



## PRAKASH STEELAGE LIMITED

Registered office: 1402, 14<sup>th</sup> Floor, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013  
Tel No: 022-66134500; Fax No: 022-66134599; E-Mail: [investorsgrievances@prakashsteelage.com](mailto:investorsgrievances@prakashsteelage.com)  
Website: [www.prakashsteelage.com](http://www.prakashsteelage.com) CIN: L27106MH1991PLC061595

### Postal Ballot Notice

[Pursuant to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014]

To  
The Members of Prakash Steelage Limited

**NOTICE** is hereby given pursuant to Section 110 of the Companies Act, 2013 ("the Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) ("the Rules"), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and other applicable laws and regulations for the time being in force, that the Company is seeking consent / approval of the Members of the Company, to pass the proposed resolutions as set out below by means of Postal Ballot:

1. Sub-Division of Equity Shares of the Company;
2. Alteration of the Capital Clause in the Memorandum of Association;
3. Appointment of Mr. Ashok M. Seth, as an Executive Director of the Company;
4. Proposal of dissolution of wholly owned subsidiary Pioneer Stainless and Alloys FZC, UAE; and
5. Approval of the dilution of the Company's equity stake in Tubacex Prakash India Private Limited not exceeding 12.47% by way of sale to Tubacex S.A., Spain

The Explanatory Statement pursuant to Section 102 of the Act setting out the material facts and the reasons thereof is annexed hereto along with the Postal Ballot Form, for your consideration.

The Company has, in compliance with Rule 22(5) of the Companies (Management and Administration) Rules, 2014 appointed Mr. S. Anantha Rama Subramanian, Practising Company Secretary, (FCS: 4443; CP No.:1925), Mumbai, as the Scrutinizer for conducting the Postal Ballot Process in a fair and transparent manner.

The Company is pleased to provide electronic voting ("e-voting") facility as an alternative to its members to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Forms by post. The Company has engaged Central Depository Services (India) Limited ("CDSL") to provide e-voting facility to the Members of the Company. It may be noted that e-voting is optional. If a Member has voted through e-voting facility, he is not required to send the Postal Ballot Form. If a Member votes through e-voting facility and also sends his vote through the Postal Ballot Form, the votes cast through e-voting shall only be considered by the Scrutinizer.

The e-voting facility is available at the link: <https://www.evotingindia.com> from 9.00 a.m. onwards on Tuesday, January 12, 2016 till Wednesday February 10, 2016 upto 5.00 p.m. Please refer to the instructions given for e-voting at the end of this Notice for the purpose and the manner in which e-voting has to be carried out.

Members opting to vote through physical mode i.e., sending the Postal Ballot Form are requested to carefully read the instructions printed on the Postal Ballot Form sent herewith and return the form duly completed and signed in the attached self-addressed postage prepaid envelope so as to reach the Scrutinizer on or before the close of working hours i.e., 5.00 p.m. on Wednesday, 10<sup>th</sup> February, 2016, failing which it will be treated as if no reply has been received from the concerned Member(s).

The Scrutinizer will submit his report to the Chairman or any Director or Company Secretary of the Company on or before 13<sup>th</sup> February, 2016. The result of postal ballot (including e-voting) shall be declared on or before Saturday, 13<sup>th</sup> February, 2016 at the Company's Registered Office. In addition to the results being communicated to the BSE Limited and the National Stock Exchange of India Limited, it shall also be displayed at the Company's Registered Office and would also be ported on the Company's website at [www.prakashsteelage.com](http://www.prakashsteelage.com).

#### Item No. : 1

##### Sub-Division of Equity Shares of the Company

To consider and, if thought fit, to give assent or dissent to the following resolution proposed to be passed as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 61 (1) (d) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the Securities and Exchange Board of India (SEBI), National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE) and such other authorities as may be necessary, approval of the members of the Company be and is hereby accorded for subdividing the Equity Shares of the Company, including the paid-up shares, such that, each existing fully paid-up 1,75,00,039 Equity Shares of nominal value of Rs.10/- (Rupees Ten only) each be sub-divided into 17,50,00,390 Equity Shares of nominal value of Re.1/- (Rupee One only) each, and consequently, the Authorised Shares of the Company of 2,00,00,000 Equity Shares of nominal value of Rs.10/- (Rupees Ten only) each be sub-divided into 20,00,00,000 Equity Shares of Re.1/-(Rupee One only) each."

