and equipments.

Cost includes the cost of replacing a part of the plants and equipments, if the recognition criteria are met. Expenses directly attributable to new manufacturing facilities during its construction period are capitalized, if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machineries are capitalized under the relevant heads of property, plants and equipments, if the recognition criteria are met.

When the significant parts of property, plants and equipments are required to be replaced at periodical intervals, the Company recognizes such part as individual assets with specific useful lives and depreciates them accordingly.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flows to the Company and the cost of the item can be measured reliably. The carrying amount of any components accounted for as a separate asset is de-recognized when replaced.

All the costs, including administrative, financing and general overhead expenses, as are specifically attributable to construction of a specific projects or to the acquisition of a property, plants and equipments or bringing it to its present location and working condition, is include as a part of the cost of construction of the project or as a part of the cost of property, plants and equipments, till the commencement of its commercial production. Any adjustments arising from exchange rate variations attributable to the property, plants and equipments are capitalized as aforementioned.

Borrowing costs relating to the acquisition/construction of property, plants and equipments which takes the substantial period of time to get ready for its intended use are also included in the cost of property, plants and equipments/cost of constructions to the extent they relate to the period till such property, plants and equipments are ready to be put to use.



Any subsequent expenditure related to an item of property, plants and equipments is added to its book value only and only if it increases the future economic benefits from the existing assets beyond its previously assessed standard of performance.

Any items such as spare parts, stand by equipment and servicing equipments that meet the definitions criteria of the property, plants and equipments are capitalized at cost and depreciated over the useful life of the respective property, plants and equipments. Cost in the nature of repairs and maintenances are recognized in the statement of profit and loss as and when incurred.

Capital Work-in-Progress and Capital Advances

Cost of property, plants and equipments not ready for intended use, as on the balance sheet date, is shown as a "Capital Work-in-Progress". The capital work-in-progress is stated at cost. Any expenditure in relation to survey and investigation of the properties is carried as capital work-in-progress. Such expenditure is either capitalized as cost of the projects on completion of construction project or the same is expensed in the period in which it is decided to abandon such projects.

Any advances given towards acquisition of property, plants and equipments outstanding at each balance sheet date are disclosed as "Other Non - Current Assets".

Depreciation

Depreciation on each part of property, plants and equipments are provided to the extent of the depreciable amount of the assets on the basis of "Written Down Method (WDV)" on the useful lives of the tangible property, plants and equipments as estimated by the Company's management and is charged to the statement of profit and loss, as per the requirement of Schedule - II to the Companies Act, 2013. The estimated useful lives of the property, plants and equipments has been assessed based on the technical advice which is considered in the nature of the property, plants and equipments, the usage of the property, plants and equipments, expected physical wear and tear of the such property, plants and equipments, the operating conditions, anticipated technological changes, manufacturer warranties and maintenance support of the property, plants and equipments etc.

When the parts of an item of the property, plants and equipments have different useful lives, they are accounted for as a separate items (major components) and are depreciated over their useful lives or over the remaining useful lives of the principal property, plants and equipments, whichever is less.

The useful lives of the items of property, plants and equipments as estimated by the Company's management is mentioned below:

S. No.	Name of Property, Plants and Equipments	Useful Life (In Years)
1.	Factory Building	30 Years
2.	Building (Other than Factory Building)	60 Years
3.	Plant and Machineries	15 Years
4.	Furniture and Fixtures	10 Years
5.	Office Equipment's	05 - 10 Years
6.	Computer and Other Data Processing units	3 Years
7.	Motor Vehicles	8 Years

The Company based on technical assessment made by the technical experts and the Company's management estimate, depreciate certain items of property, plants and equipments over the estimated useful lives which are different from the useful lives as prescribed under Schedule - II of the Companies Act, 2013. The Company's management believes that the useful lives as given above is best to represent the period over which Company's management expects to use these property, plants and equipments.



Freehold land is not depreciated. Leasehold land and their improvement cost are amortized over the period of the lease.

The useful lives, residual value of each part of an item of property, plants and equipments and the method of depreciation are reviewed at the end of each reporting period, if any, of these expectations differ from the previous estimates, such change is accounted for as a change in accounting estimate and adjusted prospectively, if appropriate.

Derecognition

The carrying amount of an item of property, plants and equipments and other intangible assets are recognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from derecognition of the property, plants and equipments is measured as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized in the statement of profit and loss, as and when the assets are de-recognized.

b) Intangible Assets

Measurement at Recognition

Intangible assets acquired separately measured on the initial recognition at cost. Intangible assets arising on the acquisition of business are measured at fair value as at the date of acquisition. Internally generated intangible assets including research costs are not capitalized and the related expenditure is recognized in the statement of profit and loss in the period in which the expenditure is incurred. Following the initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Amortization

Intangible assets with the finite lives are amortized on a "Straight Line Basis" over the estimated useful economics lives of such intangible assets. The amortization expenses on intangible assets with the finite lives are recognized in the statement of profit and loss.

The amortization period and the amortization method for an intangible assets with the finite useful lives are reviewed at the end of each financial year, If any, of these expectations differ from the previous estimates, such changes are accounted for as a change in an accounting estimate and adjusted prospectively, if appropriate.

Derecognition

The carrying amount of an intangible asset are recognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an intangible assets is measured as the difference between the net disposal proceeds and the carrying amount of the intangible assets and is recognized in the statement of profit and loss, as and when such assets are de-recognized.

c) Impairment

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the assets may be impaired.

Assets that are subject to depreciation and amortization and assets representing investments in subsidiary and associate companies are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environments.

The Company assesses at each reporting date, whether there is an indication that assets may be impaired, if any indication exists based on internal or external factors, or when annual impairment testing for assets



is required, the Company estimates the asset's recoverable amount. Where the carrying amount of the assets or its cash generating unit (CGU) exceeds its recoverable amount, the assets are considered impaired and is written down to its recoverable amount. The recoverable amount is the greater of the fair value less cost to sell and value-in-use.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax rate that reflects current market rates and the risk specific to the assets. For the asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the assets belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an assets in an arm's length transactions between knowledgeable, willing parties, less cost of disposal. After the impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful lives.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exists or has decreased. However, the increase in the carrying amount of assets due to the reversal of an impairment loss is recognized to the extent it does exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the assets in the prior years.

Impairment losses, if any, are recognized in the statement of profit and loss and included in depreciation and amortization expense. Impairment losses are reversed in the statement of profit and loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined; if no impairment loss had previously been recognized.

d) Revenue Recognition

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of Products

Revenue from sales of goods is recognized, when control on the goods have been transferred to the customers. The performance obligation in the case of sale of goods is satisfied at a point in time i.e. when the material is shipped to the customers or delivery to the customers as may be specified in the contracts with them.

Sales (Gross) excludes Goods and Service Tax (GST) and is net of discounts and incentives to the customers.

Sale of Services

Revenue from sales of service is recognized over time by measuring the progress towards satisfaction of performance obligation for the service rendered. The revenue is recognized based on the agreements/arrangements with the customers as the service is performed and based on the satisfaction of performance obligation. Advances from customers is recognized under "Other Current Liabilities" and released to revenue on satisfaction of performance obligation.



Interest

Revenue from Interest income is recognized using the effective interest method. Effective interest rate (EIR) is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the gross carrying amount of the financial assets or to the amortized cost of financial liabilities.

Dividend

Revenue is recognized when the Company's right to receive the payment is established at the end of the reporting date, which is generally when the shareholders approved the dividend at the Annual General Meeting / Extraordinary General Meeting.

Rental Income

Rental income arising from operating lease on investment properties is accounted for on a straight line basis over the lease term except the case where the incremental lease reflects inflationary effect and rental income is accounted in such case by actual rent for the period.

e) Government Grants and Subsidies

The Company is entitled to receive any subsidy from the Government authorities or any other authorities in respect of manufacturing or other facilities are dealt as follows:

- i) Grants in the nature of subsidies which are non-refundable and are recognized as income, when there is reasonable assurance that the Company will comply with all the necessary conditions attached to them. Income from grants is recognized on a systematic basis over the periods in which the related costs that are intended to be compensated by such grants are recognized.
- ii) The Company has received refundable government loans at below market rate of interest which are accounted in accordance with the recognition and measurement principle of Ind AS - 109, "Financial Instruments". The benefit of below-market rate of interest is measured as the difference between the initial carrying value of loan determined in accordance with Ind AS - 109 and the proceeds received. It is recognized as income when there is a reasonable assurance that the Company will comply with all necessary conditions attached to the loans. Income from such benefit is recognized on a systematic basis over the period of the loan during which the Company recognizes interest expense corresponding to such loans.
- iii) Income from subsidies is presented on gross basis under the Revenue from Operations.

f) Inventories

Inventories of the stock-in-trade are carried at lower of cost and net realizable value. The comparison of costs and net realizable value is made on an item-by-item basis. In determining the cost of stock-in-trade, "First-in-First-out" method is used.

- a) Stock-in-Trade: Cost included the purchase price, duties / taxes (other than those subsequently recoverable from tax authorities) and other direct or indirect costs incurred in bringing the inventories to their present location and conditions.

"Net Realizable Value" is the estimated selling price of inventories in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sales of the products.

The Company considers factors like estimated shelf life, product discontinuances and aging of inventory in determining the provision for slow moving, obsolete and other non-saleable inventory and adjust the inventory provision to reflects the recoverable value of the inventory.

g) Investment Properties



The properties those are held for capital appreciation or for earning rentals income or both or whose future use is undetermined is classified as investment properties. Items of investment properties are measured at cost less accumulated depreciation / amortization and accumulated impairment losses. Cost included expenditure that is directly attributable to bringing the assets to the location and condition necessary for its intended use. Investment properties are depreciated on straight-line method in accordance with Ind AS - 40, "Investment Property". A part of investment property is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the assets (calculated as the difference between net disposal proceeds and the carrying amount of the assets) is included in the statement of profit and loss in the period it is de-recognized. All other repair and maintenance costs are expensed as and when incurred. The residual values, useful lives and the method of depreciation of investment property is reviewed at the end of each reporting period and adjusted prospectively, as appropriate.

h) Financial Instruments

A financial instruments are in any contract that gives rise to a financial assets of one entities and a financial liabilities or equity instruments of another entities.

Financial Assets

Initial Recognition and Measurements

The Company recognizes financial assets in its balance sheet, when it becomes party to the contractual provisions of the instruments. All the financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets.

Where the fair value of a financial assets at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the statement of profit and loss at initial recognition, if the fair value is determined through a quoted market price in an active market for an identical assets (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the statement of profit and loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial assets.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent Measurements

For subsequent measurements, the Company classifies a financial assets in accordance with the below criteria:

- i) The Company's business model for managing the financial assets and
- ii) The contractual cash flows characteristics of the financial assets.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- i) Financial assets measured at amortized costs
- ii) Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii) Financial assets measured at fair value through profit or loss (FVTPL)

Financial Assets measured at Amortized Costs



A financial assets are measured at the amortized costs if both the following conditions are met:

- a) The Company's business model objective for managing the financial assets is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amounts and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial assets over the relevant period of the financial assets to arrive at the amortized costs at each reporting date. The corresponding effect of the amortization, under effective interest method is recognized as interest income over the relevant period of the financial assets. The same is included under "Other Income" in the statement of profit and loss.

The amortized costs of a financial assets are also adjusted for loss allowance, if any.

Financial Assets measured at FVTOCI

A financial assets are measured at FVTOCI if both of the following conditions are met:

- a) The Company's business model objective for managing the financial assets is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to certain investments in debt instruments. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income and impairment losses and its reversals in the statement of profit and loss.

On de-recognition of such financial assets, cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of profit and loss.

Further, the Company, through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTOCI. The Company has made such election on an instrument-by-instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in other comprehensive income. However, the Company recognizes dividend income from such instruments in the statement of profit and loss, when the right to receive such payment is established, it is probable that the economic benefits will flow to the Company and the amount can be measured reliably.

On de-recognition of such financial assets, cumulative gain or loss previously recognized in OCI is not reclassified from the equity to statement of profit and loss. However, the Company may transfer such cumulative gain or loss into retained earnings within equity.

Financial Assets measured at FVTPL



A financial asset are measured at FVTPL unless it is measured at amortized costs or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company excluding investments in subsidiary and associate companies. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the statement of profit and loss.

Derecognition

A financial assets (or, where applicable, a part of a financial assets or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when any of the following occurs:

- i) The contractual rights to cash flows from the financial assets expires;
- ii) The Company transfers its contractual rights to receive cash flows of the financial assets and has substantially transferred all the risks and rewards of ownership of the financial assets;
- iii) The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a "pass-through" arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial assets);
- iv) The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial assets.

