Annexure - II

Format for disclosure of reasons for encumbrance

(In addition to Annexure - I prescribed by way of circular dated August 05, 2015)

Name of listed Company	Prakash Industries Limited
Name of the recognised stock exchanges where the shares of the company are listed	BSE Ltd. & National Stock Exchange of India Ltd.
Name of the promoter(s) / PACs whose shares have been encumbered	Vanshi Farms Pvt. Ltd., Hi-tech Mercantile (India) Pvt. Ltd. and Shree Labh Lakshmi Capital Services Pvt. Ltd. alongwith PACs (as per list enclosed)
Total promoter shareholding in the listed company	No. of shares – 73384732
Encumbered shares as a % of promoter shareholding	44042188 (60.02%)
Whether encumbered share is 50% or more of promoter shareholding	Yes
Whether encumbered share is 20% or more of total share capital	Yes (24.59%) of total share capital

Details of all the existing events/ agreements pertaining to encumbrance

		Encumbrance Date of creation of encumbrance: 08.07.2021
Type of encumbrance (pledge, lien, negative lien, non-disposal undertaking etc. or any other covenant, transaction, condition or arrangement in the nature of encumbrance)		Pledge
No. and % of shares encumbered		No. of shares: 1333425 % of total share capital: 0.74%
Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X)	Anisha Estate & Finance Pvt. Ltd.
	Whether the entity X is a scheduled commercial bank, public financial institution, NBFC or housing finance company? If No, provide the nature of the business of the entity.	Non Banking Finance Company
	Names of all other entities in the agreement	Listed company and its group companies (if any) – Prakash Industries Limited, Promoters and Promoters Group Companies (as mentioned above) Other entities (if any) – Not Applicable
	Whether the encumbrance is relating to any debt instruments viz. debenture, commercial paper, certificate of deposit etc.? If yes, provide details about the instrument, including credit rating	No
Security Cover / Asset Cover	Value of shares on the date of event / agreement (A)	Rs.10.50 Crores
	Amount involved (against which shares have been encumbered) (B)	Rs.5.00 Crores
	Ratio of A / B	2.00
End use of money	Borrowed amount to be utilized for what purpose –	
	(a) Personal use by promoters and PACs	No
	(b) For the benefit of listed company	Yes
	Provide details including amount, purpose of raising money by listed company, schedule for utilization of amount, repayment schedule etc.	Loan of Rs.5 Crores taken for Working Capital, Principal paybale after 180 days
	(a) Any other reason (please specify)	Nil

Signature of Authorised Signatory

Place: New Delhi
Date: 10.07.2021