

15th January 2018

PRESS RELEASE

UPDATE ON DEMERGER OF PVC PIPES DIVISION

The NSE and BSE have conveyed their “No Objection” in terms of Regulation 94 of SEBI (LODR) Regulation, 2015 to the Draft Scheme of Arrangement between Prakash Industries Ltd and Prakash Pipes Ltd. and their respective Shareholders and Creditors for Demerger of PVC Pipe Business vide their observation letters dated 12th January 2018 and 15th January 2018, respectively.

PROPOSAL TO RAISE FUNDS

The Company had taken enabling approvals/ resolutions to raise funds through issue of adequate securities in Indian and/or International markets including by way of Qualified Institutional Placement (“QIP”), to Qualified Institutional Buyers (“QIB”) and /or other persons for an amount of Rs. 500 Crores (Rupees Five Hundred Crores only) on such terms and conditions and price as may be determined by the Board.

The above approval were taken from the Board of Directors in its meeting dated 24th August’ 2017 and thereafter, from the shareholders through special resolution in its Extra-Ordinary General Meeting dated 23rd September’ 2017.

The purpose of raising funds was to augment the Company’s capital base and financial position, and towards the growth of the business & other general corporate purposes from time-to-time.

In accordance to the above, the Company proposes to raise funds very shortly subject to the required clearances.