

## **General Guidance in respect of Apportionment of the pre-demerger cost of acquisition of the equity shares of Prakash Industries Limited consequent upon effectiveness of the Scheme of Arrangement between Prakash Industries Limited and Prakash Pipes Limited**

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For the purpose of determining the post demerger Cost of Acquisition of equity shares of the Company and New Shares under the Act, the Shareholders are advised to apportion their pre-demerger cost of acquisition of the Company's shares in the following manner:

<b>Name of Company</b>	<b>Classification of shares</b>	<b>% of Cost of Acquisition of Company Shares</b>
Prakash Industries Limited	Original shares held	96.9229%
Prakash Pipes Limited	New Shares allotted pursuant to the Scheme	3.0771%
<b>Total</b>		<b>100.00%</b>

*This communication is merely for the general guidance and benefit of the Shareholders. This guidance should not be considered as a substitute for any independent opinion that the shareholders may obtain at their own discretion. Further, this is based on the representation that the Scheme is in the nature of qualifying demerged in terms of the Section 2(19AA) of the Income Tax Act, 1961, as provided in the Scheme.*

*Please note that if there is a change, including a change having a retrospective effect, in the statutory laws and regulations, the comments expressed in this communication would necessarily have to be re-evaluated in light of the changes. We do not undertake any responsibility of updating this communication at any time in future.*

*The concerned regulatory, statutory or judicial authorities, including any assessing officer / appropriate appellate authority, could take a different view. The Company takes no express or implied liability in relation to this guidance.*

**For Prakash Industries limited**

Sd/-  
**Ashwini Kumar**  
Company Secretary