



# Prakash Pipes Limited

ISO : 9001:2015  
ISO : 22000:2005  
BRC : GRADE 'A'

Srivan, Bijwasan, New Delhi - 110061  
CIN : L25209PB2017PLC046660  
Tel. : 25305800, 28062115 Fax : 91-11-28062119  
E-mail : pplho@prakash.com Website : www.prakashplastics.in

PPL/SE/Notice/EGM/2020

28<sup>th</sup> November, 2020

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

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

Company Symbol : PPL

Company Code : 542684

Sub : **Notice of Extra-ordinary General Meeting**

Dear Sir / Madam,

We wish to inform you that an **Extra-ordinary General Meeting** (EGM) of the Members of the Company is scheduled to be held on Wednesday, the 23<sup>rd</sup> December, 2020 at 12: 30 p.m. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM).

Copy of notice of EGM is enclosed herewith and the same is also available at the website of the Company viz. [www.prakashplastics.in](http://www.prakashplastics.in)

This is for your information and record please.

Thanking you,

Yours faithfully,  
For **Prakash Pipes Limited**

  
**Sonu Sharma**  
Company Secretary



Encl : (1) Notice of EGM



## Prakash Pipes Limited

CIN : L25209PB2017PLC046660

Regd. Office : Darjiyan Wali Gali, Rayya Teh. Baba Bakala Amritsar-143112 (Punjab)

Email : pplho@prakash.com Website : www.prakashplastics.in

### NOTICE

NOTICE is hereby given that an Extra-ordinary General Meeting of the Members of Prakash Pipes Limited will be held on Wednesday, the 23<sup>rd</sup> day of December, 2020 at 12.30 p.m. IST through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following business: -

### SPECIAL BUSINESS

#### 1. Issue of Equity Shares on preferential basis to Promoter(s)

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

“RESOLVED THAT pursuant to the provisions of Section 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modifications) or the re-enactment thereof for the time being in force (“Act”) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “ICDR Regulations”) and Securities and Exchange Board of India (Substantial Acquisitions and Takeovers) Regulations, 2011, as amended (the “Takeover Regulations”) and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended (the “LODR Regulations”) and other rules, regulations, guidelines notifications and circulars issued there under from time to time by the Government of India, the Reserve Bank of India, Securities and Exchange Board of India (SEBI) and any other guidelines and clarifications issued by any other appropriate authorities whether in India or abroad, from time to time, to the extent applicable including the enabling provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, concerns, permissions and sanctions as may be necessary or required, from regulatory or other appropriate authorities, including but not limited to SEBI and subject to such conditions and modifications as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “The Board”) which term shall be deemed to include any exiting Committee(s) constituted / to be constituted by the Board to exercise its powers, including the powers conferred by this resolution, subject to any other alterations, modifications, conditions, corrections and changes and variations that may be decided by the

Board absolute discretion), the consent of the members of the Company be and is hereby accorded to the Board to create, issue, offer and allot 35,00,000 (Thirty Five Lakhs) Equity Shares of ₹ 10 each on preferential basis to Promoter(s) as mentioned below at a price of ₹ 74.50 per share (Rupees Seventy Four and Fifty Paise) i.e. at a premium of ₹ 64.50 (Rupees Sixty Four and Fifty Paise) per share, aggregating to ₹ 26,07,50,000 (Rupees Twenty Six Crores Seven Lakhs Fifty Thousand Only) or such higher price as may be arrived at in accordance with the ICDR Regulations, 2018, on preferential allotment basis to the Promoter(s) in such manner and on such other terms and conditions, as the Board may, in its absolute discretion, think fit.

#### Details of Allottee:

Promoter(s):

Issue of 35,00,000 (Thirty Five Lakhs) Equity Shares of ₹ 10 each at a price of ₹ 74.50 per share (Rupees Seventy Four and Fifty Paise) i.e. at a premium of ₹ 64.50 (Rupees Sixty Four and Fifty Paise) per share, aggregating to ₹ 26,07,50,000 (Rupees Twenty Six Crores Seven Lakhs Fifty Thousand Only) to Shri Ved Prakash Agarwal, Promoter of the Company, forming part of Promoter Group.