**"RESOLVED FURTHER THAT** pursuant to the sub-division of Equity Shares of the Company, each existing paid-up Equity Shares of the Company of the nominal value of Rs.10/- (Rupees Ten only) each as existing on the Record Date, shall stand sub-divided into 17,50,00,390 Equity Shares of nominal value of Re.1/-(Rupee One Only) each fully paid-up with effect from the Record Date."

**“RESOLVED FURTHER THAT** upon the sub-division of the Equity Shares as aforesaid, the existing Share Certificate(s) in relation to the existing Equity Shares of the face value of Rs. 10/- each held in physical form, if any, shall be deemed to have been automatically cancelled and the Board be and is hereby authorised to recall the same from the shareholders, if necessary, and to issue new shares certificates in lieu thereof, with regard to sub-divided equity shares in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 and in the case of the Equity Shares held in the dematerialized form, the sub-divided Equity Shares shall be credited to the respective beneficiary accounts of the members with their Depository Participants and the Company shall take such corporate actions as may be necessary in relation to the existing Equity Shares.”

**“RESOLVED FURTHER THAT** any one Director or the Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary and to file necessary e-Form(s) with Ministry of Corporate Affairs and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board to any Committee thereof in this connections.

**Item No. : 2**

**Alteration of the Capital Clause in the Memorandum of Association**

To consider and, if thought fit, to give assent or dissent to the following resolution proposed to be passed as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 13 and 61 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members of the Company be and is hereby accorded for the alteration and substitution of the existing Clause V of the Memorandum of Association of the Company with the following new clause V and shall stand thereof:

V. Authorized Share Capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crore only) divided into 20,00,00,000 (Twenty Crore only) Equity Shares of Re. 1/- (Rupee One Only) each.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company or any Committee thereof be and is hereby authorised to do perform and execute all such acts, matters, deeds and things as it may consider necessary, expedient, usual or proper to give effect to this resolution, including but not limited to filing of necessary forms with the Registrar of Companies and to comply with all other requirements in this regard and for any matters connected herewith or incidental hereto.”

**Item No. : 3**

**To approve the appointment of Mr. Ashok M. Seth, as an Executive Director of the Company**

To consider and, if thought fit, to give assent or dissent to the following resolution proposed to be passed as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197 and other applicable provisions if any, of the Companies Act, 2013 read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the Company hereby approves the appointment of Mr. Ashok M. Seth (DIN : 00309706) as an Executive Director of the Company for a period of 5 years w.e.f. 29<sup>th</sup> December, 2015 at such remuneration and on the terms and conditions, as per the Explanatory Statement attached to this notice, with liberty to the Board of Directors to vary, amend or revise the remuneration within the maximum ceiling and the terms and conditions of the appointment in accordance with the provisions of the Act, and as may be agreed to between the Board of Directors and Mr. Ashok M. Seth.”

**“RESOLVED FURTHER THAT** any one Director or the Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary and to file necessary e-Form(s) with Ministry of Corporate Affairs and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board to any Committee thereof in this connection.”

**Item No. 4**

**To approve the proposal of dissolution of wholly owned subsidiary - Pioneer Stainless and Alloys FZC, UAE.**

To consider and, if thought fit, to give assent or dissent to the following resolution proposed to be passed as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force, and in accordance with the relevant provisions of the Memorandum and Articles of Association of the wholly owned subsidiary - Pioneer Stainless and Alloys FZC, UAE and pursuant to the resolution passed by the Board of Directors of the Company dated 29<sup>th</sup> December, 2015 and subject to the consents, approvals and /or permissions being obtained from appropriate authorities to the extent applicable and necessary, the consent of the members of the Company be and is hereby accorded to the Board of Directors to dissolve the wholly owned subsidiary - Pioneer Stainless and Alloys FZC, UAE on such terms and conditions as may be mutually agreed upon between the Board of Directors of the Company and wholly-owned subsidiary, Pioneer Stainless and Alloys FZC.”

**“RESOLVED FURTHER THAT** the Company do hereby accept the consequent transfer of moveable assets, if any of its wholly owned subsidiary to Prakash Steelage Limited (The Company).”