In cases, where the Company has neither transferred nor retained substantially all of the risks and rewards of the financial assets, but retains control of the financial assets, the Company continues to recognize such financial assets to the extent of its continuing involvement in the financial assets. In that case, the Company also recognizes associated liabilities. The financial assets and the associated liabilities are measured on a basis that reflects the rights and obligations that the Company has retained.

On de-recognition of a financial assets, (except as mentioned in above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the statement of profit and loss.

Impairment of Financial Assets

The Company applies expected credit losses (ECL) model for measurements and recognition of loss allowance on the following:

- i) Trade receivables
- ii) Financial assets measured at amortized costs (other than trade receivables)
- iii) Financials assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines, if there has been a significant increase in credit risk of the financial assets since the initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to twelve months ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial assets improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on twelve months ECL.



ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expected to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial assets. Twelve months ECL is a portion of the lifetime ECL which results from default events that are possible within twelve months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the reporting period are recognized as income / expense in the statement of profit and loss under the head "Other Expenses".

Financial Liabilities

Initial Recognition and Measurements

The Company recognizes financial liabilities in its balance sheet when it becomes party to the contractual provisions of the instruments. All financial liabilities are recognized initially at fair value, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liabilities.

Where the fair value of a financial liabilities at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the statement of profit and loss at initial recognition, if the fair value is determined through a quoted market price in an active market for an identical assets (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the statement of profit and loss, only to the extent that such gain or loss arises, due to a change in factor that market participants take into account when pricing the financial liabilities.

Subsequent Measurements

All financial liabilities of the Company are subsequently measured at amortized costs using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liabilities over the relevant period of the financial liabilities to arrive at the amortized costs at each reporting date. The corresponding effects of the amortization, under effective interest method is recognized as interest expense over the relevant period of the financial liabilities. The same is included under finance costs in the statement of profit and loss.

Derecognition

A financial liabilities are de-recognized when the obligation under the liabilities are discharged or cancelled or expires. When an existing financial liabilities are replaced by another from the same lender on substantially different terms, or the terms of an existing liabilities are substantially modified, such an



exchange or modification are treated as the de-recognition of the original liabilities and the recognition of a new liabilities. The difference between the carrying amount of the financial liabilities de-recognized and the consideration paid is recognized in the statement of profit and loss.

Offsetting of Financial Assets and Financial Liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

i) Derivative Financial Instruments and Hedge Accounting

The Company enters into derivative financial contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial liabilities measured at amortized cost. The Company formally establishes a hedge relationship between such forward currency contracts ("Hedging Instruments") and recognized financial liabilities ("Hedged Items") through a formal documentation at the inception of the hedge relationship in line with the Company's Risk Management objective and strategy.

The hedge relationship so designated is accounted for in accordance with the accounting principles prescribed for a fair value hedge under Ind AS - 109, "Financial Instruments".

Recognition and Measurement of Fair Value Hedge

Hedging instruments is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of hedging instruments is recognized in the statement of profit and loss. Hedging instruments is recognized as a financial assets in the balance sheet, if its fair value as at reporting date is positive as compared to carrying value and as a financial liabilities, if its fair value as at reporting date is negative as compared to carrying value.

Hedged items (recognized financial liabilities) is initially recognized at fair value on the date of entering into contractual obligation and is subsequently measured at amortized costs. The hedging gain or loss on the hedged items is adjusted to the carrying value of the hedged item as per the effective interest method and the corresponding effects is recognized in the statement of profit and loss.

Derecognition

On derecognition of the hedged items, the unamortized fair value of the hedging instrument adjusted to the hedged items, is recognized in the statement of profit and loss.

j) Fair Value

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an assets or paid to transfer a liabilities in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the assets or transfer the liabilities takes place either:

* In the principal market for the assets or liabilities, or

* In the absence of a principal market, in the most advantageous market for the assets or liabilities.

All the assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to a quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).



Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly;

Level 3 - Inputs that are unobservable for the assets or liabilities.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

k) Foreign Currency Transactions

a) Initial Recognition

Transactions in the foreign currencies entered into by the Company are accounted in the functional currency (i.e. Indian Rupee `), by applying the exchange rates prevailing on the date of the transaction i.e. spot exchange rate. Any exchange difference arising on foreign exchange transactions settled during the reporting period are recognized in the statement of profit and loss except to the extent that they are regarded as an adjustment to the finance costs on foreign currency borrowings that are directly attributable to the acquisition or constructions of the qualifying assets, are capitalized to the qualifying assets.

b) Conversion of Foreign Currency Items at Reporting Date

Foreign currency monetary items of the Company are restated at the end of the reporting date by using the closing exchange rate as prescribed by the Reserve Bank of India. Non-monetary Items are recorded at the exchange rate prevailing on the date of the transactions i.e. measured at historical costs. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured i.e. using the exchange rate at the date of transactions.

l) Taxes on Income

Tax expense comprises current tax and deferred income tax. Tax expenses is the aggregate amount included in the determination of profit or loss for the reporting period current tax and deferred income tax. Tax expenses are recognized in the statement of profit and loss, except to the extent that it relates to the items recognized in the other comprehensive income or in the equity. In that case, tax is also recognized in other comprehensive income or equity.

Current income tax is the amount of income tax payable in respect of taxable profit for the reporting period. Taxable profit differs from "Profit Before Tax" as reported under the statement of profit and loss because of item of expenses or income that are taxable or deductible in other years and items that are never taxable or deductible under Income Tax Act, 1961.

Current tax assets and liabilities are measured by using the tax rates that have enacted by the end of the reporting period for the amounts expected to be recovered from or paid to the income tax authorities. Current tax also includes any adjustment amount to tax payable / receivable in respect of previous reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961 and their carrying amounts. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary difference that arises from initial recognition of assets or liabilities in a transaction that affect neither the taxable profits nor the accounting profits, deferred tax liabilities are not recognized. Also, for



temporary differences, if any, that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences, and any unused tax losses and unused tax credits, to the extent, it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profits nor the accounting profits, deferred tax assets are not recognized.

The carrying amount of deferred tax assets / liabilities are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted at the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Uncertain Tax Positions

The Company's management periodically evaluates the positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and consider whether it is probable that a taxation authority will accept an uncertain tax treatments. The Company reflects the effect of uncertainty for each uncertain tax treatment by using one of two methods, the expected value method (the sum of the possibility - weighted amounts in range of possible outcomes) or the most likely amount (single most likely amount method in a range of possible outcomes), depending on which is expected to better predict the resolution of the uncertainty. The Company applies consistent judgements and estimates if an uncertain tax treatment affects both the current and deferred income tax.

Presentation

Current tax and deferred tax are recognized as income or an expense in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income, in which case, the current tax and deferred tax income / expense are recognized in other comprehensive income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset, if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

m) Lease

A lease is classified at the inception date as finance lease or an operating lease. A lease that transfers substantially all the risk and rewards incidental to the ownership to the Company is classified as a finance lease. All other lease is classified as operating lease.

The Company as a Lessee

a) Operating Lease: Rental payable under the operating lease are charged to the statement of profit and loss on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

b) Finance Lease: Finance lease are capitalized at the commencement of the lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liabilities to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and the reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liabilities. Finance expenses are charged directly



against the income over the period of the lease unless they are directly attributable to the qualifying assets, in which case they are capitalized. Contingent rental is recognized as an expense in the period in which they are incurred.

A leased assets are depreciated over the useful lives of the assets, however, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the assets are depreciated over the shorter of the estimated useful lives of the assets and the lease terms.

The Company as a Lessor:

Lease payments under operating leases are recognized as an income on a straight-line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation. The respective leased assets are included in the balance sheet based on their nature.

n) Borrowing Costs

Borrowing cost include the interest, commitments charges on bank borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

Borrowing costs, if any, that are directly attributable to the acquisition or constructions or production of qualifying property, plants and equipments are capitalized as a part of cost of that property, plants and equipments until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take the substantial period of time to get ready for the intended use or sale.

When the Company borrows the funds specially for the purpose of obtaining the qualifying assets, the borrowing costs incurred are capitalized with the qualifying assets. When the Company borrows fund generally and use them for obtaining a qualifying assets, the capitalization of borrowing costs are computed on weighted average cost of general costs that are outstanding during the reporting period and used for acquisition of the qualifying assets. Capitalization of the borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for intended use are complete.

Other borrowing costs are recognized as expenses in the period in which they are incurred. Any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets are deducted from the borrowing costs eligible for capitalization.

o) Employee Benefits

Short-Term Employee Benefits

All the employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related services. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in the exchange for services are rendered as a liabilities (accrued expense) after deducting any amount already paid.

Post - Employment Benefits

a) Defined Contribution Plans

Defined contribution plans are employee state insurance scheme and Government administrated pension fund scheme for all the applicable employees and superannuation scheme for all the eligible employees, if any, who met eligible criteria. The Company's contribution to defined contribution plans is recognized in the statement of profit and loss in the reporting period to which they relate.

i) Recognition and Measurement of Defined Contribution Plans



The Company recognizes contribution payable to a defined contribution plan as an expense in the statement of profit and loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an assets to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund. Generally, no employee will fall within the ambit of the eligibility of the same.

b) Defined Benefits Plans

i) Gratuity

The Company operates a defined benefits plan for its employees. The Company pays the gratuity to employee whoever has completed its five year of service with the Company at the time of retirement or resignation or superannuation. The gratuity is paid @ 15 Days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The liabilities in respect of gratuity is calculated using "Project Unit Credit Method" and spread over the period during which the benefits is expected to be derive from employee services. The remeasurement of defined benefits plan in respect of post-employments are charged to the other comprehensive income (OCI).

As per the Payment of Gratuity Act, 1972, every establishments within the meaning of any law for the time being in force, in relation to the shops and establishments in a state, in which ten or more employees are employed or were employed, on any day of the preceding twelve months has to take the registration under the Act and maintain the separate fund for the welfare of the employees.

ii) Provident Fund Scheme

Provident fund is defined contribution plan covering certain eligible employees. The Company and the eligible employees make a monthly contribution to the provident fund maintained by the regional provident fund commissioners equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contributions to the provident fund are charged to the statement of profit and loss for the period, when the contributions are due.

As per the Employee Provident Fund Act and Miscellaneous Provision Act, 1952, every establishments, whose employee strength is twenty persons or more, then such employers shall be required to register under the EPF Act on the Government website, "Employee Provident Fund Organization".

Recognition and Measurement of Defined Contribution Plans

The cost of providing defined benefits is determined using the "Projected Unit Credit Method" with actuarial valuations being carried out at each balance sheet date. The defined benefit obligations recognized in the balance sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit assets is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liabilities / (assets) are recognized in the statement of profit and loss. Remeasurements of the net defined benefits liabilities / (assets) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liabilities / assets), are recognized in other comprehensive income. Such remeasurements are not reclassified to the statement of profit and loss in the subsequent periods.

Past service cost is recognized immediately to the extent that the benefits are already vested, else is amortized on a straight-line basis over the average period until the amended benefits become vested.



Actuarial gain or losses in respect of the defined benefits plan are recognized in the statement of profit and loss in the year in which they arise, if any.

The Company presents the above liabilities as current and non-current in the balance sheet as per the actuarial valuation by the independent actuary, if any.

The Company generally operates with the policy to hire the outsourcing man power supply agencies, thus the total employee strength of the Company is below the threshold limit as prescribed under the Payment of Gratuity Act, 1972 and Employee Provident Fund Act and Miscellaneous Provision Act, 1952. Hence, the said Act is not applicable in the case of the Company.

p) Earnings per Share

The Company reports the basic and diluted Earnings per Share (EPS) in accordance with Ind AS - 33, "Earnings per Share". Basic EPS is computed by dividing the net profit or loss attributable to the equity shareholders of the Company for the period by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit or loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all potential equity shares, except where the results are anti-dilutive.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus Issue, bonus elements in right issue, share splits, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

q) Provisions and Contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liabilities. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance costs.