RESOLVED FURTHER THAT relevant date in accordance with the provisions of Regulation 161 of Chapter V of ICDR Regulations, 2018, is 23<sup>rd</sup> November, 2020 for the purpose of calculating the price for the issue of Equity Shares in accordance with the provisions of Regulations 164 and 164B of Chapter V of ICDR Regulations, 2018 as amended vide SEBI circular dated 1<sup>st</sup> July, 2020.

RESOLVED FURTHER THAT the said Equity Shares shall be issued and allotted by the Company to the allottee within a period of 15 days from the date of passing of this resolution provided that where the allotment of the said Equity Shares is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Equity Shares shall be subject to following terms:

- I) The Equity Shares to be so allotted shall be in dematerialised form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the existing Equity Shares of the Company.

- II) Equity Shares subscription price equivalent to 100% of the issue price will be payable at the time of subscription to the Equity Shares, as prescribed by Regulation 169 of the ICDR Regulations.
- III) The issue of the Equity shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof.
- IV) The Equity Shares to be allotted shall be subject to a lock-in for such period as specified under Regulation 167 of Chapter V of ICDR Regulations, 2018.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the members of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and listing thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the Equity Shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to Committee of Directors/ any Director(s)/ Company Secretary / any Officer(s) of the Company to give effect to the aforesaid resolution.”

By order of the Board  
**For Prakash Pipes Limited**

Corporate Office:  
Srivan, Najafgarh - Bijwasan Road  
Bijwasan, New Delhi - 110061

Dated : 24<sup>th</sup> November, 2020  
CIN : L25209PB2017PLC046660

**Sonu Sharma**  
Company Secretary

#### NOTES:

1. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
2. As you are aware, In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs vide its circular dated 5<sup>th</sup> May, 2020 read with circular dated 8<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020 and 28<sup>th</sup> September, 2020 (collectively referred to as MCA Circulars) permitted the holding of the Extra-ordinary General Meeting through VC/ OAVM without the physical presence of the members at a common venue. In compliance to the provisions of Companies Act, 2013, SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 and MCA Circulars, the EGM of the Company being held through VC / OAVM.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated 8<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020 and 28<sup>th</sup> September, 2020 the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM will be provided by CDSL.
4. The Members can join the EGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM without restriction on account of first come first served basis.
5. The attendance of the members attending the EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to MCA Circular No.14/2020 dated 8<sup>th</sup> April, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of



the members such as the President of India or the Governor of a State or body corporate can attend the EGM through VC/OAVM and cast their votes through e-voting.

7. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12<sup>th</sup> May, 2020, Notice of the EGM is being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice will also be available on the Company's website [www.prakashplastics.com](http://www.prakashplastics.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.
8. The EGM is being convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No.14/2020 dated 8<sup>th</sup> April, 2020, Circular No.17/2020 dated 13<sup>th</sup> April, 2020 and Circular No. 33/2020 dated 28<sup>th</sup> September, 2020.
9. Members, who have not registered their email ids for the said purpose, are requested to support this Green Initiative by registering/ updating their email ids for receiving electronic communications.
10. Members holding shares in electronic mode are requested to update their email ids with their respective DPs and those holding shares in physical mode are requested to update their email ids with the Company. Members are requested to note that the business may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. A Member may avail of the facility at his/her/its discretion, as per the instructions provided herein:
11. **Voting through electronic means –**
  - A. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility to its Members in respect of the businesses to be transacted at the Extra-ordinary General Meeting ("EGM"). The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") as the Authorised Agency to provide e-voting facilities.
  - B. Members are requested to note that the business may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. It is hereby clarified that it is not mandatory for a Member to vote using the e-voting facility. A Member may avail of the facility at his/her/its discretion, as per the instructions provided herein:

#### Instructions:

The instructions for members voting electronically are as under:

- (i) The voting period begins on 20<sup>th</sup> December, 2020 (09:00 a.m.) and ends on 22<sup>nd</sup> December 2020 (05:00 p.m.). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 16<sup>th</sup> December, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- (iii) The members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders / Members.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next Enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. (Applicable for both demat shareholders as well as physical shareholders)  Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and 8 digits of client ID or folio number, if folio number is less than 8 digits enter the applicable number of 0's before folio number.
Dividend Bank Details or (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.  If both the details are not recorded with the depository or Company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
  - (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - (xii) Click on the EVSN of "Prakash Pipes Limited".
  - (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option "YES" or "NO" as desired. The option "YES" implies that you assent to the Resolution and option "NO" implies that you dissent to the Resolution.
  - (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
  - (xviii) If Demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - (xix) Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phones users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
  - (xx) Note for Non - Individual Shareholders and Custodians
    - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
    - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- C. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 16<sup>th</sup> December, 2020 may follow the same instructions as mentioned above for e-Voting.
  - D. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - E. M/s B. K. Bohra & Associates, Company Secretaries (Membership No.62344 & CP No.23511) has been appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
  - F. The Scrutinizer, after scrutinizing the votes cast through remote e-voting, will not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman.
  - G. Please note that the members who have exercised their right to vote through electronic means as above shall not be eligible to vote at the meeting. The voting process shall be conducted and report thereon shall be prepared in accordance with Section 109 of the Act read with relevant rules. Votes cast through remote e-voting shall be counted for the purpose of passing of resolution(s).
  - H. Subject to receipt of sufficient votes, the resolution(s) shall be deemed to be passed at the Extra-ordinary General Meeting of the Company scheduled to be held on Wednesday, the 23<sup>rd</sup> December, 2020. The Results shall be declared within 48 Hours from the conclusion of the meeting. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website, [www.prakashplastics.in](http://www.prakashplastics.in) and on CDSL's website, [www.cdslindia.com/](http://www.cdslindia.com/) [www.evotingindia.com](http://www.evotingindia.com) within 48 hours of passing of the Resolution(s) at the meeting and communicated to the Stock Exchanges.

**PROCESS FOR THE SHAREHOLDERS WHOSE EMAIL ADDRESS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTION(S) PROPOSED IN THIS NOTICE**

1. For Physical shareholders-please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company email id.
2. For Demat shareholders- please provide Demat account details (CDSL-16 digit beneficiary id or NSDL-16 digit DPID + CLID), 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 Company email id.
3. The Company shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE EGM THROUGH VC / OVAM ARE AS UNDER:**

1. Shareholders will be provided with a facility to attend the EGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at [https:// www.evotingindia.com](https://www.evotingindia.com) under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholders/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 4 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (Company email id). The shareholders who do not wish to speak during the EGM but have queries may send their queries in advance 4 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at [pplho@prakash.com](mailto:pplho@prakash.com). These queries will be replied to by the Company suitably

by email. The Company reserve the rights to respect the number of speakers depending on the availability of time for EGM.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting. For ease conduct and due to limitation of transmission and coordination the Q&A session, the Company may dispense with the speaker registration during the EGM.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE EGM ARE AS UNER:**

1. The procedure for e-voting on the day of the EGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the EGM through VC/ OVAM facility and have not casted their vote on the Resolution(s) through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the EGM
3. If any, Votes are cast by the shareholders through the e-voting available during the EGM and if the same shareholders have not participated in the meeting through VC/ OVAM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-voting will be eligible to attend the EGM. However, they will not be eligible to vote at the EGM.

**OTHER INFORMATION:**

- A. Only those shareholders of the Company who are holding shares either in physical form or in dematerialized form, as on the cut-off date (i.e. Wednesday, 16<sup>th</sup> December, 2020), shall be entitled to cast their vote either through remote e-voting or through venue voting through VC/ OAVM at the EGM, as the case may be. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- B. The Members who have cast their votes by remote-voting prior to the EGM may also attend and participate in the proceedings of the EGM through VC/OAVM but shall not be entitled to cast their votes again.
- C. The members can opt for only one mode of voting i.e. remote e-voting or venue voting through VC/ OAVM at the EGM. In case of voting by both the modes, vote cast through remote e-voting will be considered final and e-voting through VC/OAVM at EGM will not be considered.