**“RESOLVED FURTHER THAT** any one Director or the Company Secretary of the Company be and is hereby authorised to do all such acts, deeds and things, which may be necessary including filing of necessary application with Reserve Bank of India and other concerned appropriate authorities in respect of dissolution of the wholly owned subsidiary company situated outside India.”

## Item No. 5

### To approve the dilution of company's equity stake in Tubacex Prakash India Private Limited not exceeding 12.47% by way of sale to Tubacex S.A., Spain.

To consider and, if thought fit, to give assent or dissent to the following resolution proposed to be passed as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or reenactment thereof for the time being in force, the consent of the members of the Company be and is hereby accorded to the Board of Directors to dilute the Company's equity stake in Tubacex Prakash India Private Limited ('the Joint Venture Company') not exceeding 12,47,000 (Twelve Lac Forty Seven Thousand) Equity Shares of Rs. 10/- each equivalent to 12.47%, by way of sale in one or more tranches to Tubacex S.A. Spain ('the Joint Venture Partner') for a consideration as per the Joint Venture Agreement dated 13th February, 2015 and subject to such other approvals, consents, permissions, sanctions of any authorities as may be necessary to the Company to dilute the Company's equity stake.”

**“RESOLVED FURTHER THAT** any one Director or the Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary and to file necessary e-Form(s) with Ministry of Corporate Affairs and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board to any Committee thereof in this connection.”

**For Prakash Steelage Limited**

**Sd/-  
Prakash C. Kanugo  
Chairman & Managing Director  
DIN: 00286366**

**Place: Mumbai  
Date: 29.12.2015**

#### Notes:

1. Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 in respect of all the businesses specified above is annexed.
2. In terms of Section 110 of the Companies Act, 2013 read with the Rule 22 of the Companies (Management and Administration) Rules, 2014, the items of businesses as set out in the Notice are sought to be passed by E- voting & Postal Ballot.
3. Mr. S. Anantha Rama Subramanian, Practicing Company Secretary (FCS: 4443; C. P. No. 1925), Mumbai has been appointed as Scrutinizer for conducting the E-voting/Postal Ballot in accordance with the law in a fair and transparent manner.
4. The Company has engaged Central Depository Services (India) Limited (“CDSL”) to offer E-voting facility to all its members to enable them to cast their votes electronically. This notice is being sent to all the members, whose names appear in the Register of Members/Records of Depositories as on the close of working hours on January 01, 2016 i.e. “the cut-off date”. Voting Rights shall be reckoned on the paid-up value of the shares registered in the name of the members as on the cut-off date. E-voting is optional for members. The Postal Ballot Notice is sent electronically to all the shareholders who have registered their email addresses with the Company/Depositories and to other shareholders by Registered Post / Courier.
5. The Postal Ballot form together with the self-addressed business reply envelope is enclosed for the use of the members. Please read carefully the instructions printed on the enclosed Postal Ballot form before exercising your vote and return the same duly completed, signifying your assent/dissent, in the attached self-addressed business reply envelope, so as to reach the Scrutinizer on or before 05.00 p.m. on Wednesday, 10<sup>th</sup> February, 2016.
6. The details of dispatch of Notice and Postal Ballot Paper to the members will be published in at least one (1) English and one (1) Vernacular language newspaper circulating in Maharashtra.
7. Members are requested to carefully read the instructions printed on the back side of the Postal Ballot Form before exercising their vote.
8. The Scrutinizer will submit his report of the votes polled through E-voting/ Postal Ballot, to the Chairman or any Director or Company Secretary. The Chairman will, or in his absence, any Director or Company Secretary will, announce the results of Voting by Postal Ballot on or before Saturday, February 13, 2016 and the resolutions will be taken as passed effectively on the date of announcement of the results by Chairman or Director or Company Secretary as the case may be. The Scrutinizer's decision on the validity of the votes cast through E-voting/Postal Ballot shall be final. The Results of the E-voting/Postal Ballot will be displayed at the Registered Office, ported on the Website of the Company [www.prakashsteelage.com](http://www.prakashsteelage.com) and intimated to the Stock Exchanges on which the shares of the Company are listed.
9. Any query/grievance may please be addressed to Ms. Shruti Zope, Company Secretary with respect to the voting by Postal Ballot including voting by electronic means at: **Email id: [cs@prakashsteelage.com](mailto:cs@prakashsteelage.com) or Tel.: 022-6613 4500; Fax: 022-6613 4599**