A disclosure for a contingent liabilities are made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liabilities.

r) Exceptional Items

An ordinary item of income or expense which by its size, nature, occurrence or incidence requires a disclosure in order to improve understanding of the performance of the Company is treated as an exceptional item in the statement of profit and loss.

s) Event after Reporting Date



Where events occurring after the balance sheet date provide evidence of condition that existed at the end of reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

All the events occurring after the balance sheet date up to the date of the approval of the financial statement of the Company by the board of directors on May 23, 2023, have been considered, disclosed and adjusted, wherever applicable, as per the requirement of Indian Accounting Standards.

t) Cash Flow Statements

Cash flows statements are reported using the method set out in the Ind AS - 7, "Cash Flow Statements", whereby the net profit / (loss) before tax is adjusted for the effects of the transactions of a non-cash nature, any deferrals or accrual of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

u) Cash and Cash Equivalents

Cash and cash equivalents include cash and cheques-in-hand, balances with banks, and demand deposits with banks where the original maturity is three months or less and other short-term highly liquid investments net of bank of overdrafts which are repayable on demand as these from an integral part of the Company's cash management.

1.4 RECENT ACCOUNTING PRONOUNCEMENT

Ministry of Corporate Affairs ("the MCA") notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standard) Rules as issued from time to time. On March 31, 2023, the MCA through a notification amended to the existing standards under the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Rule, 2023, applicable from April 01, 2023, as below;

Ind AS - 1 - Presentation of the Financial Statements

The amendments requires the Company to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with the other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS - 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment will help to distinguish between accounting policies and accounting estimates. The definition of changes in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "Monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates, if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS - 12 - Income Tax

The amendment clarify how the Companies account for deferred tax on transactions such as lease and decommissioning obligations. The amendments narrowed the scope of recognition exemption in paragraph 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.



The effective date for adoption of these amendments is annual period beginning on or after April 01, 2023. The Company has evaluated the amendments and the impacts of the amendments are insignificant in the financial statements.

1.5 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Company's financial statements is in conformity with the Ind AS requires managements to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of the assets, liabilities, income and expenses (including the contingent liabilities) and the accompanying disclosures. Uncertainty about these assumptions and estimates could results in outcomes that require a material adjustments to the carrying amount of assets or liabilities effected in future periods. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revision to accounting estimates are recognized in the period which the estimates are revised and in any future periods affected.

The key assumptions concerning the future and other key resources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities within the next financial year, are described as follow:

- a) **Income Tax:** The Company's tax jurisdiction is in India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the income tax provisions, including the amount expected to be paid / recovered for uncertain tax provisions (Refer "Note No. 8").
- b) **Property, Plants and Equipment's:** Property, plants and equipments represent a significant proportion of the assets base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the Company's management at the time the assets are acquired and reviewed periodically, including at each financial year end. Useful lives of each of these assets are based on the life prescribed in Schedule II to the Companies Act, 2013 or based on the technical estimates, taking into account the nature of the assets, estimated usage, expected residual values and operating conditions of the assets. The lives are based on historical experience with the similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the assets.
- c) **Defined Benefits Obligations:** The costs of providing gratuity and other post-employment benefits are charged to the statement of profit and loss in accordance with Ind AS - 19, "Employee Benefits" over the period during which benefit is derived from the employees' services. It is determined by using the actuarial valuation and assessed on the basis of assumptions selected by the Company's management. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. Due to the complexities involved in the valuation and its long-term in nature, a defined benefits obligation is highly sensitive to change in these assumptions. All assumptions are reviewed at each balance sheet date.
- d) **Fair Value measurements of Financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgments and assumptions. The input to these models are taken from observable markets wherever possible, where this is not feasible, a degree of judgments is required in establishing fair value. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of the financial instruments.
- e) **Recoverability of Trade Receivables:** Judgment are required in assessing the recoverability of overdue trade receivables and determining whether a provision is against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payments.



f) Provisions: Provision and liabilities are recognized in the period when it becomes probable that there will be future outflow of resources resulting from past operations or events and the amount of cash outflows can be reliably estimated. The timing of recognition and quantification of the liabilities requires the application of judgements to existing facts and circumstances, which can be subject to change. The carrying amounts of provision and liabilities are reviewed regularly and revised to take the amount of changing the facts and circumstances.

g) Impairment of Financial and Non - Financial Assets: The impairment provision of financial assets are based on the assumptions about the risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of the reporting period.

In case of Non-financial assets, the Company estimates asset's recoverable amount, this is higher of an assets or cash generating units (CGU) fair value less the cost of disposal and the value-in-use.

In assessing the value-in-use, the estimated future cash flows are discounted using the pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. In determining the fair value less cost of disposal, recent market transactions are taken into accounts, if no such transactions can be identified, an appropriate valuation model is being used.

h) Recognition of Deferred Tax Assets and Liabilities: Deferred tax assets and liabilities are recognized for deductible temporary differences and unused tax losses or unused tax credit for which there is probability of utilization against the future taxable profits. The Company uses judgments to determine the amount of deferred tax that can be recognized, based upon the likely timing and the level of future taxable profits and business developments.

i) Amortization of Leasehold Land: The Company's lease assets primarily consist of lease for industrial land. The lease premium is the fair value of land paid by the Company to the respective authorities at the time of the acquisition and there is no liabilities at the end of the lease tenure. The lease premium paid by the Company has been amortized over the lease period on systematic basis and classified under Ind AS - 16, "Property, Plants and Equipments" and therefore, the requirements of both Ind AS - 116 and Ind AS - 17, as to the period over which, and the manner in which, the right of use assets (under Ind AS - 116) or the assets arising from the finance lease (under Ind AS - 17) amortized as similar.

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



Prabhu Steel Industries Limited Annual Report 2022-2023

PRABHU STEEL INDUSTRIES LIMITED					
PRABHU STEEL INDUSTRIES LIMITED					
Statement of Changes in Equity for the year then ended on March 31, 2023					
A) Equity Share Capital					
					(Amount ` in Lakhs)
				31.03.2023	31.03.2022
Equity Share Capital					
Balance at the beginning of the reporting period...(`)				71.70	71.70
Changes in Equity Share Capital to prior period errors				-	-
Restated balances at the beginning of the reporting period...(`)				71.70	71.70
Changes in Equity Share Capital during the period				-	-
Balance at the end of the reporting period...(`)				71.70	71.70
B) Other Equity					
					(Amount ` in Lakhs)
	Reserves and Surplus			Item of OCI	Total Other Equity
	Capital Reserve	Securities Premium	Retained Earning	Equity Instruments through OCI	
Balance as at April 01, 2021 (A)	47.39	-	762.04	3.25	812.67
Addition during the reporting period					
Net Profit / (Loss) during the reporting period	-	-	59.86	-	59.86
Addition made during the Reporting Period	-	-	-	-	-
Items of the Other Comprehensive Income for the period (Net of taxes)					
Net fair value gain on investments in equity instruments through other comprehensive income (Net)	-	-	-	(3.32)	(3.32)
Total Comprehensive Income for the year 2021 - 2022 (B)	-	-	59.86	(3.32)	56.54
Reduction during the reporting period					
Final dividend	-	-	-	-	-
Total reductions during the reporting period (C)	-	-	-	-	-
Balance as at March 31, 2022 (D) = (A + B - C)	47.39	-	821.90	(0.07)	869.21
Addition during the reporting period					
Net Profit / (Loss) during the reporting period	-	-	58.29	-	58.29
Addition made during the Reporting Period	-	-	-	-	-
Items of the Other Comprehensive Income for the period (Net of taxes)					
Net fair value gain on investments in equity instruments through other comprehensive income (Net)	-	-	-	0.00	0.00
Total Comprehensive Income for the year 2022 - 2023 (E)	-	-	58.29	0.00	58.29
Reduction during the reporting period					
Final dividend	-	-	-	-	-
Total reductions during the reporting period (F)	-	-	-	-	-
Balance as at March 31, 2023 (G) = (D + E - F)	47.39	-	880.19	(0.07)	927.50
SIGNIFICANT ACCOUNTING POLICIES					
THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS					
AS PER OUR REPORT OF EVEN DATE ATTACHED			FOR AND ON BEHALF OF THE BOARD		
For MANISH N JAIN & CO. Chartered Accountants FRN No.: 0138430W	DINESH AGRAWAL Director DIN No.: 00291086	HARISH AGRAWAL Director DIN No.: 00291083			
ARPIT AGRAWAL Partner Membership No. 175398	AKSHITA AGRAWAL Chief Financial Officer	SANJOLI SARAF Company Secretary			
Place: Nagpur Dated: May 23, 2023 UDIN No.: 23175398BGWEIH7243	Place: Nagpur Dated: May 23, 2023	Place: Nagpur Dated: May 23, 2023			



Prabhu Steel Industries Limited Annual Report 2022-2023

2) Property, Plants and Equipments

S. No.	Particulars	Gross Carrying Value				Depreciation				Net Carrying Value	
		Cost As At 01.04.2022	Addition during the period	Deduction / Adjustments	Cost As At 31.03.2023	Depreciation Upto 01.04.2022	Addition during the period	Deduction / Adjustments	Depreciation As At 31.03.2023	As At 31.03.2023	As At 31.03.2022
	Land										
A	Freehold Land	44.04	-	-	44.04	-	-	-	-	44.04	44.04
	Leasehold Land	1.32	-	-	1.32	0.15	0.03	-	0.18	1.14	1.17
	Building										
B	Non - Factory Building	0.18	-	-	0.18	0.04	0.01	-	0.05	0.13	0.14
	Furniture and Fixtures										
C	Furniture and Fixtures	0.89	-	-	0.89	0.30	0.11	-	0.40	0.49	0.59
	Plant and Equipments										
D	Plant and Machineries	8.42	-	-	8.42	2.75	-	-	2.75	5.67	5.67
	Office Equipments	6.60	1.43	-	8.03	3.78	1.22	-	5.00	3.04	2.82
	Motor Vehicles										
E	Motor Vehicles	64.47	-	-	64.47	33.48	9.63	-	43.11	21.36	30.99
	Computers and Peripherals										
F	Computer and Peripherals	3.15	0.63	-	3.77	1.72	0.70	-	2.42	1.35	1.42
	Total...(')	129.07	2.05	-	131.13	42.22	11.69	-	53.91	77.22	86.85
	Previous Year...(')	127.34	1.73	-	129.07	26.82	15.40	-	42.22	86.85	100.53

1) Gross Carrying amounts and accumulated depreciation have been regrouped and netted in line with deemed cost exemption opted out by the Company as per Ind AS, with effect from April 01, 2016 i.e. date of transition to Ind AS for the Company.

2) Title deed of all the immovable properties are held in the name of the Company.

3) The amount of Contractual Commitments for the purpose of acquisition or constructions of the property, plants and equipment's is disclosed under "Note No. 43", if any.

3 Investment Properties			
		31.03.2023	31.03.2022
Investment Properties			
	Balance as per last financial statements	-	129.75
	Add: Addition made during the period	-	-
	Less: Disposal made during the period	-	129.75
	Closing Balance...(')	-	-
Depreciation and Amortization and Impairments			
	Balance as per last financial statements	-	-
	Add: Depreciation and Amortization during the period	-	-
	Closing Balance...(')	-	-
	Total...(')	-	-



3.1 Amounts recognised in Statement of Profit and Loss for Investment Properties			
		31.03.2023	31.03.2022
Statement of Profit and Loss			
	Rental Income from Investment Properties	-	-
	Gain / (Loss) on transfer and disposal of Investment Properties	-	0.25
	<u>Less:</u> Direct Operating Expenses from Investment Properties that generated Rental Income	-	-
	<u>Less:</u> Direct Operating Expenses from Investment Properties that did not generated Rental Income	-	-
	Profit from Investment Properties before Depreciation	-	0.25
	<u>Less:</u> Depreciation and Amortization and Impairments	-	-
	Profit from Investment Properties...(`)	-	0.25

3.2 Contractual Obligations			
The Company has no contractual obligations to purchase, construct or develop Investment Properties. However, the responsibility for its repairs, maintenance or enhancements is along with the Company. The Company has already dispose off the same in the previous reporting period.			

3.3 Pledge Details			
Investment Properties are not pledged by the Company during the previous reporting period.			

3.4 Leasing Arrangements			
Investment Properties are held by the Company with the intention to earn the capital appreciation on the same. The same has not been leased to any of the tenant.			