- D. The Board of Directors has appointed M/s B. K. Bohra & Associates, Company Secretaries (Membership No.62344 & CP No.23511) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting through Ballot paper in the meeting, in a fair and transparent manner.
- E. The results declared along with the Scrutinizer's Report shall be placed on the Company's website at www.prakashplastics.com and on the website of CDSL at www.evotingindia.com immediately and on the Notice Board of the Company at its Corporate Office after the result is declared.
- F. Since the EGM will be held through VC/OVAM, the route map is not annexed to the notice. The deemed venue for EGM shall be the Registered Office of the Company.

### **Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013**

#### **Item No.1**

As required under Rule 13(2) (d) of the (Share Capital and Debentures) Rules, 2014 of Companies Act 2013 and regulation 163 of Chapter V of the ICDR Regulations, 2018 and as per Companies Act, 2013.

#### **i) Particulars of the Preferential Issue including date of passing of Board resolution**

The Board of Directors at its meeting held on 24<sup>th</sup> November, 2020 had, subject to the approval of the Members and such other approvals as may be required, approved the issuance of Equity Shares up to 35,00,000 (Thirty Five Lakhs) Equity Shares of ₹ 10 each at a price of ₹ 74.50 per share (Rupees Seventy Four and Fifty Paise) i.e. at a premium of ₹ 64.50 per share, aggregating to ₹ 26,07,50,000 (Rupees Twenty Six Crores Seven Lakhs Fifty Thousand Only), for cash consideration, on a preferential basis.

#### **ii) Kinds of securities offered and the price at which security is being offered**

The Board of Directors in its meeting held on 24<sup>th</sup> November, 2020, has approved the proposal of making preferential allotment of 35,00,000 (Thirty Five Lakh) Equity Shares of ₹ 10 each to Promoter(s) at a price of ₹ 74.50 (Rupees Seventy Four and Fifty Paise) per Equity Share. The minimum price of ₹ 73.96 is arrived at in accordance with the Regulation 164B under Chapter V of ICDR Regulations, 2018 as amended vide SEBI Circular dated 1<sup>st</sup> July, 2020 ("Minimum Issue Price").

#### **iii) Objects of the Preferential Issue and aggregate amount proposed to be raised**

The Company plans to issue Equity Shares to Promoter(s) on preferential issue basis and proceeds from preferential issue will be utilized to augment

the working capital requirements of the Company and other corporate purposes. In view of this, it is proposed to raise ₹ 26,07,50,000 (Rupees Twenty Six Crores Seven Lakh Fifty Thousand Only).

(iv) **Relevant date** : The Relevant date as per the ICDR Regulations, 2018 for the determination of the price per Equity Share pursuant to the preferential allotment is 23<sup>rd</sup> November, 2020, ("Relevant Date") (i.e. 30 days prior to the date of proposed Extraordinary General Meeting which is 23<sup>rd</sup> December, 2020), to approve the proposed preferential issue

(v) **Basis on which the price has been arrived at and justification for the price (including premium, if any)**

The Equity Shares of the Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (together referred to as the "Stock Exchanges"). The Equity Shares are frequently traded in terms of the SEBI ICDR Regulations and NSE, being the Stock Exchange with higher trading volumes for the said period, has been considered for determining the floor price in accordance with the SEBI ICDR Regulations.

The Company is listed on BSE and NSE and the price above is determined on the basis of the quotes available on the NSE wherein the Company shares are traded highest in volume, during the preceding 12 weeks prior to the relevant date. For the computation of the price per Equity Shares and in terms of ICDR Regulations the equity shares shall be allotted a price not less than higher of the following:

- Average of the weekly high and low of the volume weighted average prices of the Equity Shares of the Company quoted on the exchange, during the twelve weeks preceding the Relevant date or
- Average of the weekly high and low of the volume weighted average prices of the Equity Shares of the Company quoted on the exchange, during the two weeks preceding the Relevant date