**Instruction for e-voting**

The instructions for members for voting electronically are as under:

**(A) In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select "**Prakash Steelage Limited**" from the drop down menu and click on "SUBMIT"
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) 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) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>• In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant "**Prakash Steelage Limited**" on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts 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.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**(B) In case of Members' receiving Postal Ballot Form by Post and desiring to cast e-vote:**

- (i) Initial password is provided at the bottom of the Postal Ballot Form.
- (ii) Please follow all steps from Sl. No. (i) to Sl. No. (xiv) of (a) above, to cast vote.



- (c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the Downloads section of : <http://www.evotingindia.com>
- (d) If you are already registered with CDSL for e-voting then you can use your existing user ID and password for casting your vote.
- (e) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

## **EXPLANATORY STATEMENT**

*(Pursuant to the Provisions of Section 102 of the Companies Act, 2013)*

### **Item No. 1**

In order to improve the liquidity of your Company's Equity Shares in the Stock Markets with higher floating stock in absolute numbers and to make them more affordable for the small retail investors to invest in the Company, the Board of Directors of the Company (the Board), at its Meeting held on 29<sup>th</sup> December, 2015, have approved the proposal for sub-division (stock split) of each Equity Share of the Company having a Face value of Rs. 10/- each into 10 (Ten) Equity Shares of the face value of Re. 1/- (Rupee One Only) each, subject to the approval of members and all the statutory authorities concerned.

The Company's Equity Shares are listed on BSE Limited and National Stock Exchange of India Limited. The Board of Directors of the Company or any committee of the Board is authorised to fix the Record Date for the aforesaid sub-division of the Equity Shares.

As per the provisions of Section 61 (1)(d) of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the Shareholders is required for sub-division of shares. Hence, the said resolution, as set out under Item No. 1 of the Notice, is hereby recommended for your approval to be passed as an Ordinary Resolution.

All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days between 2.00 pm and 5.00 pm up to the last date of the receipt of the postal ballot.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in passing the resolution as set out at Item No. 1 except to the extent of shareholding in the Company, if any.

### **Item No. 2**

Considering the sub-division of Equity Shares of the Company, it is necessary to alter the Clause V of the Memorandum of Association of the Company. The existing Authorised Share Capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crore Only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs.10/- (Rupees Ten Only) each out of which the Issued, Subscribed and Paid-Up Equity Share Capital consists of 1,75,00,039 (One Crore Seventy Five Lakh Thirty Nine) Equity Shares of Rs.10/- (Rupees Ten Only) each.

The change made to the Memorandum of Association pertains to change in the Authorised Share Capital of the Company from Rs.20,00,00,000/- (Rupees Twenty Crore Only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs.10/- (Rupees Ten Only) each to Rs.20,00,00,000/- (Rupees Twenty Crore Only) to be divided into 20,00,00,000 (Twenty Crore) Equity Shares of Face Value of Re. 1/- (Rupee One Only) each and post completion of necessary formalities with the authorities, the Issued, Subscribed and Paid-Up Equity Share Capital shall consist of 17,50,00,390 (Seventeen Crore Fifty Lakh Three Hundred Ninety) Equity Shares of Re.1/- (Rupee One Only) each.

A copy of the existing Memorandum of Association as well as the specimen of the amended Memorandum of Association of the Company is available for inspection by members at the Registered Office of the Company on all working day between 02.00 p.m. and 05.00 p.m. upto the last date of the receipt of postal ballot.

As per the provisions of Section 13, 61 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Shareholders is required for amending the Memorandum of Association of the Company. Accordingly the said resolution, as set out under Item No. 2 of the Notice, is hereby recommended for your approval to be passed as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in passing the resolution as set out at Item No. 2 except to the extent of shareholding in the Company, if any.

### **Item No. 3**

The Board of Directors of the Company at their meeting held on 29<sup>th</sup> December, 2015 have approved the appointment of Mr. Ashok M. Seth as an Executive Director for a period of 5 years effective from 29<sup>th</sup> December, 2015 to 28<sup>th</sup> December, 2020, as approved by the Nomination and Remuneration Committee of the Company.