3.5	Fair Value		
	Fair Value of Investment Property as at March 31, 2023 is ` NIL (Prev Year ` 130.00 Lakhs approx), which is based on ready reckoner value.		
4	Non - Current Investments		
		31.03.2023	31.03.2022
	Investments in Equity Instruments		
	Quoted, Fully Paid Up		
	54,500 (Prev Year 54,500) Equity Share of Hariyana Ventures Limited (Formally known as Hariyana Metals Limited)*	113.91	113.91
	100 (Prev Year 100) Equity Shares of Yes Bank Limited	0.02	0.01
	Unquoted, Fully Paid Up		
	Fully Paid up with Face Value of ` 10 each unless otherwise specified		
	10 Equity Shares with Face Value of ` 100 each (Prev Year 10) of Agrawal Pat Sanstha Limited	0.01	0.01
	5,000 Equity Share with Face Value of ` 50 each (Prev Year 2,125) of Nagpur Nagrik Sahakari Bank Limited	2.50	1.06
	10 Equity Shares with Face Value of ` 100 each (Prev Year 5,000) of Nirmal Ujjwal Co. Operative Society Limited	0.01	5.00
	Total...(`)	116.44	119.99
4.1	Classification of Investments		
		31.03.2023	31.03.2022
	Investments in Equity Instruments		
	Quoted, Fully Paid Up		
	Aggregate Amount of Quoted Investments	1.77	1.77
	Market Value of Quoted Investments	113.93	113.92
	Aggregate Amount of Unquoted Investments	2.52	6.07
4.2	Category Wise Classification of Investments		
		31.03.2023	31.03.2022
	Investments in Equity Instruments		
	Financial Assets measured at Amortized Costs	-	-
	Financial Assets measured at Costs	2.52	6.07
	Financial Assets measured at Fair Value through Other Comprehensive Income	113.93	113.92
	Financial Assets measured at Fair Value through Profit and Loss	-	-
	* Based on the last traded price.		



5 Loans*			
		31.03.2023	31.03.2022
		-	-
Loans			
Loans and Advances to Related Parties		-	43.21
Loans and Advances to Other Parties		44.61	3.91
<u>Less: Allowances for Unsecured Doubtful Debts and Advances</u>		3.91	3.06
Total...(`)		40.70	44.05

5.1 Loans and Advances to the Related Parties			
		31.03.2023	31.03.2022
		-	-
Related Parties			
Related Parties - Outstanding Balance		-	43.21
Related Parties - Maximum Balance during the period		51.21	43.21

7 Current Tax Assets (Net)			
		31.03.2023	31.03.2022
		-	-
Current Tax Assets (Net)			
Advance Income Tax		4.50	12.50
Tax Deducted at Source Receivable		4.57	2.49
Tax Collected at Source Receivable		0.74	0.67
<u>Less: Provision for Income Tax</u>		2.45	12.80
Total...(`)		7.36	2.86

9 Inventories*			
		31.03.2023	31.03.2022
		-	-
Inventories**			
(Valued at lower of Cost or Net Realizable Value)			
Trading Stock (acquired for trading)		349.36	304.12
Total...(`)		349.36	304.12

* Cost of Inventories recognized as an expense during the year is disclosed in "Note No. 26".

** Cost of Inventories recognized as an expense included ` NIL (Prev Year ` NIL) in respect of written down of inventories to net realizable value. There has been no reversal towards such written down value in current reporting period and previous reporting period.



5.2 Loans and Advances to the Other Parties			
		31.03.2023	31.03.2022
	Others		
	Other Parties - Outstanding Balance	44.61	3.91
	Other Parties - Maximum Balance during the period	44.61	3.91

* Refer "Note No. 34B" for the information of credit risk and market risk.

6 Other Non - Current Financial Assets			
		31.03.2023	31.03.2022
	Others		
	Statutory Deposits	0.50	2.00
	Security Deposits	12.60	11.70
	Term Deposits held as lien or pledged against Bank Overdrafts	162.62	255.55
	Total...(')(A)	175.72	269.25
	Other Receivables	4.85	39.85
	<u>Less: Allowances for Unsecured Doubtful Debts and Advances</u>	4.85	2.59
	Total...(')(B)	-	37.26
	Total...(')(A + B)	175.72	306.51

* The term deposits held by the Company with the banks and financial institutions comprises of the time deposit and are made for varying period between one year to two years and earn the interest at the respective deposits rate, the same are held as lien or pledged by them against the bank overdraft facilities provided to the Company amounting to ` 132.40 Lakhs (Prev Year ` 222.40 Lakhs).

** Refer "Note No. 34B" for the information of credit risk and market risk.

No amounts are due from directors or other officers of the Company either severally or jointly with any other persons, nor due from firms or private companies respectively in which director is partner, a director or a member.



7	Current Tax Assets (Net)		
		31.03.2023	31.03.2022
		-	-
	Current Tax Assets (Net)		
	Advance Income Tax	4.50	12.50
	Tax Deducted at Source Receivable	4.57	2.49
	Tax Collected at Source Receivable	0.74	0.67
	<u>Less:</u> Provision for Income Tax	2.45	12.80
	Total...(`)	7.36	2.86

9	Inventories*		
		31.03.2023	31.03.2022
		-	-
	Inventories**		
	(Valued at lower of Cost or Net Realizable Value)		
	Trading Stock (acquired for trading)	349.36	304.12
	Total...(`)	349.36	304.12

* Cost of Inventories recognized as an expense during the year is disclosed in "Note No. 26".

** Cost of Inventories recognized as an expense included ` NIL (Prev Year ` NIL) in respect of written down of inventories to net realizable value. There has been no reversal towards such written down value in current reporting period and previous reporting period.

10	Trade Receivables*		
		31.03.2023	31.03.2022
		-	-
	Unsecured**		
	Considered Good	361.90	316.15
	Considered Doubtful	33.45	38.09
	<u>Less:</u> Allowances for Unsecured Doubtful Debts and Advances	33.45	38.09
	Total...(`)	361.90	316.15

* Refer "Note No. 34B" for the information of credit risk and market risk for Trade Receivables.

** Refer "Note No. 37" for aging analysis of Trade Receivables.

No amounts are due from directors or other officers of the Company either severally or jointly with any other persons, nor due from firms or private companies respectively in which director is partner, a director or a member.



11	Cash and Cash Equivalents		
		31.03.2023	31.03.2022
		-	-
	A) Cash and Cash Equivalents*		
	<u>Balances with Banks</u>		
	In Current Account	212.13	108.66
	Cash-in-Hand	6.36	13.43
	Total...(')(A)	218.49	122.09
	* There are no restrictions with regards to cash and cash equivalents as at the end of the reporting period and previous reporting period.		
	B) Other Balances with Banks		
	Term Deposits with Original Maturity of More than 3 Months but less than one year	-	-
	Total...(')(B)	-	-
	Total...(')(A + B)	218.49	122.09



Prabhu Steel Industries Limited Annual Report 2022-2023

12	Other Current Financial Assets		
		31.03.2023	31.03.2022
	Others		
	Interest Receivables	4.46	7.79
	Rent Receivables	0.23	-
	Total...(`)	4.69	7.79

No amounts are due from directors or other officers of the Company either severally or jointly with any other persons, nor due from firms or private companies respectively in which director is partner, a director or a member.

13	Other Current Assets		
		31.03.2023	31.03.2022
	Others		
	Advances to Vendor's	26.28	14.88
	Advances to Other's	3.11	0.40
	Balances with Revenue Authorities	20.40	27.75
	Total...(`)	49.78	43.03

No amounts are due from directors or other officers of the Company either severally or jointly with any other persons, nor due from firms or private companies respectively in which director is partner, a director or a member except ` 02.50 Lakhs (Prev Year ` NIL) due from the related parties. (Refer "Note

14	Equity Share Capital				
		31.03.2023		31.03.2022	
		Nos.		Nos.	
	Authorized				
	Equity Shares of ` 10 Each	15.00	150.00	15.00	150.00
		15.00	150.00	15.00	150.00
	Issued, Subscribed and Fully Paid Up				
	Equity Shares of ` 10 Each	7.17	71.70	7.17	71.70
	Total...(`)	7.17	71.70	7.17	71.70
	a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
		31.03.2023		31.03.2022	
		Nos.		Nos.	
	Shares outstanding at the beginning of the period...(`)	7.17	71.70	7.17	71.70
	Shares issued during the period	-	-	-	-
	Shares bought Back during the period	-	-	-	-
	Shares outstanding at the end of the period...(`)	7.17	71.70	7.17	71.70



Prabhu Steel Industries Limited Annual Report 2022-2023

b) Terms / Rights attached to Equity Shares

- i) The Company has only one class of shares - referred to as - equity shares having a par value of ` 10 per share. Each holder of equity shares is entitled to one vote per share.
- ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all the preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders.
- iii) The Company declares and pays the dividend in Indian Rupees (`). The payment of dividend is also made in foreign currency to the shareholders outside India. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in their ensuing Annual General Meeting (AGM), except in case of interim dividend.

c) Details of Shareholders holding more than 5% shares in the Company*

Name of Shareholders	31.03.2023		31.03.2022	
	No. of Shares held	Percentage of Holding	No. of Shares held	Percentage of Holding
Equity Shares of ` 10 Each Fully Paid Up				
Haryana Ventures Limited (Formally Known as Haryana Metals Limited)	0.61	8.46%	0.61	8.46%
Shri Dinesh Gangaram Agrawal	0.44	6.14%	0.44	6.14%
Shri Harish Gangaram Agrawal	0.45	6.32%	0.45	6.32%
Smt. Anita Harish Agrawal	0.45	6.28%	0.45	6.28%
Smt. Priti Gangaram Agrawal	0.51	7.12%	0.51	7.12%
Smt. Suruchi Agrawal	0.45	6.28%	0.45	6.28%
Total Nos. of Shares Held	2.91	40.60%	2.91	40.60%

* As per the records of the Company, including the register of members. The above details are certified by the Registrar and Share Transfer Agents.

The Board of Directors of the Company has not declared any interim dividend at their respective Board Meetings held during the reporting period. The Board of Directors of the Company has not declared the final dividend, during the reporting period and previous reporting period. (Refer "Note No. 36")

d) Shares held by the promoters as defined in the Companies Act, 2013 at the end of the period

Name of Shareholders	31.03.2023		31.03.2022		% of Changes during the period
	No. of Shares held	Percentage of Holding	No. of Shares held	Percentage of Holding	
Equity Shares of ` 10 Each Fully Paid Up					
Haryana Ventures Limited (Formally Known as Haryana Metals Limited)	0.61	8.46%	0.61	8.46%	0.00%
Shri Dinesh Gangaram Agrawal	0.44	6.14%	0.44	6.14%	0.00%
Shri Harish Gangaram Agrawal	0.45	6.32%	0.45	6.32%	0.00%
Smt. Anita Harish Agrawal	0.45	6.28%	0.45	6.28%	0.00%
Smt. Priti Gangaram Agrawal	0.51	7.12%	0.51	7.12%	0.00%
Shri Mukesh Omprakash Agrawal	0.15	2.11%	0.15	2.11%	0.00%
Shri Mahesh Radheshyam Agrawal	0.01	0.14%	0.01	0.14%	0.00%
Smt. Suruchi Agrawal	0.45	6.28%	0.45	6.28%	0.00%
Total Nos. of Shares Held	3.07	42.85%	3.07	42.85%	

16	Borrowings		
		31.03.2023	31.03.2022
	Secured		
	Term Loans		
	From Banks and Financial Institutions	-	176.49
	From Hire Purchase Loans	13.58	20.54
	Total...(`)	13.58	197.03

Nature of Securities and Term of Repayments

a) Term Loan from Nirmal Ujjwal Credit Co. Op. Society Limited are secured by way of registered mortgage of immovable property, plants and equipments situated at Khasara No. 42/1, Mouza Bhowari, Patwari Halka No. 21, Near Savli Fata, Bhandara Road, Nagpur held in the name of the Company. These credit facilities are further secured by way of registered mortgage of non-agriculture land situated at Khasara No. 42/2, Mouza Bhowari, Patwari Halka No. 21, Near Savli Fata, Bhandara Road, Nagpur held in the name of MVKE Steel Private Limited.



b) Term Loan from Nirmal Ujjwal Credit Co. Op. Soceity Limited are further secured by way of registered mortgage of non-agriculture land situated at Khasara No. 42/2, Mouza Bhowari, Patwari Halka No. 21, Near Savli Fata, Bhandara Road, Nagpur held in the name of Celestial Steel Structures Private Limited and are further secured by way of registered mortgage of non-agriculture land situated at Khasara No. 42/2, Mouza Bhowari, Patwari Halka No. 21, Near Savali Fata, Bhandara Road, Nagpur held in the name

c) Hire Purchase Loans from banks and financial institutions are secured by the way of hypothecation of the respective vehicles for which fund has been borrowed from banks and financial institutions.

d) All the loans except hire purchase loans are also further secured by the unconditional and irrevocable personal guarantees of, Shri Anirudha Madhukar Deo and Shri Minal Narhari Kawale.

e) The Term Loan from Nirmal Ujjwal Credit Co. Op. Soceity Limited are repayable on 84 equated monthly installments (EMI) of ` 06.55 Lakhs, which carries the interest rate at the rate of 16.50%. Term loan from Nirmal Ujjwal Credit Co. Op. Soceity Limited has alreday been squarred off during the

f) Hire Purchase Loans from banks and financial institutions are repayable on equated monthly installments on the basis of their respective repayment schedules, which carries the rate of interest 8.00% to 9.00% per annum.

g) All the hire purchase loans are further secured by way of unconditional and irrevocable personal guarantee of two of the directors, Shri Harish Gangaram Agrawal and Shri Dinesh Gangaram Agrawal.