The minimum price as per the pricing formula prescribed under Regulation 164B of chapter V of ICDR Regulations, 2018 as amended vide SEBI Circular dated 1<sup>st</sup> July, 2020 ("Minimum Issue Price") for the preferential issue of Equity Shares is ₹73.96 (Rupees Seventy Three and Ninety Six Paise Only), being higher of (a) the average of the high and low of the volume weighted average price at the National Stock exchange of India Limited for 12 weeks prior to the relevant date viz. ₹ 71.05 (Rupees Seventy One and Five Paise Only) and (b) the average of the high and low of the volume weighted average price at the National Stock exchange of India Limited for 2 weeks prior to the relevant date viz. ₹ 73.96 (Rupees

Seventy Three and Ninety Six Paise Only). The Issue price of the Equity shares is ₹ 74.50 (Rupees Seventy Four and Fifty Paise Only) per Equity Share which is more than the aforesaid minimum price.

proposed to be issued under the Preferential Issue or otherwise contribute to the Preferential Issue or separately in furtherance of the objects specified herein above.

**(vi) Intent of the Promoters, Directors or Key Managerial Personnel of the Company to subscribe to the Preferential Issue; contribution being made by the Promoters or Directors either as part of the Preferential Issue or separately in furtherance of the objects**

The Equity Shares shall be issued to Shri Ved Prakash Agarwal, the Promoter of the Company. Shri Ved Prakash Agarwal has indicated its intention to subscribe to the Equity Shares on Preferential basis. None of the Directors or Key Managerial Personnel of the Company except Shri Ved Prakash Agarwal intends to subscribe to any of the Equity Shares

**(vii) Timeframe within which the allotment shall be completed**

As required under the ICDR Regulations, 2018, the preferential issue/allotment of Equity Shares shall be completed within a period of 15 days of passing the special resolution or such extended time, as may be approved by the Regulatory Authorities, from the date of approval of the members to the preferential issue, provided that where the said allotment is pending on account of pendency of any approval for such allotment by any Regulatory Authority, the allotment shall be completed within a period of 15 days from the date of receipt of such approval.

**(viii) Equity Shareholding Pattern before and after the Preferential Issue:**

Sr. No	Particulars	Pre-issue shareholding		* Post issue shareholding	
		No. of shares	Percentage to total shareholding	No. of shares	Percentage to total shareholding
<b>A</b>	<b>Promoter &amp; Promoter Group Shareholding</b>				
	Individual	559972	2.74	4059972	16.97
	Body Corporate	6577786	32.22	6577786	27.50
	LLP	823600	4.03	823600	3.44
	<b>Total (A)</b>	<b>7961358</b>	<b>38.99</b>	<b>11461358</b>	<b>47.92</b>
<b>B.</b>	<b>Non Promoter Shareholding</b>				
1.	Institutional				
	Mutual Funds / UTI	5860	0.03	5860	0.02
	Venture Capital Funds	0	0.00	0	0.00
	Alternate Investment Funds	0	0.00	0	0.00
	Foreign Venture Capital Investors	0	0.00	0	0.00
	Foreign Portfolio Investors	57070	0.28	57070	0.24
	Financial Institutions/ Banks	438	0.00	438	0.00
	Insurance Companies	25	0.00	25	0.00
	Provident Funds/ Pension Funds	0	0.00	0	0.00
2.	Non- Institutions				
	Individuals-				
	Individual shareholders holding nominal share capital up to ₹ 2 lakhs	6039975	29.58	6039975	25.25



Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs	1986618	9.73	1986618	8.31
NBFCs registered with RBI/ Bodies Corporate	1060	0.01	1060	0.00
Any Others(Specify)				
Trust	0	0.00	0	0.00
NRIs etc.	195190	0.96	195190	0.82
HUF	310149	1.52	310149	1.30
Bodies Corporates	1422787	6.97	1422787	5.95
IEPF	79211	0.39	79211	0.33
Directors and their relatives	0	0.00	0	0
LLP	2241912	10.98	2241912	9.37
Clearing Members	116701	0.57	116701	0.49
<b>Total (B)</b>	<b>12456996</b>	<b>61.01</b>	<b>12456996</b>	<b>52.08</b>
<b>Total (A) + (B)</b>	<b>20418354</b>	<b>100.00</b>	<b>23918354</b>	<b>100.00</b>

\* The post issue paid-up capital is arrived after considering all the preferential allotment, proposed to be made under this notice and on fully diluted basis.