Mr. Ashok M. Seth was actively involved in the management of the Company, however, in terms of Clause 8.1 of the Joint Venture Agreement executed between the Company and Tubacex S.A., Mr. Ashok M. Seth, resigned as the Whole-Time Director and Chief Financial Officer of the Company on 01<sup>st</sup> August, 2015 and subsequently re-joined as and an Executive Director effective from 29<sup>th</sup> December, 2015 on the following terms and conditions, which have been placed before the members of the Company for their consideration and approval.

## Option-A

### Remuneration:

- (a) Basic Salary: Rs. 1,00,000/- per month, with liberty to the Board of Directors to increase the salary from time to time viz., Rs. 1,00,000/- - Rs. 15,000/- - Rs. 1,15,000/- - Rs. 25,000/- – Rs. 1,40,000/-.
- (b) Incentives within the overall ceiling limits as specified under Companies Act, 2013.
- © Allowances/perquisites: As under

### CATEGORY: A

1. The Company shall provide House Rent Allowance subject to a maximum of 50% of the salary or house accommodation and 10% of salary shall be recovered by way of rent. Expenditure incurred by the Company on his electricity, water and furnishing shall be evaluated as per Income Tax Rules, 1962, subject to a ceiling of 10% of salary.
2. Re-imbursalment of medical expenses of an Executive Director and his family, the total cost of which to the Company shall not exceed one month's salary in the year or three months salary in a block of three years.
3. Leave travel assistance: Expenses incurred for self and family in accordance with the Rules of the Company.
4. Club Fees: subject to a maximum of two clubs, this will not include admission and life membership.
5. Personal accident insurance premium not exceeding Rs. 8,000/- p.a.

**NOTE:** For the purpose of perquisites stated in Category "A" above, "Family" means the spouse, the dependent children and dependent parents of the appointee.

### CATEGORY B:

1. Employers Contribution: to Provident Fund as per the Rules of the Companies Act, 2013.
2. Gratuity: As per rules of the company, subject to a maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.
3. Leave encashment: up to 15 days salary for every one year completed service as per the rules of the Company.

Provided that the above said perquisites shall not be counted for the purpose of Calculation of the remuneration payable to the Whole-time Director.

### CATEGORY C:

Car : The Company shall provide car with driver for the Company's business and if no car is provided reimbursement of the conveyance shall be made as per actual on the basis of claims submitted by him.

Telephone & Cell : Free use of telephone at his residence and Cell phone, internet and other communication facilities, provided that the personal long distance calls on the telephone shall be billed by the Company to the Executive Director.

The aggregate of the Remuneration for a financial year by way of salary, dearness allowance, perquisites, commission, and other allowances, shall not exceed 5% of Company's profits in a financial year, for Mr. Ashok M. Seth and, if there is more than one managerial persons in the Company, then 10% for all of them together;

OR

## Option-B

**Minimum Remuneration:** In the event of loss or inadequacy of profits in any financial year, during the currency of the term of Mr. Ashok M Seth, Executive Director of the Company, the remuneration payable to him will be subject to a maximum ceiling as per the Section II of Part II of Schedule V to the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and in accordance with the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors of the Company from time to time.

The Board recommends the resolution as set out in Item No. 3 of the accompanying notice for the approval of the members of the Company as an Ordinary Resolution.

Copy of all the documents mentioned herein above, would be available for inspection by the shareholders at the Registered Office of the Company on all working days between 02.00 p.m. and 05.00 p.m. up to the last date of the receipt of the postal ballot.

Except Mr. Ashok M. Seth and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are, concerned or interested, financially or otherwise, in passing the resolution as set out at Item No.3 except to the extent of shareholding in the Company, if any.

Details of Director seeking appointment / re-appointment as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2.