17	Long - Term Financial Liabilities		
		31.03.2023	31.03.2022
		-	-
	Others		
	Retention Money from Vendor's	0.07	0.04
	Total...(`)	0.07	0.04
18	Other Non - Current Liabilities		
		31.03.2023	31.03.2022
		-	-
	Others		
	Capital Creditors	2.00	2.75
	Total...(`)	2.00	2.75



19	Short - Term Borrowings		
		31.03.2023	31.03.2022
	Current		
	Secured		
	<i>Loans Repayable on Demand</i>		
	<i>From Banks and Financial Institutions</i>		
	Indian Currency Loan	375.83	113.25
	Total...(')(A)	375.83	113.25
	Current Maturities		
	From Banks and Financial Institutions	-	53.27
	From Hire Purchase Loans	6.97	6.45
	Total...(')(B)	6.97	59.72
	Total...(')(A + B)	382.80	172.97

Nature of Securities

a) Term deposit over draft facilities with the IDBI Bank Limited are secured by way of lien or pledge of term deposits made with the IDBI Bank Limited, presently held and held in the near future by the Company. These credit facilities are also further secured by irrevocable personal guarantees of two of the Directors, Shri Harish Agrawal and Shri Dinesh Agrawal.

b) Term deposit over draft facilities with the Nirmal Ujjwal Credit Co. Op. Soceity Limited are secured by way of lien or pledge of term deposits with Nirmal Ujjwal Credit Co. Op. Soceity Limited, presently held and held in the near future by the Company. These credit facilities are also further secured by irrevocable personal guarantees of two of the Directors, Shri Harish Agrawal and Shri Dinesh Agrawal. The said credit facilities has been squarred off during the reporting period.

c) Term deposit over draft facilities with the Nagpur Nagrik Sahakri Bank Limited are secured by way of lien or pledge of term deposits with the Nagpur Nagrik Sahakri Bank Limited, presently held and held in the near future by the Company. These credit facilities are also further secured by Irrevocable Personal Guarantees of two of the Directors, Shri Harish Agrawal and Shri Dinesh Agrawal.

d) Working Capital Loan from the Nagpur Nagrik Sahakari Bank Limited are secured by first charge on the hypothecation of entire inventories, book debts, receivables and other current assets with the Company presently held and held in near future and are further secured by way of equitable mortgage on the commercial building situated at Plot No. 158, behind Mehata Petrol Pump, Small Factory Area, Bhandara Road, Wardhman Nagar, Nagpur are held in the name of the Company.



20	Trade Payables*		
		31.03.2023	31.03.2022
		-	-
	Trade Payables (Including Acceptance)**		
	Due to Micro and Small Enterprises***	-	-
	Due to Others#	115.63	55.78
	Total...(`)	115.63	55.78
	* Refer "Note No. 38" for aging analysis of Trade Payables.		
	** Acceptance include the arrangements where operational suppliers of goods and services are initially paid by the banks and financial institutions, while the Company continues to recognize the liabilities till the settlement with the banks and financial institutions, which are normally effected within a period of 90 days amounting to ` NIL (Prev Year ` NIL).		
	*** The Company has certain dues to the suppliers of Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act 2006"). The disclosure pursuant to the said MSMED Act, 2006 are as follows:		

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006), claiming their status as at March 31, 2023, as Micro, Small and Medium Enterprises. Consequently, as informed by the management to us, the amount paid / payable to these parties during the reporting period and previous reporting period is "NIL".

Refer "Note No. 34B" for the information of credit risk and market risk for Trade Payables.



	31.03.2023	31.03.2022
Principal amount due to the suppliers registered under the MSMED Act, 2006 and remaining amount unpaid at the end of the year	-	-
Interest due to the suppliers registered under the MSMED Act, 2006 and remaining unpaid at the end of the period	-	-
Principal amount paid to the suppliers registered under the MSMED Act, 2006 beyond the stipulated day during the period	-	-
Interest paid, under Section 16 of MSMED Act, 2006 to the suppliers registered under the Act, beyond the "Appointed Day" during the period	-	-
Interest due or payable towards the suppliers registered under the MSMED Act, 2006 for the payments already made	-	-
Further interest remaining due and payable for the earlier period	-	-

21	Other Financial Liabilities		
		31.03.2023	31.03.2022
	Others		
	Interest Accrued but not yet due	0.09	-
	Audit Fees Payable	0.68	0.68
	Liabilities for Expenses	2.25	23.16
	Liabilities towards Services	0.34	3.65
	Payable towards Employees	0.40	2.19
	Total...(`)	3.75	29.67



22	Other Current Liabilities		
		31.03.2023	31.03.2022
		\	\
	Others		
	Advance received from Customer's	0.04	24.52
	<u>Statutory Dues Payables</u>		
	Payable towards Direct Tax	0.04	0.08
	Payable towards Indirect Tax	0.20	0.19
	Total...(`)	0.28	24.78
23	Revenue from Operations		
		2022 - 2023	2021 - 2022
		\	\
	Sale of Products*		
	Domestic Markets	1,605.89	1,565.39
	Export Markets	-	-
	Total Sale of Products...(`)(A)	1,605.89	1,565.39
	Sale of Services*		
	Domestic Markets	60.43	-
	Export Markets	-	-
	Total Sale of Services...(`)(B)	60.43	-
	Total...(`)(A + B)	1,666.32	1,565.39

* The Company collects the goods and service tax (GST) on behalf of the Government, hence the GST is not included in Revenue from Operations.

	2022 - 2023	2021 - 2022
	\	\
Timing of Revenue Recognition		
Goods transferred at a point in time	1,605.89	1,565.39
Services transferred over the time	60.43	-
Total revenue from contract with customers	1,666.32	1,565.39
<u>Add:</u> Export Incentives	-	-
Total Revenue from Operations...(`)	1,666.32	1,565.39



	2022 - 2023	2021 - 2022
Disaggregation of revenue based on products and services		
Iron and Steels	1,605.89	1,565.39
Others	60.43	-
Total Revenue from Operations...(`)	1,666.32	1,565.39

	2022 - 2023	2021 - 2022
Disaggregation by location of customers		
In India	1,666.32	1,565.39
Outside India	-	-
Total revenue from contract with customers	1,666.32	1,565.39
<u>Add: Export Incentives</u>	-	-
Total Revenue from Operations...(`)	1,666.32	1,565.39

	2022 - 2023	2021 - 2022
Reconciliation of Revenue recognized in the Statement of Profit and Loss with Contracted Price		
Revenue as per Contracted Price	1,666.32	1,565.39
<u>Less: Rebates, discounts and other deductions</u>	-	-
Total revenue from contract with customers	1,666.32	1,565.39
<u>Add: Export Incentives</u>	-	-
Total Revenue from Operations...(`)	1,666.32	1,565.39

Performance Obligations

Sales of Product: Performance obligation in respect of sales of goods is satisfied when the controls of goods is transferred to the customers, generally on delivery of the goods and payment is generally due as per the term of contract with the customers.

Sales of Service: Performance obligation in respect of sales of services is satisfied over then period of time and the acceptance of the customer. In respect of these services, payment is generally due upon the completion of services and acceptance from the customers.

The Company does not have any remaining performance obligations as contracts entered for sale of goods and sale of service are for a shorter duration.



24	Other Income		
		2022 - 2023	2021 - 2022
	Interest Income		
	On Other Financial Assets carried at Amortized Cost	9.52	14.76
	On Other Assets	2.23	9.19
	Total Interest Income...(`)(A)	11.75	23.95
	Other Non - Operating Revenue		
	Dividend Income*	0.40	0.97
	Miscellaneous Income	-	2.25
	Rental Income	3.97	3.86
	Recovery of Bad and Doubtful Debts	1.25	-
	Total Non Operating Income...(`)(B)	5.62	7.08
	Other Gain or (Loss)		
	Sales Tax Refund (Net)	-	42.53
	Surplus on disposal of Investment Properties	-	0.25
	Surplus on disposal of Current Investments	-	8.06
	Sundry Balances Written Off (Net)	22.81	-
	Total of Other Gain / (Loss)...(`)(C)	22.81	50.84
	Total...(`)(A + B + C)	40.18	81.87
	* Related to the investments held at the end of the reporting period.		



25	Purchase of Trading Stock		
		2022 - 2023	2021 - 2022
		-	-
	Purchase Accounts		
	Purchases of Iron and Steel	1,588.66	1,467.27
	Direct Expenses incurred during the period	24.92	13.94
	Total...(₹)	1,613.58	1,481.21
26	Changes in Inventories of Finished Goods and Trading Stock		
		2022 - 2023	2021 - 2022
		-	-
	Inventories at the beginning of the reporting period		
	Trading Stock	304.12	219.78
		304.12	219.78
	Inventories at the end of the reporting period		
	Trading Stock	349.36	304.12
		349.36	304.12
	(Increase) / Decrease in Inventories...(₹)	(45.24)	(84.34)
27	Employee Benefits Expense*		
		2022 - 2023	2021 - 2022
		-	-
	Employee Benefits Expense		
	Salary, Wages, Incentives and Managerial Remuneration	31.60	37.20
	<u>Contributions to:</u>		
	Provident and Other Fund	-	-
	Bonus	0.15	-
	Total...(₹)	31.75	37.20

* Refer "Note No. 1.3 Clause (o)" for further references.



28	Finance Costs		
		2022 - 2023	2021 - 2022
		-	-
	Interest Expenses (Net)		
	On Bank Borrowings	31.55	51.16
	Other Borrowing Costs	5.21	0.07
	Total...(`)	36.76	51.24
29	Depreciation and Amortization Expenses		
		2022 - 2023	2021 - 2022
		-	-
	Depreciation and Amortization Expenses		
	Depreciation Expenses	11.69	15.40
	Total...(`)	11.69	15.40
30	Other Expenses		
		2022 - 2023	2021 - 2022
		-	-
	Others		
	Administrative and Other Expenses	10.14	5.90
	Conveyance and Travelling Expenses	8.03	7.13
	Director Sitting Fees	0.80	1.20
	Insurance Charges	0.14	0.10
	Legal and Professional Fees	11.76	14.94
	Manpower Supply Charges	2.87	2.12
	Occupancy Charges	-	6.00
	Payments to the Auditor (Refer Note No. 30.1)	0.90	0.75
	Provision for Unsecured Doubtful Debts and Advance	(0.75)	7.70
	Rent, Rates and Taxes	4.26	13.25
	Repair and Maintenance Expenses		
	For Building	-	0.64
	For Others	0.66	0.41
	Security Charges	0.71	0.72
	Selling and Distribution Expenses	2.02	2.47
	Sundry Balances Written Off (Net)	-	0.63
	Telephone and Mobile Expenses	0.73	0.87
	Total...(`)	42.26	64.82



30.1	Payments to the Auditor		
		2022 - 2023	2021 - 2022
		-	-
	As Auditor's:		
	Audit Fees	0.50	0.50
	Tax Audit Fees	0.25	0.25
	Other Certification Fees	0.15	-
	Total...(₹)	0.90	0.75

31 Consolidated Financial Statements

During the reporting period and the previous reporting period presented under the Ind AS financial statements, the Company has neither subsidiaries nor associates and joint venture. Hence the disclosure under Ind AS - 110, "Consolidated Financial Statements" is not applicable to the Company.

32 Segment Reporting

During the reporting period and the previous reporting period presented under the Ind AS financial statements, the Company has been operates under only one segments i.e. trading of Iron and Steel. Hence, the disclosure under Ind AS - 108, "Operating Segments" is not applicable to in the case of the Company for all the reporting period presented in the financial statements.