(ix) Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and / or who ultimately control the proposed allottee; the percentage of post preferential issue that may be held by them and change in control, if any, in the Company, consequent to the preferential issue.

There will be no change in the control of the Company consequent to the said preferential issue. The percentage shareholding in the Company by the proposed allottee, pre and post preferential issue is given below:

S. No.	Name of the Proposed Allottee	Category	Pre-Allotment Shareholding	* Pre Issue % shareholding	No. of Equity Shares proposed to be allotted	# Post Issue % shareholding	Name of the Ultimate Beneficiaries/ Owners
1.	Shri Ved Prakash Agarwal	Promoter	90860	0.32	3590860	15.01	Shri Ved Prakash Agarwal
	Total		90860	0.32	3590860	15.01	—

\* As per the Register of Members of the Company.

#The post issue share holding percentage is arrived after considering all the preferential allotments proposed to be made under this notice and on fully diluted basis.

(x) Lock-in period:

The Equity Shares issued and allotted on a preferential basis to the Promoter(s) hereunder will be subject to lock-in as specified under Chapter V of the ICDR Regulations, 2018.

of the Company and the same shall be open for inspection at the website of the Company viz. www.prakashplastics.in on all working days till the date of the Extra-ordinary General Meeting.

(xi) Auditor's Certificate

A copy of the certificate of the Company's Statutory Auditor certifying that the issue is being made in accordance with the requirements of the ICDR Regulations, 2018 shall be placed before the Members at the Extra-ordinary General Meeting

(xii) Undertaking by the Company

a) None of the Company, its Directors or Promoter have been declared as willful defaulter as defined under the ICDR Regulations. None of its Director or Promoter is a fugitive economic offender as defined under the ICDR Regulations.

- b) The Company is eligible to make the Preferential Allotment to its Promoter under Chapter V of the ICDR Regulations.
- c) The Company hereby undertakes that it shall re-compute the price of the Equity Shares in terms of the provisions of the ICDR where it is required to do so, until the amount so payable is not paid within the time stipulated under ICDR Regulations, the Equity Shares and shall continue to be locked-in till the time such amount is paid by the proposed allottee.
- d) The Equity Shares held by the proposed allottee in the Company are in dematerialized form only.
- e) No person belonging to the promoter / promoter group has previously subscribed to any Equity shares of the Company during the last one year
- f) The Company has complied with the applicable provisions of the Companies Act, 2013. The provisions of Section 62 of the Companies Act, 2013 (as amended from time to time) and the ICDR Regulations provide, *inter alia*, that when it is proposed to increase the issued capital of the Company by allotment of further shares, such shares are required to be first offered to the existing members of the Company for subscription unless the members decide otherwise through a Special Resolution.

**(xiii) SEBI Takeover code:**

In the present case none of the proposed allottee would attract SEBI Takeover Code and therefore is not under obligation to give open offer to the public except making certain disclosures to Stock Exchange.

**(xiv) Other disclosures**

- a) During the period from 23<sup>rd</sup> November, 2019 until the date of Notice of this EGM, the Company has not made any preferential issue of Equity Shares.
- b) Report of the registered valuer is not required under the provisions of second proviso to Rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014 for the proposed Preferential Issue.
- c) Neither Shri Ved Prakash Agarwal nor any member of the promoter group of the Company have sold or transferred any Equity Shares during the six months preceding the Relevant Date.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the above referred resolution in item No.1 except to the Promoter / Promoter Group entities.

The Board recommends the Resolution set out at Item No.1 for your approval.

By order of the Board  
**For Prakash Pipes Limited**

Corporate Office:  
Srivan, Najafgarh - Bijwasan Road  
Bijwasan, New Delhi - 110061

Dated : 24<sup>th</sup> November, 2020  
CIN : L25209PB2017PLC046660

**Sonu Sharma**  
Company Secretary