Name	Mr. Ashok M Seth
DIN	00309706
Date of Birth	11/05/1973
Date of appointment/reappointment	29 <sup>th</sup> December, 2015
Relationship with other Directors inter-se	Not Related to any Managerial Personnel.
Qualification & Experience in specific functional area	Mr. Ashok M Seth has done F.Y.B.Com and has around 20 years of Experience in trading and manufacturing of stainless steel pipes and tubes.
Directorships held in other companies (Including Private Companies)	7
Memberships/ Chairmanships of Committee in other public limited companies (includes only Audit & Shareholders' / Investors' Grievance Committee)	Nil
Shareholding, if any, in the Company	Refer Annexure A
Shareholding of relatives in the Company	Refer Annexure A
Terms and conditions of appointment along with details of remuneration sought to be paid	The terms and conditions of appointment along with details of remuneration sought to be paid have been mentioned in the explanatory statement.
Remuneration last drawn	Rs.13,86,655/- per annum

#### Annexure A

The shareholding of Mr. Ashok M. Seth, his relatives and the Promoter Group Company in Prakash Steelage Limited are as follows:

S.No.	Name	Number of Shares held	% of Shares held
1	Mr. Ashok M Seth	4,48,400	2.56
2.	Mafatlal Chogamal Seth	50,000	0.29
3.	Seth Ashok Mafatlal (HUF)	50,000	0.29
4.	Mafatlal Chogamal Seth (HUF)	50,000	0.29
5.	Mrs. Dheliben Mafatlal Seth	50,000	0.29
6.	Mrs. Nirmla Ashok Seth	50,000	0.29
7.	AMS Trading and Investment Private Limited (Mr. Ashok M. Seth holds 82,000 Equity Shares in AMS Trading and Investment Private Limited)	28,76,000	16.43
8.	Seth Iron and Steel Private Limited (Mr. Ashok M. Seth holds 8000 Equity Shares in Seth Iron and Steel Private Limited)	14,90,000	8.51
9.	Seth Steelage Private Limited (Mr. Ashok M. Seth holds 1,54,000 Equity Shares in Seth Steelage Private Limited)	1,10,874	0.63
	<b>Total</b>	<b>5,175,274</b>	<b>29.57</b>

#### Item No. 4

Considering the sluggish market conditions and frequent disturbances resulting in unprecedented economic uncertainty especially in the steel industry, fall in export of seamless business and unfavorable market for welded business activities, the Board of Directors at its meeting held on 29<sup>th</sup> December, 2015, have proposed to dissolve its wholly-Owned Subsidiary Pioneer Stainless and Alloys FZC, UAE pursuant to Article No. 11 of the Articles of Association of Pioneer Stainless and Alloys FZC, UAE and to use the fund invested in the Wholly-Owned Subsidiary for the benefit of Prakash Steelage Limited (Holding Company).

The Board recommends the resolution as set out in Item No. 4 of the accompanying notice for the approval of the members of the Company as a Special Resolution.

Copy of all the documents mentioned herein above, would be available for inspection by the shareholders at the Registered Office of the Company on all working days between 02.00 p.m. and 05.00 p.m. up to the last date of the receipt of the postal ballot.

None of the Directors/ Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in passing the resolution set out at Item No.4 except to the extent of their shareholding in the Company, if any.

**Item No. 5**

Further to the approval of Members of the Company on March 30, 2015 vide. Special Resolution passed by way of Postal Ballot, the Board of Directors of the Company entered into a Joint Venture Agreement with Tubacex S.A., Spain and incorporated Tubacex Prakash India Private Limited ("JV Company") and invested Rs. 324.70 Lac towards the Equity Share Capital of the JV Company, resulting in holding of 32.47% by Prakash Steelage Limited and 67.53% by Tubacex S.A., Spain.

In order to reduce the Company's debts and the interest burden thereof, the Board of Directors of the Company have proposed the dilution of Prakash Steelage Limited Equity holding in the Tubacex Prakash India Private Limited by way of sale of not exceeding 12,47,000 (Twelve Lac Forty Seven Thousand) Equity Shares of Rs.10/- each equivalent to 12.47% in one or more tranches, out of the existing 32.47% stake in the JV Company to Tubacex S.A, Spain, subject to approval of members of the Company as proposed in the resolution, as per the valuation from time to time of sale of the said shares and the terms and conditions of the Joint Venture Agreement dated 13th February, 2015.

The Board recommends the resolution as set out in Item No. 5 of the accompanying notice for the approval of the members of the Company to be passed as a Special Resolution.

None of the Directors/ Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in passing the resolution set out at Item No.5 except to the extent of their shareholding in the Company, if any.

**For Prakash Steelage Limited**

**Sd/-  
Prakash C. Kanugo  
Chairman & Managing Director  
DIN: 00286366**

**Place: Mumbai  
Date: 29.12.2015**