33 Category Wise Classification of Financial Instruments			
	Note	31.03.2023	31.03.2022
Financial Assets			
Non - Current			
Financial assets measured at fair value through profit and loss (FVTPL)			
Investment in Quoted Mutual Funds		-	-
Investment in Unquoted Mutual Funds		-	-
Total...(`)(A)		-	-
Financial assets measured at fair value through other comprehensive income (FVTOCI)			
Investment in Quoted Equity Shares	4	113.92	113.92
Investment in Quoted Debentures or Bonds		-	-
Total...(`)(B)		113.92	113.92
Financial Assets measured at Amortized Costs			
Investment in Unquoted Equity Instruments	4	2.52	6.07
Loans and Advances	5	40.70	44.05
Statutory Deposits	6	0.50	2.00
Security Deposits	6	12.60	11.70
Term Deposits with more than twelve months of Original Maturity	6	162.62	255.55
Other Receivables	6	-	37.26
Total...(`)(C)		218.94	356.64
Total...(`)(A + B + C)		332.86	470.56

	Note	31.03.2023	31.03.2022
Financial Assets			
Current			
Financial assets measured at fair value through profit and loss (FVTPL)			
Investment in Quoted Mutual Funds		-	-
Investment in Unquoted Mutual Funds		-	-
Total...(`)(A)		-	-
Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)			
Investment in Quoted Equity Shares		-	-
Investment in Quoted Debentures or Bonds		-	-
Total...(`)(B)		-	-



Financial Assets measured at Amortized Costs			
Trade Receivables	10	361.90	316.15
Cash and Cash Equivalents	11A	218.49	122.09
Other Balances with Banks	11B	-	-
Interest Receivables	12	4.46	7.79
Rent Receivables	12	0.23	-
Total...(`)(C)		585.09	446.03
Total...(`)(A + B + C)		585.09	446.03

	Note	31.03.2023	31.03.2022
Financial Liabilities			
Non - Current			
Financial liabilities measured at amortized costs			
Borrowings from Banks	16	-	176.49
Hire Purchase Loans	16	13.58	20.54
Retention Money from Vendor's	17	0.07	0.04
Total...(`)		13.65	197.07

	Note	31.03.2023	31.03.2022
Financial Liabilities			
Current			
Financial liabilities measured at amortized costs			
Working Capital Loans from Banks and Financial Institutions	19	375.83	113.25
Current Maturities of Long - Term Borrowings	19	6.97	59.72
Trade Payables	20	115.63	55.78
Interest Accrued but not yet due	21	0.09	-
Audit Fees Payable	21	0.68	0.68
Liabilities for Expenses	21	2.25	23.16
Liabilities towards Services	21	0.34	3.65
Payable towards Employees	21	0.40	2.19
Total...(`)		502.18	258.42

Note No. - 34A" - Fair Value Measurements

i) Financial Instruments measured at Fair Value through Other Comprehensive Income
(Amounts in Lakhs)

Financial Assets / Financial Liabilities	Fair Value As At 31.03.2023	Fair Value Hierarchy		
		Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment in Quoted Equity Instruments	113.93	00.02	113.91	--



(Amounts ` in Lakhs)

Financial Assets / Financial Liabilities	Fair Value As At 31.03.2022	Fair Value Hierarchy		
		Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment in Quoted Equity Instruments	` 113.92	` 00.01	` 113.91	--

The Company does not holds quoted or unquoted debentures or bonds, which are being measured at Fair Value through Other Comprehensive Income (FVTOCI), so the reporting under the Ind AS - 109, "Fair Value" is not applicable to the Company for all the reporting period presented in the financial statements.

ii) Financial Instruments measured at Fair Value through Profit or Loss

The Company neither holds unquoted equity shares (other than investments in associates, which are being measured at amortized costs) nor hold foreign currency forward exchange contracts nor hold quoted mutual funds, which are being measured at Fair Value through Profit and Loss (FVTPL), so the reporting under the Ind AS - 109, "Fair Value" is not applicable to the Company for all the reporting period presented in the financial statements.

The Company hold some of the unquoted equity instruments on which the Company opts the option to measure the same at amortized cost.

The Company has not any financial liabilities which are being measured at Fair Value through Profit and Loss (FVTPL), so the reporting under the Ind AS - 109, "Fair Value" is not applicable to the Company for all the reporting period presented in the financial statements.

iii) Financial Instruments measured at Amortized Costs

The carrying amount of financial assets and financial liabilities measured at amortized cost in the Ind AS financial statements are a reasonable approximation of the fair value since the Company does not anticipate that the carrying amounts would be significantly different from the value that would eventually be received or settled.

"Note No. - 34B" - Financial Risk Management - Objectives and Policies

The Company's financial assets mainly comprise loans, investments, cash and cash equivalents, other balances with banks, trade receivables and other receivables that derive directly from its business operations. The Company's financial liabilities mainly comprise the loans and borrowings in domestic currency, retention money related to vendor's, trade and other payables that derive directly from its business operations. The main purpose of these financial liabilities is to finance the Company's business operations and to provide guarantees to support its operations.

The Company is exposed to the Market Risk, Credit Risk and Liquidity Risk from its financial instruments. The Board of Directors ("the Board") oversees the management of these financial risks. The risk management policy of the Company formulated by the Company's management and approved by the Board of Directors, which states the Company's approached to address uncertainties in its endeavor to achieve its stated and implicit objectives. It prescribes the roles and responsibilities and the Company's managements, structure for managing the risk and the framework for risk management. The framework seeks to identify, assess and mitigate the financial risk in order to minimize the potential adverse effect on the Company's financial performance. The Board has taken the necessary actions to mitigate the risk identified basis the information and situation presents.

The following disclosures summarize the Company's exposure to the financial risks and the information regarding use of derivatives employed to manage the exposures to such risks. Quantitative sensitivity analysis has been provided to reflect the impact of reasonably possible changes in market rate on financial results, cash flows and financial positions of the Company.



1) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises three types of Risk: "Interest rate risk, Currency risk and Other price risk". Financial instruments affected by the market risk includes loans and borrowings in domestic currency, retention money related to vendors, trade payable and other payables and trade receivables.

a) Interest Rate Risk

Interest rate risk is the risk that fair value or future cash outflows of a financial instruments will fluctuate because of changes in market interest rates. An upward movement in the interest rate would adversely affect the borrowing costs of the Company. The Company is exposed to long-term and short-term borrowings. The Company manages interest rate risk by monitoring its mix of fixed and floating rate instruments and taking actions as necessary to maintain an appropriate balance. The Company has not used any interest rate derivatives.

i) Interest Rate Risk Exposure

Particulars	(Amount ` in Lakhs)	
	31.03.2023	31.03.2022
Variable Rate Borrowing	375.83	113.25
Fixed Rate Borrowing	20.54	256.75

ii) Sensitivity Analysis

Profit and loss estimates to higher / lower interest rate expense from borrowings as a result of changes in interest rate.

Particulars	(Amount ` in Lakhs)	
	31.03.2023	31.03.2022
Interest Rate - Increase by 70 Basis Points	(02.77)	(02.59)
Interest Rate - Decrease by 70 Basis Points	02.77	02.59

b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash outflows of an exposure will fluctuate due to changes in foreign exchange rates. The Company operates only in domestic markets, hence the risk related to the foreign currency is not applicable in the case of the Company for all the reporting period presented under the financial statements.

c) Other Price Risk

Other price risk is the risk that the fair value of a financial instruments will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in quoted equity instruments. The Company is exposed to price risk arising mainly from investments in quoted equity instruments recognized at FVTOCI. As at March 31, 2023, the carrying value of such equity instruments recognized at amounts FVTOCI amounts to ` 113.93 Lakhs (March 31, 2022 ` 113.92 Lakhs). The details of such investments in quoted equity instruments are given in "Note No. 4".

The Company is mainly exposed to changes in market traded rate of its investments in quoted equity instruments recognized in other comprehensive income. A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:



If the equity prices has been higher / lower by 10% from the market price existing as at March 31, 2023, other comprehensive income (OCI) for the period ended would increase by ` 11.39 Lakhs (Prev Year ` 11.39 Lakhs) and decrease by ` 11.39 Lakhs (Prev Year ` 11.39 Lakhs) respectively with a corresponding increase / decrease in total equity of the Company as at March 31, 2023. 10% represents the management's assessment of reasonably possible changes in equity prices.

The Company is not exposed to price risk arising from investments in bonds recognized at FVTOCI.

2) Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial losses to the Company. Credit risk arises primarily from financial assets such as trade receivables, cash and cash equivalents, other balances with banks and other financial assets with the Company.

The Company has adopted a policy of only dealing with counterparties that have sufficiently high credit rating. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

Credit risk arising from term deposits and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognized financial institutions with high credit rating assigned by the international credit rating agencies.

The average credit period on sale of products ranges from 60 to 90 days. Credit risk arising from trade receivable is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk managements. Credit quality of a customer is assessed based on detailed study of credit worthiness and accordingly individual credit limits are defined / modified. The concentration on credit risk is limited due to the fact that the customer base is large. There is no customer representing more than 10% of total balance of trade receivables. For trade receivables, as a practical expedient, the Company computes credit loss allowance based on provision matrix. The provision matrix is prepared on historically observed default rate over the expected life of trade receivable and is adjusted for forward-looking estimate. The provision matrix at the end of reporting period as follows:

Net Outstanding > 365 Days	Percentage of Collection to Gross Outstanding in Current Year	Credit Loss Allowances
Yes	< 25%	Yes, to the extent of lifetime expected credit losses outstanding as at reporting date.
Yes	> 25%	Yes, to the extent of lifetime expected credit losses pertaining to balances outstanding for more than one year.

(Amount ` in Lakhs)

Movement in Expected Credit Loss Allowance on Trade Receivables	31.03.2023	31.03.2022
Balance at the beginning of the reporting period	43.74	36.04
Add: Loss allowance measured at lifetime expected credit losses	(00.75)	07.70
Less: Bad Debts written off during the reporting period	(00.78)	--
Balance at the end of reporting period	42.21	43.74

3) Liquidity Risk



Liquidity risk is the risk that the Company will encounter difficulty in raising the funds to meet the commitments associated with financial instruments that are settled by delivering cash or another financial assets. Liquidity risk may result from an inability to sell a financial assets quickly at close to its fair value.

The Company has an established liquidity risk managements framework for managing its short-term, medium-term and long-term funding and liquidity management requirements. The Company’s exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in the cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitment in a timely and cost-effective manner.

The Company believes that its liquidity position {As at March 31, 2023 ` 381.11 Lakhs (Prev Year ` 377.64 Lakhs)}, anticipated future internally generated funds from operations, and its fully available revolving undrawn credit facilities will enable it to meet its future known obligations in the ordinary course of business. However, if liquidity needs were to arise, the Company believes it has excess to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, and other liquidity requirements.

The liquidity position of the Company mentioned above, includes;

- i) Cash and Cash Equivalents as disclosed in the Cash Flow Statements
- ii) Current / Non – Current term deposits as disclosed in the financial assets.

The Company’s liquidity position monitored by the managements, includes;

- i) Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met;
- ii) Maintaining rolling forecasts of the Company’s liquidity position on the basis of expected cash flows;
- iii) Maintaining diversified credit lines.

The table below analysis financial liabilities of the Company into the relevant maturity grouping based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

(Amount in ` Lakhs)					
Particulars	Less than 1 Year	Between 1 to 5 Year	More than 5 Year	Total	Carrying Value
As at March 31, 2023					
Borrowings	382.80	13.58	--	396.38	396.38
Other Financial Liabilities	3.75	00.07	--	03.82	03.82
Trade Payables	115.63	--	--	115.63	115.63
As at March 31, 2022					
Borrowings	172.97	197.03	--	370.00	370.00
Other Financial Liabilities	29.67	00.04	--	29.71	29.71



Trade Payables	55.78	--	--	55.78	55.78
-----------------------	-------	----	----	-------	-------

“Note No. - 34C” - Capital Management

The Company adheres to a robust Capital Management framework which is underpinned by the following guiding principles;

- a) Maintain the financial strength to ensure good rating domestically and Investment grade ratings internationally.
- b) Ensure financial flexibility and diversify source of financing and their maturities to minimize liquidity risk while meeting investment requirements.
- c) Ensure sufficient liquidity is available (either through cash and cash equivalents, investments or committed credit facilities) to meet the need of business.
- d) Minimize the finance costs while taking into considerations current and future industry, market and economic risks and conditions.
- e) Safeguard its ability to continue as going as a going concern.
- f) Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of the Balance Sheet.

This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment.

The Board of Directors of the Company has primary responsibilities to maintain a strong capital base and reduce the cost of capital through prudent management of deployed fund and leveraging in domestic and international financial market so as to maintain investors, creditors and market confidence and to sustain future development of the business.

For the purpose of the Company’s Capital Management, Capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholders value.

As at March 31, 2023, the Company has only one class of equity shares and has low debts. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or reinvestment into business based on its long-term financial plans.

The Company manages its capital on the basis of Net Debt to Equity Ratio which is Net Debt (Total Borrowings net of Cash and Cash Equivalents) divided by total equity.

Particulars	(Amount ` in Lakhs)	
	March 31, 2023	March 31, 2022
Total Liabilities	518.11	483.02
Less: Cash and Cash Equivalents	218.49	122.09
Net Debt (A)	299.62	360.93
Total Equity (B)	999.20	940.91
Net Debts to Total Equity (A) / (B)	00.30	00.38



The Company has complied with the covenants as per the terms and conditions of the major borrowing facilities throughout the reporting period and previous reporting period.

“Note No. - 35” - Corporate Social Responsibility

As per the section 135 of the Companies Act, 2013, a Company, which meeting its applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial year on Corporate Social Responsibility (CSR) Activities. The area of CSR Activity are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR Committee has been formed as per the requirement of the Companies Act, 2013. The fund has been administrated by the Committee once it is allocated to the corpus for the purpose of CSR Activities prescribed under Schedule VII of the Companies Act, 2013. The Company does not meet the eligibility criteria as specified under section 135 of the Companies Act, 2013, hence the reporting under this clause is not applicable to the Company for all the reporting period presented in the financial statements.

“Note No. - 36” - Dividend

During the reporting period and previous reporting period, the Board of Director of the Company has not declared any interim dividend at their respective Board Meeting held during the reporting period, in accordance with the section 123 of the Companies Act, 2013. The Board of Directors of the Company has also not proposed the final dividend, at their Board Meeting held on May 23, 2023 for the financial year ended at March 31, 2023.

37 Trade Receivable Ageing Schedule								
S. No.	Particulars	Not Due	Less than Six Months	Six Months to One Year	One to Two Years	Two to Three Years	More than Three Years	Total As At 31.03.2023
Trade Receivable - Unsecured								
a)	Undisputed, Considered Good	333.29	28.60	0.01	-	-	-	361.90
b)	Undisputed, Considered Doubtful	-	-	0.01	3.26	30.18	-	33.45
c)	Disputed, Considered Good	-	-	-	-	-	-	-
d)	Disputed, Considered Doubtful	-	-	-	-	-	-	-
		333.29	28.60	0.02	3.26	30.18	-	395.35
e)	Less: Allowance for Doubtful Debts	-	-	0.01	3.26	30.18	-	33.45
	Total...(')							361.90



Prabhu Steel Industries Limited Annual Report 2022-2023

S. No.	Particulars	Not Due	Less than Six Months	Six Months to One Year	One to Two Years	Two to Three Years	More than Three Years	Total As At 31.03.2022
Trade Receivable - Unsecured								
a)	Undisputed, Considered Good	276.70	28.33	11.12	-	-	-	316.15
b)	Undisputed, Considered Doubtful	-	-	7.91	30.18	-	-	38.09
c)	Disputed, Considered Good	-	-	-	-	-	-	-
d)	Disputed, Considered Doubtful	-	-	-	-	-	-	-
		276.70	28.33	19.04	30.18	-	-	354.25
e)	Less: Allowance for Doubtful Debts	-	-	7.91	30.18	-	-	38.09
	Total...(`)							316.15

The Company does not have any unbilled dues as at March 31, 2023 and March 31, 2022.

38 Trade Payable Ageing Schedule

S. No.	Particulars	Not Due	Less than One Year	One to Two Year	Two to Three Years	More than Three Years	Total As At 31.03.2023
Trade Payable (Including Acceptance)							
a)	MSME	-	-	-	-	-	-
b)	Other than MSME	67.09	-	2.32	46.22	-	115.63
c)	Disputed Dues - MSME	-	-	-	-	-	-
d)	Disputed Dues - Other than MSME	-	-	-	-	-	-
	Total...(`)	67.09	-	2.32	46.22	-	115.63

S. No.	Particulars	Not Due	Less than One Year	One to Two Year	Two to Three Years	More than Three Years	Total As At 31.03.2022
Trade Payable (Including Acceptance)							
a)	MSME	-	-	-	-	-	-
b)	Other than MSME	7.24	2.32	46.22	-	-	55.78
c)	Disputed Dues - MSME	-	-	-	-	-	-
d)	Disputed Dues - Other than MSME	-	-	-	-	-	-
	Total...(`)	7.24	2.32	46.22	-	-	55.78

The Company does not have any unbilled dues as at March 31, 2023 and March 31, 2022.



Prabhu Steel Industries Limited Annual Report 2022-2023

39 Key Financial Ratio						
S. No.	Ratio	Numerator	Denominator	As At 31.03.2023	As At 31.03.2022	% Variation
1	Current Ratio ^(a)	Current Assets	Current Liabilities	1.96	2.80	-30.06%
2	Debt to Equity Ratio	Total Debts (Borrowings)	Total Equity	0.40	0.39	0.88%
3	Debt Service Coverage Ratio	Earnings available for debt service	Finance Costs + Repayments of Borrowings	1.47	1.34	9.72%
4	Return on Equity	Profit after tax (PAT)	Average Total Equity	6.01%	6.83%	-11.99%
5	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	4.94	5.65	-12.67%
6	Trade Receivable Turnover Ratio	Revenue from Operations	Average Trade Receivables	4.91	5.98	-17.77%
7	Trade Payable Turnover Ratio ^(b)	Net Purchase of Trading Stocks	Average Trade Payables	18.54	10.00	85.40%
8	Net Capital Turnover Ratio	Revenue from Operations	Working Capital (Current Assets - Current Liabilities)	3.46	3.07	12.68%
9	Net Profit Ratio	Profit after tax (PAT)	Revenue from Operations	3.50%	3.82%	-8.53%
10	Return on Capital Employed ^(c)	Profit before Interest (excluding interest on lease liabilities), exceptional items and tax	Average Capital Employed (Total Assets - Total Current Liabilities (Excepts Borrowings))	3.87%	9.56%	-59.54%
11	Return of Term Deposits	Income during the year	Time Weighted Average of Investments	5.85%	5.78%	1.31%

Note:

- (a) Due to fresh sanction of working capital limit during the reporting period increases the current liabilities and has impacted the Current Ratio.
 (b) Better pay off to the business liabilities has led to improve the Trade Payable Turnover Ratio.
 (c) Decline in the value of EBIT as compared to the previous reporting period has impacted to Return on Capital Employed.

Note No. 40: Information on Related Party Transaction as required by Indian Accounting Standards - 24 - "RELATED PARTY DISCLOSURE" for the year ended March 31, 2023

Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the Company's Management and information available with the Company. The Company's material related party transactions and outstanding balances with whom the Company had entered into the transactions in the ordinary course of Business are as follows:

1. Related Party where Significant Influences Exists

- a) Hariyana Ventures Limited (Formerly known as Hariyana Metals Limited)
- b) Celestial Steel Structures Private Limited
- c) Hariganga Alloys and Steels
- d) Shri Ashtavinayak Steels Private Limited
- e) Shree Gopal Finance Private Limited
- f) Eva Hospitality Concepts Private Limited
- g) Maa Bhagwati Land and Developments (P) Limited
- h) Energetics Investments Q Consultants Private Limited

2. Key Managerial Person Name and their Designation

S. No.	Name of the Persons	Designation
a)	Shri Dinesh Gangaram Agrawal	Managing Director
b)	Shri Harish Gangaram Agrawal	Executive Director
c)	Shri Krishanu Harish Agrawal	Executive Director
d)	Smt. Sonali Pramod Paithankar	Independent Director
e)	Shri Pramod Dnyaneshwar Kale	Independent Director



Prabhu Steel Industries Limited Annual Report 2022-2023

f)	Shri Rajesh Singh	Independent Director
g)	Smt. Akshita Harish Agrawal	Chief Financial Officer
h)	Smt. Sanjoli Saraf	Company Secretary

Terms and Conditions with the transactions with Related Parties are as under:

a) The Company has been entering into transactions with the related parties for its business purpose. The process followed for entering into transactions with these related parties are same as followed for unrelated parties. Vendor's are selected competitively having regard to strict adherence to quality, timely servicing and cost advantage. Further related party vendors provide additional advantage in terms of:

i) Supplying products primarily to the Company;

ii) Advanced and innovative technology;

iii) Customization of products to suit the Company's specific performance;

iv) Enhancement of the Company's purchase cycle and assurance of just in time supply with resultant benefits - notably on working capital.

b) The sales to and purchases from the related parties are made on the terms equivalents to and those applicable to all unrelated parties on arm's length transactions.

c) Outstanding balances of the related parties at the end of the reporting period are unsecured, interest free and will be settled in the cash on demand basis.

Transaction with Related Parties are as under:

(Amount in ` Lakhs)

S. No.	Particulars	Related Party where Significant Influences Exists	Key Managerial Person	Relative of Key Managerial Person
1.	Remuneration			
	Shri Dinesh Agrawal	--	` 12.00 (P.Y. ` 15.00)	--
	Shri Harish Agrawal	--	` 12.00 (P.Y. ` 15.00)	--
	Shri Krishanu Harish Agrawal	--	` 04.80 (P.Y. ` 04.80)	--
2.	Salary and Perquisites			
	Smt. Sanjoli Saraf	--	` 02.40 (P.Y. ` 02.40)	--
	Smt. Akshita Harish Agrawal	--	` 00.40 (P.Y. ` 00.40)	--
3.	Director Sitting Fees			
	Shri. Pramod Kale	--	` 00.40 (P. Y. ` 00.40)	--
	Smt. Sonali Paithankar	--	` 00.40 (P. Y. ` 00.40)	--
4.	Interest Received			
	Hariyana Ventures Limited	` 01.37 (P. Y. ` 08.52)	--	--
5.	Receipt of Unsecured Loans			
	Shri Dinesh Agrawal	--	` 43.09 (P.Y. ` 29.22)	--
	Shri Harish Agrawal	--	` 34.03 (P.Y. ` 36.34)	--
6.	Repayments of Unsecured Loans			
	Shri Dinesh Agrawal	--	` 43.09	--



Prabhu Steel Industries Limited Annual Report 2022-2023

			(P.Y. ` 29.22)	
	Shri Harish Agrawal	--	` 34.03 (P.Y. ` 36.34)	--
7.	Grant of Loans and Advances			
	Celestial Steel Structures Private Limited	` 15.00 (P. Y. ` 01.20)	--	--
	Hariyana Ventures Limited	` 190.00 (P. Y. ` 267.77)	--	--
8.	Repayment of Loans and Advances			
	Celestial Steel Structures Private Limited	` 58.21 (P. Y. ` NIL)	--	--
	Hariyana Ventures Limited	` 190.00 (P. Y. ` 267.77)	--	--
9.	Reimbursement of Expenses			
	Shree Ashtvinayak Steel Private Limited	` 00.03 (P. Y. ` 00.03)	--	--
	Maa Bhagwati Land and Developments (P) Limited	` 02.65 (P. Y. ` 05.52)	--	--
	Shree Gopal Finance Private Limited	` 00.17 (P. Y. ` NIL)	--	--
	Celestial Steel Structures Private Limited	` 00.03 (P. Y. ` NIL)	--	--
10.	Reimbursement of Expenses Received			
	Shree Ashtvinayak Steel Private Limited	` 00.03 (P. Y. ` 00.03)	--	--
	Maa Bhagwati Land and Developments (P) Limited	` 02.65 (P. Y. ` 05.52)	--	--
	Shree Gopal Finance Private Limited	` 00.17 (P. Y. ` NIL)	--	--
	Celestial Steel Structures Private Limited	` 00.03 (P. Y. ` NIL)	--	--

Balances payable / receivable to the related parties as at March 31, 2023

(Amount in ` Lakhs)

S. No.	Particulars	Related Party where Significant Influences Exists	Key Managerial Person	Relative of Key Managerial Person
1.	Salary and Perquisites			
	Smt. Sanjoli Saraf	--	` NIL (P.Y. ` 00.20)	--
	Smt. Akshita Harish Agrawal	--	` 00.40 (P.Y. ` NIL)	
2.	Remuneration Payable			
	Shri Dinesh Agrawal	--	` NIL (P.Y. ` 01.09)	--
	Shri Harish Agrawal	--	` NIL (P.Y. ` 01.09)	--
3.	Loans and Advances			
	Celestial Steel Structures Private Limited	` NIL (P. Y. ` 43.21) Dr.	--	--
4.	Advances to Others			
	Hariganga Alloys and Steels	` 02.50 (Dr.) (P. Y. ` NIL)	--	--



“Note No. 41 - Additional Regulatory Information as required by the Schedule - III of the Companies Act, 2013”

i) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the balance sheet date. The Company has not defaulted in the repayment of principal and interest thereon on all the loans obtained from banks and financial institutions during the reporting period and previous reporting period.

ii) The title deed in respect of self-constructed building and title deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in the favor of the Company), disclosed in the Ind AS financial statements and included under the head of property, plants and equipments are held in the name of the Company as at the Balance Sheet date. In respect of the immovable properties taken on lease by the Company, the lease agreements are in the name of the Company as at the Balance Sheet date.

iii) There are no loans and advances in the nature of loans are granted to promoters, directors, key managerial parties and the other related parties including the subsidiaries, associates and joint venture (as defined under the Companies Act, 2013), either severally and jointly with any other person that are;

- a) Repayable on demand or;
- b) Without specifying any terms or period of repayments.

iv) The Company does not have benami property held in its name. No proceeding have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the relevant Rules made thereunder.

v) The Company has been sanctioned working capital limit from bank and financial institutions on the basis of security of current assets. The monthly / quarterly returns and the statements filed by the Company with such banks and financial institutions are in agreements with the books of accounts of the Company.

vi) The Company has not been declared as willful defaulter by the banks and the financial institutions or other lender or government or any government authorities.

vii) The Company has not been entered any transactions with the companies struck off as per the section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 2013, hence the details related to the same has not been furnished.

viii) The Company does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of Company beyond the statutory period.

ix) The Company neither subsidiaries nor associates and nor joint ventures, hence the requirements with respect to the number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017 is not applicable.

x) Utilization of borrowed funds and share premium

1) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (intermediaries) with the understanding that the intermediaries shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or;

b) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.

2) The Company has not received any funds from persons or entities, including foreign entities (Funding Parties) with the understanding (whether recorded in writing or otherwise) that the Company shall:



- a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;
- b) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.
- xi) There has been no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the reporting period and previous reporting period in the tax assessments under the Income Tax Act, 1961.
- xii) The Company has neither traded nor invested nor advanced in Crypto or Virtual Currency during the reporting period and previous reporting period.

42 Contingent Liabilities		
	31.03.2023	31.03.2022
Contingent Liabilities		
a) Bank Guarantees given by the Company's Banker's	-	-
b) Bill discounted with the Company's Banker's under the Letter of Credit	-	-
c) Bill discounted by the Company's Banker's under the Letter of Credit	-	-
Total...(`)	-	-

As informed by the Company's Management, the amount of Contingent Liabilities of March 31, 2023 is ` NIL (Prev Year ` NIL).

43 Capital and Other Commitments		
	31.03.2023	31.03.2022
Capital Commitments		
Estimated amount of contracts remaining to be executed by the Company on Capital and not provided for towards Property, Plants and Equipments	-	-
Total Capital Commitments...(`)(A)	-	-
Other Commitments		
Bill Discounted and Letter of Credit issued by the Company's Bankers	-	-
Total Other Commitments...(`)(B)	-	-
Total...(`)(A + B)	-	-

a) Estimated amount of contracts remaining to be executed on capital account, net of advances given and not provided for as at March 31, 2023 is ` NIL (Prev Year ` NIL).

b) Estimated amount of commitments as at March 31, 2023 is ` NIL (Prev Year ` NIL).



44	Details of Hedge and Unhedged Exposures in Foreign Currency Denominated Monetary Items		
A)	Exposure in Foreign Currency - Hedged		
	The Company does not enters into any forward exchange contracts to hedge its foreign currency exposures relating to the underlying transactions and firm commitments. The Company also does not enter into any kind of derivative instruments for trading and speculation purposes during the reporting period and previous reporting period presented in the financial statements.		
B)	Exposure in Foreign Currency - Unhedged		
	The Company does not have any unhedged foreign currency exposure as at the end of the reporting period and previous reporting period, either receivables or payable. Hence, the reporting under this clause is not applicable to the Company.		
45	Earnings Per Share		
		(Amount ` in Lakhs, except earnings per share data)	
		31.03.2023	31.03.2022
	Earnings Per Share		
	Net Profit / (Loss) after tax as per the Statement of Profit or Loss attributable to the holder of Equity Shares	58.29	59.86
	Nominal Value of Equity Shares (`)	10.00	10.00
	Weighted average number of Equity Shares used as denominator for calculating the earnings per share	7.17	7.17
	Basic and Diluted Earnings Per Share...(`)	8.13	8.35
46	The Ind AS financial statements are approved for issue by the Audit Committee at its meeting held on May 23, 2023 and by the Board of Directors on their respective meeting held on May 23, 2023.		
47	Previous years audited figures has been regrouped / recasted / rearranged wherever necessary to make them comparable for the purpose of preparation and presentation of Ind AS Financial Statements.		



SIGNATURE TO THE NOTE "1" TO NOTE "47"		
SIGNIFICANT ACCOUNTING POLICIES	1	
THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS		
AS PER OUR REPORT OF EVEN DATE ATTACHED	FOR AND ON BEHALF OF THE BOARD	
For MANISH N JAIN & CO.	DINESH AGRAWAL	HARISH AGRAWAL
<i>Chartered Accountants</i>	Director	Director
FRN No.: 0138430W	DIN No.: 00291086	DIN No.: 00291083
ARPIT AGRAWAL	AKSHITA AGRAWAL	SANJOLI SARAF
Partner	Chief Financial Officer	Company Secretary
Membership No. 175398		
Place: Nagpur		
Dated: May 23, 2023	Place: Nagpur	Place: Nagpur
UDIN No.: 23175398BGWEIH7243	Dated: May 23, 2023	Dated: May 23, 2023



PRABHU STEEL INDUSTRIES LIMITED
CIN: L28100MH1972PLC015817

Registered Address: Near Old Motor Standitwari Nagpur Nagpur 440008.
Tel: 022-28073460 / 28076537

Website: www.prabhusteel.in Email: prabhu.steel@yahoo.com

ATTENDANCE SLIP

TO BE COMPLETED AND HANDED OVER AT THE ENTRANCE OF THE MEETING

Name and Address of Shareholder	Folio No.
No. of Shares	Client ID

I hereby record my presence at the 51st Annual General Meeting of the Company on Saturday, the 23rd day of September, 2023 at 9am at 158 Small Factory Area Bagadganj Nagpur 440008.

Signature of the Shareholder or Proxy

Email Address:

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report at the meeting.

ELECTRONIC VOTING PARTICULARS

Electronic Voting Event Number (EVEN)	User ID	Password



PRABHU STEEL INDUSTRIES LIMITED

CIN: L28100MH1972PLC015817

Registered Address: Near Old Motor Standitwari Nagpur Nagpur 440008 .

Tel: 022-28073460 / 28076537

Website: www.prabhusteel.in Email: prabhu.steel@yahoo.com

PROXY FORM

Name of the Member(S):			
Registered Address:			
Email -id:			
Folio No. Client ID:		DP ID:	

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

Name: _____

Address: _____

Email-id: _____

Signature: _____ or failing him

Name: _____

Address: _____

Email-id: _____

Signature: _____ or failing him

Name: _____

Address: _____

Email-id: _____

Signature: _____ or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 51st Annual General Meeting of the Company on Saturday, the 23rd day of September, 2023 at 9 am at 158 Small Factory Area Bagadganj Nagpur 440008 and at any adjournment thereof in respect of such Resolutions as are indicated below:

Item No.	Resolutions	Optional	
		For	Against
1	To receive, consider and adopt the audited financial statements for the financial year ended on that date and the Reports of the Directors and the Auditors thereon.		
2	To appoint a Director in place of Mr. Dinesh Gangaram Agrawal, Managing Director (DIN: 00291086) who retires by rotation and being eligible offered himself for re-appointment		
3	To appoint a Director in place of Mr. Harish Agrawal, Executive Director (DIN: 00291083) who retires by rotation and being eligible offered himself for re-appointment		

Signed this..... day of.....2023

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue Stamp

Note:

(i) This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting.

(ii) For the resolutions, explanatory statements and notes, please refer to the notice of 51st Annual General Meeting.

(iii) It is Optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolution, your proxy will be entitled to vote in the manner as he / she thinks appropriate (iv) Please complete all details including details of member(s) in the above box before submission.



PRABHU STEEL INDUSTRIES LIMITED

CIN: L28100MH1972PLC015817

Registered Address: Near Old Motor Standitwari Nagpur Nagpur 440008 .

Tel: 022-28073460 / 28076537

Website: www.prabhusteel.in Email: prabhu.steel@yahoo.com

ASSENT/ DISSENT FORM FOR VOTING ON AGM RESOLUTIONS

1.Name(s)& Registered Address of the sole / first named member	
2.Name(s) of the Joint-Holder(s):(if any)	
3. i)Registered Folio No: ii)DPID No & Client ID No. (Applicable to members holding shares dematerialized form)	
4. Number of Shares(s) held	

I/ We hereby exercise my/our vote in respect of the following resolutions to be passed for the business stated in the Notice of the Annual General Meeting held on 23rd September 2023, by conveying my/ our assent or dissent to the resolutions by placing tick (√) mark in the appropriate box below:

Item No.	Resolutions	Optional	
		For	Against
	Ordinary Business		
1	To receive, consider and adopt the audited financial statements for the financial year ended on that date and the Reports of the Directors and the Auditors thereon.		
2	To appoint a Director in place of Mr. Dinesh Gangaram Agrawal, Managing Director (DIN: 00291086) who retires by rotation and being eligible offered himself for re-appointment		
3	To appoint a Director in place of Mr. Harish Agrawal, Executive Director (DIN: 00291083) who retires by rotation and being eligible offered himself for re-appointment		

Place

Date

Signature of the Shareholder Authorized Representative

Notes:

- If you opt to cast your vote by e-voting, there is no need to fill up and sign this form.
- Last date for receipt of Assent/ Dissent Form is 5.00 pm on 22nd September 2023.
- Please read the instructions printed overleaf carefully before exercising your vote.

General Instructions:

1. Shareholders have option to vote either through e-voting i.e. electronic means or to convey assent / dissent. If a shareholder has opted for physical Assent/Dissent Form, then he/she should not vote by e-voting advice versa. However, in case Shareholders cast their vote through physical assent/dissent form and e-voting, then vote cast through e-voting shall be considered as invalid.

2. The notice of Annual General Meeting is e-mailed to the members whose names appear on the Register of Members as on 01st September 2023 and voting rights shall be reckoned on the paid-up value of the shares registered in the name of the shareholders as on 23rd September 2023.

3. Voting through physical assent/ dissent form cannot be exercised by a proxy. However, corporate and institutional shareholders shall be entitled to vote through their authorized representatives with proof of their authorization, as stated below.

Instructions for voting physically on Assent / Dissent Form:

1. A member desiring to exercise vote by Assent/Dissent should complete this Form (no other form or photocopy thereof is permitted) and send it to the Scrutinizer, at their cost to reach the Scrutinizer at the



Prabhu Steel Industries Limited Annual Report 2022-2023

registered office of the Company on or before the close of working hours i.e. 5.00 pm on 23rd September 2023. All Forms received after this date will be strictly treated as if the reply from such Member has not been received.

2. This Form should be completed and signed by the Shareholder (as per the specimen signature registered with the Company/ Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Share holder and in his absence, by the next named Shareholder.

3. In respect of shares held by corporate and institutional shareholders (companies, trusts, societies etc.) the completed Assent/ Dissent Form should be accompanied by a certified copy of the relevant Board Resolution/ appropriate authorization, with the specimen signature(s) of the authorized signatory (ies) duly attested.

4. The consent must be accorded by recording the assent in the column "FOR" or dissent in the column "AGAINST" by placing a tick mark (√) in the appropriate column in the Form. The assent or dissent received in any other form shall not be considered valid.

5. Members are requested to fill the Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.

6. There will be one Assent/ Dissent Form for every folio / Client id irrespective of the number of joint holders.

7. A member may request for a duplicate Assent/ Dissent Form, if so required and the same duly completed should reach the Scrutinizer not later than the specified under instruction No.1 above.

8. Members are requested not to send any other paper along with the Assent / Dissent Form. They are also requested not to write anything in the Assent/ Dissent form except giving their assent or dissent and putting their signature. If any such other paper is sent the same will be destroyed by the Scrutinizer.

9. The Scrutinizers decision on the validity of the Assent/ Dissent Form will be final and binding. Incomplete, unsigned or incorrectly ticked Assent/ Dissent Forms will be rejected.



ROUTE MAP OF THE AGM VENUE

158 SMALL FACTORY AREA BAGADGANJ NAGPUR 440008

